

ITEM 1: COVER PAGE

Part 2A of Form ADV: Firm Brochure

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September 1, 2015

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This brochure provides information about the qualifications and business practices of SpiderRock Advisors LLC. If you have any questions about the contents of this brochure, please contact us at SRASupport@SpiderRockAdvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about SpiderRock Advisors LLC also is available on the SEC's website at www.adviserinfo.sec.gov. SEC registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the adviser has attained a particular level of skill or ability.

ITEM 2: MATERIAL CHANGES

Since the SpiderRock Advisors LLC March 31, 2015 Annual filing, there have been material changes to the firm's Brochure. The following is a summary of the material changes set forth herein that have been made to this Brochure since the annual submission:

1. Disclosure added regarding SRA's addition to Sub Advisory Solutions and Private Proprietary Investment Funds including serving as manager and advisor for these private funds. Additional disclosure added in the applicable sections.
2. Disclosure added regarding SRA's addition of Private Investment Funds and Sub-Advisory Accounts which include higher and additional fees. Additional disclosure added in the applicable sections.
3. Disclosure added regarding SRA's addition of the Proprietary Private Funds and the performance fees associated with them. Additional disclosure added in the applicable sections.
4. Disclosure added regarding SRA's addition of new client types: Sub Advisory Solutions and Private Proprietary Investment Funds which include serving as manager and advisor for these proprietary private funds. Additional disclosure added in the applicable sections.
5. Disclosure added regarding SRA's addition of Sub Advisory Solutions and Private Proprietary Investment Funds which detail some of the material additional risk associated with the private funds and strategies. Additional disclosure added in the applicable sections.
6. Disclosure added regarding SRA's addition of Private Proprietary Investment Funds and conflicts of the outside activities by affiliates and/or directors, partners, managers, members, officers and employees (collectively, the "Firm") which details some of the additional conflicts associated with the activities and affiliations. Additional disclosure added in applicable sections.
7. Disclosure added regarding SRA's addition of Private Proprietary Investment Funds and the added Conflicts of Interest as the result of participation in client transactions and personal trading. Additional disclosure added in applicable sections.
8. Disclosure added regarding SRA's addition of Private Proprietary Investment Funds and the added Conflicts of Interest regarding brokerage practices including the allocation of Investment Opportunities. Additional disclosure added in applicable sections.

9. Disclosure added regarding SRA's addition of Private Proprietary Investment Fund Accounts and the respective account review and reporting process. Additional disclosure added in applicable sections.
10. Disclosure added regarding SRA's addition of Private Proprietary Investment Fund Accounts and the respective address of Constructive Custody and the required third party surprise audit reporting to evaluate the firm's internal controls and safeguards of client assets. Additional disclosure added in applicable sections.
11. Disclosure added regarding the addition of new, key employees for SRA, including a new Chief Compliance Officer, as well as a Chief Investment Officer.

ITEM 3: TABLE OF CONTENTS

Table of Contents

ITEM 1:	COVER PAGE	1
ITEM 2:	MATERIAL CHANGES	2
ITEM 3:	TABLE OF CONTENTS.....	4
ITEM 4:	ADVISORY BUSINESS	5
ITEM 5:	FEEES AND COMPENSATION	9
ITEM 6:	PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	14
ITEM 7:	TYPES OF CLIENTS.....	15
ITEM 8:	METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	15
ITEM 9:	DISCIPLINARY INFORMATION	29
ITEM 10:	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	30
ITEM 11:	CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	32
ITEM 12:	BROKERAGE PRACTICES.....	37
ITEM 13:	REVIEW OF ACCOUNTS.....	41
ITEM 14:	CLIENT REFERRALS AND OTHER COMPENSATION.....	43
ITEM 15:	CUSTODY	44
ITEM 16:	INVESTMENT DISCRETION	45
ITEM 17:	VOTING CLIENT SECURITIES	46
ITEM 18:	FINANCIAL INFORMATION	47

ITEM 4: ADVISORY BUSINESS

Overview

SpiderRock Advisors, LLC “hereafter “SRA”) is an investment advisor registered with the U.S. Securities and Exchange Commission (“SEC”) and is principally controlled, operated, and owned by SpiderRock Holdings, LLC, a Chicago, Illinois based Limited Liability Company. The firm was founded in March of 2013.

SRA seeks to provide an automated investment sub-advisory and strategy management service exclusively to asset managers, registered investment advisors, other fiduciaries (“Advisor”), and Private Investment Funds for use with Advisors’ clients (each a “Client”). SRA seeks to automate the construction, implementation, and strategy monitoring of proprietary and third party alternative investment strategies to Client accounts using state-of-the-art technology and advanced algorithms as key components in strategy construction and implementation. SRA also serves other institutional clients such as independent broker dealers, wealth managers, and banks. SRA advisory services are made available by SRA through each Client’s independent Advisor or sponsoring organization and/or client custodian who are responsible for determining which services and programs of SRA to utilize with its Clients.

SRA provides Advisors with a focused set of investment advisory, trade implementation, and account services, including investment and portfolio management (“Sub Advisory”), access to third party alternative asset manager models (“Alternative Model Program”), and other critical services for fiduciaries and managed accounts (“Managed Services”), which offered together constitute “the SRA Platform”. The centerpieces of the SRA Platform offerings are its collective investment, trading and technical experience, the technology we use, data infrastructure, and our automated workflows.

For all services made available through the SRA Platform, the Advisor shall compile pertinent financial and demographic information of the end Client to develop an investment plan that will meet the Client’s goals and objectives. The Advisor will be responsible to allocate the Client’s assets among the different options on our SRA Platform, and determine the suitability of the investment options for each Client. The Advisor will have the responsibility to determine their client’s suitability, investment objectives, risk tolerance and other relevant information. For all investment options on the Platform, the Client of the Advisor directly owns the underlying instruments traded as part of the Platform’s investment services.

In addition to its automated investment sub-advisory and strategy management service, SRA also acts as the investment manager and advisor providing discretionary investment management services to privately offered proprietary investment vehicles, as further described below.

As of December 31, 2014 SRA had discretionary assets under management of \$134,084,270.

Investment and Trading Sub Advisory Solutions

The proprietary investment strategies we seek to deliver consists of a managed overlay strategy to client portfolios, which collectively, and in conjunction with the clients underlying portfolio, can potentially be an efficient means to achieving greater risk adjusted portfolio returns, enhanced yields, or serve as a hedge to certain specific risks inherent in a client's underlying portfolios.

SRA overlay strategies are designed to mitigate risk and augment yield in a client portfolio. We generally provide investment advice and implement strategies that utilize listed derivatives, namely listed equity and index options, although we may offer advice on a wide range of securities, including, and not limited to other exchange listed securities.

All SRA Services are offered on a discretionary basis only. As part of the Sub Advisory service enrollment process, the Advisor selects and authorizes SRA to place trades on their client's behalf using the idea recommendations generated through SRA's technology and algorithms, which are based on the information, risk, client objectives, portfolio holdings, and financial information provided by the Advisor to SRA.

Sub-Advised Accounts

SRA may act as sub-adviser in the future to a number of proprietary separate accounts, U.S. registered investment companies and funds, non- U.S. funds, including funds registered under the securities laws of offshore jurisdictions, unaffiliated commingled investment vehicles and private investment vehicles managed by affiliated and unaffiliated investment advisers (collectively, the "Sub-Advised Accounts"). With respect to the SRA private funds, Clients should refer to each fund's private offering memorandum, constitutional documents, subscription agreement and other private offering materials (the "Offering Documents") or other specific Private Fund documentation for additional information.

Alternative Model Program

Through our Alternative Model Program, SRA makes available a carefully selected roster of investment strategies of third party alternative asset managers or model managers ("Model Managers"), whereby the Model Manager constructs an asset allocation and selects the investments for each portfolio. A "Model" consists of a defined investment strategy as created by the Model Managers, along with defining the associated weights and holdings and signals that make up a given trading or investment strategy. The responsibilities of the Model Managers are limited to providing generalized, non-discretionary investment advice.

SRA performs the strategy management of the third party Models by implementing the specific guidelines and risk parameters and rules of the strategies for each account, along with the generation of respective trade orders, and periodically updating and rebalancing of each Model pursuant to the rules of the Model Manager's model strategies. SRA accomplishes this by utilizing technology, automated processes, and trade order algorithms.

In our provision of the Alternative Model Program, SRA requires discretionary authority to implement the investment instructions specified by the Model Manager. This authority is in addition to the Advisor, who maintains at all times full discretionary authority over its client accounts. With this authority SRA will monitor systems to assess ongoing conformity to the Model Manager strategy selected by Advisor. If account varies from the Strategy beyond the risk parameters and rules specified by the Model Manager, SRA will make appropriate and necessary adjustments to bring accounts back into conformity.

Pursuant to a licensing agreement entered into with the Model Manager, SRA provides strategy implementation of the Models, including trading of the model strategies, and also performs administrative and risk management duties pursuant to the proper implementation of the Models according to the signals of the Model Manager.

In our capacity of strategy management of the Alternative Model Program, SRA also performs ongoing institutional investment research and ongoing evaluation, coordination, and due diligence of Alternative Asset Managers and their investment models. Only the Model Managers whom SRA finds appropriate for the SRA Platform and are approved by SRA will be available to Advisor and their Clients, and SRA maintains final authority to replace existing Model Managers or hire others, and cannot guarantee the continued availability of Models created by particular Model Providers. Model Managers are evaluated using data and information from several sources. Among the types of information analyzed are historical performance, investment philosophy, and investment style.

Throughout the relationship, Advisor solely determines whether strategies available via our SRA Platform are appropriate for its Clients. The Advisor is responsible for selecting Model Managers available via our SRA Platform, and the Advisor may terminate our advisory services and the SRA platform as detailed in Item 5: Account Termination. SRA, in conjunction with the Model Manager, will provide appropriate information to Advisors regarding the investment discipline and/or general approach for the Model Managers, and changes that may occur. The Advisor is ultimately responsible for reviewing the performance of Model Managers and making recommendations to its Clients.

Private Investment Funds

SRA currently acts as the investment manager and advisor providing discretionary investment management services to privately offered proprietary investment vehicles, also known as, Private Proprietary Investment Funds (collectively "Private Funds"). For these funds and other potential future Private Funds that SRA advises to, affiliates of the firm may also serve as officers, directors or other persons authorized to facilitate the operation of the Private Funds. In some cases, SRA may serve as an adviser or sub-adviser to Private Funds that are organized, managed or sponsored by entities that are not affiliated with SRA. Unlike open and closed-end mutual funds that are registered with the SEC under the Investment Company Act of 1940, as amended (the "Investment Company Act"), the Private Funds are not registered as investment companies with the SEC and are therefore not

subject to various provisions of the Investment Company Act. Also, unlike Registered Funds, shares or interests in the Private Funds are not registered for sale under the Securities Act of 1933 and are instead sold to qualified investors who meet certain criteria on a private placement basis.

Managed Services

As part of our SRA Platform, SRA offers a variety of ancillary services critical to managing and affecting alternative investment strategies, and include:

- ***Strategy Implementation and Trading***
Automated portfolio construction and risk management of investment strategies, trade order generation and algorithmic routing of model orders for the benefit of advisors and their clients. Under authorization granted to SRA, jointly by Client thru their Advisor, SRA shall provide trade order generation and implementation for the purchase and/or sale of securities in the accounts, in accordance with the terms and conditions stated in the relevant customer agreement with such firms. Leveraging our technology infrastructure and our automated workflows allows us to implement, allocate, and manage strategies and model trades on a dynamic basis, across any number of separate accounts, custodians, and strategies.
- ***Account Trade Allocations and Custodian Connectivity***
Integrated back and middle office support outsourcing for advisors and sponsors of assets, including interfacing with Client's custodian to monitor daily account holdings, trade order allocations, and trade order facilitation to an Advisors client accounts, along with daily trade break checks and position reconciliation. We regularly trade large quantities of stocks and options and, therefore, maintain systems that monitor client trade and trade allocation records. Our systems monitor intraday executions by polling execution tables, and also away trade drops. We process reports to the custodian, prime broker, and Advisor showing trade allocations to client accounts both in real time and at end of day, and cross reference the T+1 start of day positions versus our prior day records. Break checks are performed before the market open.
- ***Business and Investment Consulting***
SRA may also furnish advice and consultation to institutional clients on matters involving option and other derivative strategies, options trading idea generation, derivative trading technology, and risk offset. SRA may make its technology platform available to certain Advisors, banks or asset managers for them to manage their own advisory services to Clients. In such cases SRA may be providing investment analysis, trade implementation, account reconciliation and reporting, and other administrative and technology services, and may not be acting in a solely advisory role.

ITEM 5: FEES AND COMPENSATION

Type and Amount of Fees

- ***Investment and Trading Sub-Advisory Solutions***

The standard fee for the SRA Investment and Trading Sub Advisory Solutions is 35 basis points (i.e., 0.35%) of the total assets under management, although the final amount charged may range higher or lower depending on the nature and complexity of the client's investment situation. These asset based fees cover the discretionary portfolio management for clients, including strategy implementation, trade order management, and risk managing and monitoring of client accounts and positions.

Sub-advisory fees are individually negotiated and may vary depending on the account. SRA's fees may be consistent with the basic fee information and terms described above for the type of client (e.g., Separate Accounts, Private Funds); Payment method is generally set forth in the sub-advisory agreement.

SRA may also receive performance fees in its role as sub-adviser to certain Affiliated Funds (as defined below).

- ***Alternative Model Program***

SRA will calculate and bill a Program Fee, which includes the fees charged by the Model Manager and those of SRA. A portion of the Program Fee charged by SRA is paid to Model Managers as compensation based on the assets invested in their respective Models and a portion is retained by SRA. The SRA Platform Fee is conditional based on the Model Managers chosen by Client and their Advisor, and as such the Program Fee is negotiable and expected to range from 35 basis points to 150 basis points, (i.e., 0.35% to 1.50%) of the total assets under management. SRA retains Model Managers for portfolio management services in connection with the Model Program through separate sub advisory agreements entered into between SRA and the Model Manager on terms and conditions that SRA deems appropriate.

- ***Private Funds***

Pursuant to SRA's investment management agreement with each Private Fund, SRA or its designated affiliate will receive an annual management fee that customarily is based on the net asset value of each investor's account in the Private Fund. For some Private Funds, SRA or its affiliate may receive such a fee where the Private Fund achieves a certain preferred return or exceeds a specified performance benchmark. Such fees may be paid monthly or quarterly, in arrears, or in advance, depending on the particular requirements of each Private Fund. Management fees may also be calculated based on aggregate net assets of certain investors in a Private Fund. Certain Private Funds also offer "breakpoints" for fees based on net investment amounts held in an investor's capital account; such breakpoints generally permit SRA to charge lower fees for higher net investment amounts held in a capital account, and higher fees for smaller accounts. For these purposes, a net investment amount is generally calculated based on an investor's contributions, withdrawals

and distributions and is not based on capital appreciation or depreciation in an account.

Management fees for the Private Funds generally range between .55% and 1.50% annually and may be negotiable under certain circumstances, including for affiliates of SRA. Higher or lower management fee rates may apply. SRA or a Private Fund's general partner or managing member or directors, each as applicable, will customarily retain discretion to waive, rebate or calculate differently the management fees as to all or any of the investors in a Private Fund or agree with an investor to waive or alter the management fees as to that investor. Certain Private Funds may elect to waive fees for employees of the Firm who invest in the Private Fund at their discretion. See Item 11.

In addition to management fees, certain Private Funds may permit SRA to receive *performance-based fees or allocations* based on the net capital appreciation (i.e., capital appreciation less capital depreciation) of each investor's account in such funds. For certain Private Funds the performance-based fee or allocation is payable only if, and to the extent that, the net capital appreciation of the investor's account exceeds any net capital depreciation accumulated in the prior performance period (as adjusted for withdrawals of capital). The capital account of SRA or its affiliate, as general partner or managing member of each Private Fund, is not included when calculating any such fees or compensation. Performance fees may be up to 20% of (realized or unrealized) capital gains though a Private Fund may require a higher or lower fee allocation. Depending on the terms of the Private Fund, SRA or the Private Fund's general partner, managing member or, directors, each as applicable, may retain discretion to, waive, rebate or calculate differently the performance based fee as to all or any of the investors in a Private Fund or agree with an investor to waive or alter the performance fee distribution as to that investor. Investors should refer to the applicable Private Fund's Offering Documents for more details related to calculation and payment of fees.

- ***Consulting and Fixed Fees***

On occasion SRA may choose to charge clients a flat fee for certain consulting engagements. Each engagement is independently negotiated as to the nature and complexity of the project involved. Fees for consulting services are generally charged monthly in arrears, although a portion of the the total is sometimes charged in advance per consulting contract.

- ***Negotiability of Fees***

SRA may, in its sole discretion negotiate its fees for its Platform depending upon various factors, including account size, investment strategy being used, responsibilities involved, relationship to SRA, potential growth, and composition of the portfolio.

Fee Calculation and Billing

- ***Investment and Trading Sub Advisory Solutions and Alternative Model Program***
SRA will send Advisor a statement showing the amount of the fees for each month, the principal amount of the assets under management on which the fees were based, and the specific manner in which the fees were calculated. To calculate the amount of assets each of our Advisory Service clients have under management with us, we will aggregate the value of their accounts as allocated to the SRA programs and charge the SRA fee based upon a 365 calendar day year.

For example, assuming an SRA annual account fee of 0.35% and an end of day account value based on closing marks on June 30, 2015 of \$500,000 for a client's aggregate account holdings under management:

The calculated fee for the day of June 30 would be:

$$0.35\%/365 * \$500,000 = \$4.79$$

These daily fees will be accumulated throughout the calendar month (based on most recent close of trading day marks for weekends and holidays) and billed in arrears on the first day of the following month. In certain cases, and according to the billing practices of Advisor, billing may be completed on a quarterly basis in arrears. SRA fees are disbursed by the respective custodian directly to the Advisor or directly to SRA at the direction of Advisor, and as outlined under the terms of the Investment Advisory Agreement.

- ***Sub-Advised Accounts***
Payment of fees may vary depending on the sub-advisory agreement in place.
- ***Private Funds***
Management fees generally will be paid by each Private Fund quarterly or monthly, in advance or in arrears, or in such manner as set forth in the applicable Offering Documents. Where a Private Fund applies a performance fee or allocation, such fee or allocation may be charged at the end of the relevant Private Fund's fiscal year, upon withdrawal by an investor from a Private Fund or at such other times as disclosed in the applicable Offering Documents. Investors should refer to the applicable Offering Documents with respect to calculation and payment of fees.

It is expected that the Fund and its underlying Programs will have varying fee structures. Investors should request, and the Manager will provide, information relating to the specific fees, allocations and other expenses of any Program in which the Investor is interested in investing. Investors should not assume that all Programs have the same structure with regard to fees, allocations, and other expenses.

- ***Other Fees***

Certain fees are not included in the SRA Fees, the most significant of which are the fees charged in private funds by other Sub- Advisor(s). It is important for clients invested in private funds to refer to the private fund's offering documents for additional details on fees. Advisory or Client fees payable to us may not include all the fees Client may pay when we purchase or sell securities for Client Account(s). Each client will incur brokerage costs and may incur other costs pursuant to the terms of their relationship with the executing broker or custodian that custodies the client's accounts. In addition, clients may incur other fees charged by other brokers. SRA is not involved in any way with the establishment of the executing broker's fee structures and receives no remuneration from any executing broker. Please see Item 12 for a further discussion of brokerage practices.

Following is a list of fees or expenses Client may pay directly to third parties, whether a security is being purchased, sold or held in Client Account(s) under our management. Fees charged are by the broker dealer or custodian. We do not receive, directly or indirectly any of these fees charged to you. They are paid to your broker, custodian or other governmental or exchange entities or service providers to the investment you hold. The fees may include, among others:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC and other regulatory fees;
- Advisory fees and administrative fees charged by any Mutual Funds (MF) or Exchange Traded Funds (ETFs)
- Custodial Fees;
- CMTA Fees
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions.

- ***Affiliate Fees***

Certain SRA clients may also be clients of SRA's affiliates. These clients may receive investment management services from SRA and may receive other services from affiliates. SRA and the affiliate will each charge their usual and customary fees to the client. This may result in total costs to the client which are higher than the client would have paid had it obtained all services from either SRA or its affiliate alone or from other unrelated brokers and investment advisers.

- ***SRA Platform Advisory Termination***

Under the Investment Advisory Agreement, the Client via its Advisor generally may terminate the investment advisory contract with SRA at any time by submitting written notice as provided for in the Investment Advisory Agreement. Terminating SRA services may result in liquidation of all securities or options applicable to SRA or Model Manager strategies. If liquidation of securities is required in termination of services, losses could be incurred.

SRA may terminate a client's access to the Sub Advisory Service if we believe a Client or Advisor is in breach of the SRA client agreement. We may terminate access to the Advisory Service in our sole discretion for no reason at all at any time by submitting written notice to the client whose access is being terminated.

If SRA or a client terminates access to the Advisory Service, SRA will charge fees on a pro-rated portion of the subscription fee to each client whose access to the Advisory Service is terminated. For terminations that occur intra-month, the amount of the pro-rated refund will be rounded to the termination day's closing marks.

Valuation for Fee Calculation Purposes

- ***Investment and Trading Sub Advisory Solutions, Alternative Model Program, and Sub Advised Accounts***

In determining the market value of assets to bill on, the total market value of securities purchased on margin is included. This may result in higher advisory fees than would otherwise be charged the client if no margin debit existed in the account. The market value of securities may be valued by unaffiliated third-party service providers which may also serve as custodian and clearing agent for SRA accounts. The market values of securities are generally obtained from various quotation services. In rare circumstances, securities may be valued in whole or in part based upon internally generated values furnished by a group within SRA as may be designated from time to time. As SRA's compensation is generally based on the net asset value of an account, a conflict arises when SRA is valuing the assets held in an account rather than a third-party valuation firm. To mitigate that conflict, SRA has adopted methodologies designed to result in securities valuations that in its judgment reflect the market prices of the securities at such time. In such instances, there is no guarantee that such price will be obtained. Prices are provided only as a general guide to portfolio value. Total value of client accounts does not include unpriced securities.

- ***Private Funds***

Private Fund assets are valued according to valuation policies set forth in the relevant Private Fund's confidential private offering memorandum and other Offering Documents. Generally, a Private Fund will retain a third-party administrator to provide various administrative services to the funds. These services include assisting SRA in calculating each Private Fund's net asset value ("NAV") as well as other administrative services on behalf of the funds. Investors should refer to the applicable Offering Documents for more information with respect to the valuation of Private Fund assets.

The market values of the assets of the Private Funds are generally obtained from various third-party quotation services. For positions held by Private Funds in which there is no readily available third party pricing or as to which SRA or the fund's general partner, managing member or trustee believes third-party pricing does not

accurately reflect the fair value of these positions, fair value may be determined for the Private Fund in reliance on the Firm's policies governing fair valuation and as permitted by the Private Fund's Offering Documents, The Fund's administrator, and applicable law.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

"Performance-Based Fees" are fees that are based on a share of the capital gains or capital appreciation of the assets of an account. Examples of Performance-Based Fees include but are not necessarily limited to:

- An incentive fee where the fee is calculated as a percentage of a fund's profits, usually counting both realized and unrealized profits (sometimes referred to as incentive allocation or carried interest)
- High water mark where the manager receives performance fees only on increases in the net asset value of a fund in excess of the highest net asset value it has previously achieved
- Hurdle rates where a manager does not charge a performance fee until the fund's annualized performance exceeds a benchmark rate, such as T-bill yield, London Interbank Offered Rate ("LIBOR") or a fixed percentage

Generally, SRA does not charge performance fees in connection with its managed accounts and sub-advisory services. However, as discussed in Item 5 – Fees and Compensation, and as permitted by applicable law, SRA may receive performance-based fees or allocations in connection with the provision of advisory services to Private Funds, Separate Accounts or Sub-Advised Accounts within private funds. These fees may include an annual performance allocation of up to 20% of net profits, subject to a loss carry forward.

To the extent that SRA and its portfolio managers manage accounts that charge only management fees and accounts that charge both management and performance-based fees, SRA and/or its portfolio managers may have a conflict of interest in that an account with a performance-based fee arrangement will offer the potential for higher profitability when compared to an account with only a management fee. Performance-based fee arrangements may create an incentive for SRA and/or its portfolio managers or sales persons to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance-based fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the devotion of time and resources and the allocation of investment opportunities.

To manage these potential conflicts, SRA has adopted a number of compliance policies and procedures. These policies and procedures include (i) the SpiderRock Advisors Code of Ethics (see Item 11.A), (ii) the SRA Compliance Manual, (iii) trade allocation and aggregation policies which seek to ensure that investment opportunities are allocated fairly among clients, and (iv) allocation review procedures reasonably designed to identify unfair

or unequal treatment of accounts. SRA does not consider fee structures in allocating investment opportunities.

ITEM 7: TYPES OF CLIENTS

Sub-Advisory Accounts

SRA seeks to provide an automated investment sub-advisory and strategy management service exclusively to asset managers, registered investment advisors, and other fiduciaries (“Advisor”), for use with Advisors’ clients (each a “Client”). SRA also serves other institutional clients such as registered investment companies, independent broker dealers, wealth managers, and banks. SRA advisory services are made available by SRA through each Client’s independent Advisor or sponsoring organization and/or client custodian who are responsible for determining which services and programs of SRA to utilize with its Clients.

The minimum investment required to participate in sub-advisory and managed accounts by SRA typically ranges from \$25,000 to \$100,000 depending in part on the policies of their Investment Advisor as well as their custodial platform. Minimums are negotiable and may be subject to changes depending on complexity or capacity limits on certain strategies.

Private Funds

Investors in the Private Funds must be “accredited investors” under Regulation D under the Securities Act of 1933 and for certain Private Funds, “qualified purchasers” or “knowledgeable employees” as such terms are defined in the Investment Company Act. For those funds which charge a performance fee or incentive allocation, investors must also be eligible to enter into a performance arrangement under the Advisers Act.

The minimum investment required by an investor in a Private Fund typically ranges from \$100,000 to \$500,000, though the amount could be more or less, depending on the requirements of the relevant Private Fund. Investment minimums are generally subject to waiver by SRA or the Private Fund’s general partner or managing member. Investors should review the Offering Documents for the relevant Private Fund for further information with respect to minimum requirements for investment.

ITEM 8: METHOD OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies Employed by SRA

SRA seeks to create a balance between risk and reward over a given time period. SRA will utilize a systematic, technical, and rules-based approach in making investment decisions, as well as quantitative and fundamental considerations. Investment parameters are programmed into SRA systems and decisions are driven by SRA software tools under the oversight of SRA portfolio and risk managers who understand how to leverage the use of these tools. The number of issues traded and positions vary depending upon the strategy

traded and capital allocation to each strategy. SRA, via its technology based algorithms, implements strategies based on Clients' separate portfolios, and the objectives of the chosen strategies and risk constraints.

For each Client, SRA seeks to optimize portfolio risk through the use of rules-based algorithms, while operating within the agreed-upon risk tolerance parameters specified by each Advisor for their Client. Prior to any portfolio investment decisions being undertaken, all Clients, thru their Advisor, complete an Investment Advisory Agreement. This Agreement not only delineates the specifics of the relationship, but also sets out the investment strategy and specific details as selected by the Advisor for their Client.

The proprietary strategies we deploy as part of our SRA Sub Advisory service are active and dynamic strategies, typically using single stock and index options as key components, and where we are seeking to establish optimal hedges for portfolios and concentrated positions using a variety of option strategies. Based on the Client portfolio information provided to SRA by Advisor, SRA considers multiple time horizons, (long, medium, and short term) when determining hedging strategies. SRA tracks a variety of portfolio risk exposures, and creates appropriate option-based strategies to hedge these risk exposures of the underlying portfolios. As the strategies seek to be dynamic, portfolio risk is measured in real-time and the strategies are rebalanced with respect to market exposure and risks at any given time. SRA attempts to identify and capitalize on equity market mispricing to allow for a savings on the costs of the strategy implementation, typically achieved by tracking the valuation of option contracts in the market, tracking implied and realized volatility of underlying stocks and indexes, and attempting to place trades intelligently in the marketplace.

The following summaries are not intended to be a complete statement of the investment strategies and related risks:

Investment and Trading Sub-Advisory Solutions

- ***SpiderRock Hedged Equity Portfolio***

A risk management overlay model by SRA that seeks to hedge downside risks for portfolios. This strategy uses combinations of put and call options to construct a hedge structure intended to protect the underlying equity portfolio from large downside moves, while at the same time preserving a portion of the upside. The strategy seeks to result in a consistent reduction in portfolio volatility, the opportunity for enhanced yields, while also allowing clients to maintain their portfolio positions and dividends. The option positions are dynamically rebalanced during times of market volatility, and systematically implemented to take advantage of option pricing inefficiencies.

- ***SpiderRock Hedged Equity Concentrated Stock***

A risk management overlay model by SRA that seeks to hedge downside risks for concentrated stock positions in a client account. The strategy uses combinations of put and call options to construct a hedge structure intended to protect the

underlying equity securities in a client portfolio from large downside moves, while at the same time preserving a portion of the upside. The strategy seeks to result in a consistent reduction in portfolio volatility, the opportunity for enhanced yields, while also allowing clients to maintain their portfolio positions and dividends. The option positions are dynamically rebalanced during times of market volatility, and systematically implemented to take advantage of option pricing inefficiencies.

- ***SpiderRock Opportunistic Yield Enhancement***

A proprietary options overlay model by SRA. SRA believes the options market can be inefficient. To take advantage of this, the team emphasizes opportunistic trading around an optimal risk-adjusted options portfolio, an approach that contrasts with common “rules-based systems” that passively accept market volatility. The result is an intelligent option call overlay strategy that dynamically scans the entire options markets and determines the cheapest and most expensive options as defined by implied volatility. Depending on the client portfolio, the model selects either single stock, ETF, or index call options to sell, and then actively reassesses and recalibrates the model in real time to risk mitigate the option positions against the underlying portfolio. The collective objectives of this SRA model are to augment and optimize risk adjusted portfolio yield, while increasing total return and reducing portfolio volatility.

Sub-Adviser Accounts and Alternative Model Program

The strategies deployed in the SRA Alternative Model program, as well as strategies deployed thru a typical SRA Sub-Advisory engagement, are typically concentrated in the delivery of alternative strategies that seek to diversify a Client portfolio using alternative sources of portfolio return, alternative asset classes, and which offer a low correlation to the underlying portfolio.

The Models typically use advanced techniques and strategies, and may take advantage of other asset classes, including single stock and index options in portfolio construction. A Model represents the investment recommendations of a “Model Manager,” in the form of a list of securities or derivative contracts to hold and the relative weight of each. Furthermore the Model dictates a certain established set of rules or guiderails, which dictate the appropriate constraints that the Model must obey to be effective.

SRA, in conjunction with the Model Manager will provide appropriate information to Advisors regarding the investment discipline and/or general approach for the Model Managers, and any changes that may occur.

Strategies used by our model managers and sub-advised accounts vary according to their investment discipline, but generally will use the following strategies:

- ***Protective Puts***

A long position in Put options on a single stock and/or equity indexes is established to provide a hedge against the potential loss of market value of the underlying

portfolio or individual equities. The protective put buyer retains the upside potential of the stock, while limiting the downside risk.

- ***Covered Calls***

A short position in Call options on a single stock or EFT is established to generate premium income or yield without taking on additional risk, and which offers a partial cushion against the potential loss of market value of the underlying, and in certain cases, serves to enhance total returns even if the underlying appreciates or goes sideways in the market. A call option gives its holder the right to buy the underlying security at its strike price, any time before the option's expiration date. The writer (or seller) of the call option has the obligation to sell the shares. A call option is considered "Covered" when the call option is written against equivalent long stock positions.

- ***Index Option Writing***

A Short position in Index Call options is established to generate premium income or yield without taking on additional risk, and which offers a partial cushion against the potential loss of market value of the underlying, and in certain cases, serves to enhance total returns even if the underlying appreciates or goes sideways in the market. The call options sold on the Portfolio consist of a blended mix of index call options which, as a whole, are highly correlated to the underlying Client Stock Portfolio.

- ***Collars***

When a Covered Call is paired with a Protective Put, the resulting strategy is called a Collar. The strategy is added to an existing long stock position or portfolio as a hedge against the effects of a possible near-term decline in the underlying. The long put provides a minimum selling price for the stock, and the short call sets a maximum profit price.

Private Funds:

The following section includes a brief summary of the investment objectives, investment strategies associated with private funds that SRA manages. The summaries are in all instances superseded by the respective Private Placement Memorandum for each fund. Potential investors in the private funds must meet strict eligibility requirements to invest in the funds, and the firm may choose to restrict or limit investments in any of the private funds at any time.

- ***CenterStar Fund, LLC***

The investment objective of the fund is to seek higher than average rates of returns, relative to the level of risks assumed. To accomplish this, SRA may trade in securities on domestic and foreign exchanges which are publicly traded, such as stocks (common and preferred), convertible securities, rights and warrants on stocks, bonds, debentures and other forms of debt securities, options (including securities options and index options), and may also trade in non-public securities.

In addition, and subject to all regulatory requirements, SRA may also invest in futures and options on futures, and any other products hereafter approved by the Manager.

The trading programs (each, a “Program”) of the Manager and any Outside Advisors are subject to change. Therefore no descriptions of the Programs are provided in this Memorandum. However, descriptions of the various Programs and the fees and expenses relating to the respective Programs of the Manager or any Outside Advisors are available upon request by any Investor.

SRA Risk Management

SRA has a disciplined approach to risk management that is intended to limit risk exposure by evaluating the different ways Clients can lose money and absolute dollars at risk. SRA has established specific risk guidelines for the portfolios of the Clients which our portfolio managers monitor. SRA also utilizes risk management software to evaluate the effect of potential movements in the market for the various model strategies, as well as specific positions. The software allows for real-time monitoring of potential profit and loss in the Clients’ assets. The software is used, among other purposes, to allow SRA to: (i) analyze risk according to each instrument, issuer, portfolio manager, industry group or option contract expiration date, each as is applicable to a Client; (ii) evaluate the effect of potential movements in various markets on each of the Clients’ portfolios as well as each individual position in each of the Clients’ inventory; and (iii) attempt to hedge price exposure in an efficient manner. The software attempts to give SRA the ability to identify positions and portfolios that have moved outside of these parameters so that it may take corrective action. Please refer to the following section, which further discusses the attributes of SRA technology and software.

SRA Technology

SRA is a heavy user of technology systems and software, which collectively are designed to allow us to scale and manage investment strategies and models across a universe of accounts. We rely on this technology infrastructure to tightly manage most aspects of our advisory business, including analyzing client portfolio positions, performing live intra-day risk management across accounts, implementing investment strategies, optimizing trade orders, and for generally performing a variety of pre and post trade activities.

The technology systems regularly check asset accounts against predefined strategy rules, constraints, and risk parameters and, if appropriate, generate actionable orders that would move an account back into compliance within strategy risk parameters. Pre- and post-trade risk are tightly managed and controlled at the firm, portfolio, strategy, and order level.

The technology systems have a wide range of automated tactical risk limits that can be used as alerts to prevent unexpected risk, or as guidelines that control the automatic generation of strategy-based orders. These tactical limits are managed by the technology, but are controllable by the traders guiding the strategy.

The technology systems allow for on-the-fly computations of multiple risk factors, including margin and collateral requirements. The systems are loaded with the broker or custodian's margin calculation methodology and constraints, which are actively cross-referenced with a Client's live asset account positions and risk tables. Because our strategies are rules-based and systematic, we are able to use the automated systems to screen for potential violations of margin before they happen, and for managing overnight position breaks, screening for early exercise and pin risk candidates, and for tracking strategy profit and loss, fees, commissions, and exchange routing where applicable.

The technology systems also leverage an in-depth database schema that is attached to the trading and risk systems, and that allow us to actively add and extract position and trade data, including start-of-day positions and intraday trade booking data loading from the custodian. We maintain an in-depth set of analytics, which includes systems that display and measure live market, position, and risk data, plus the ability to access and view historical underlying and implied data.

SRA's technology systems are developed and serviced by an affiliated company, SpiderRock Platform Services LLC, with which we have an independent licensing agreement. Please see the section below, which addresses material risks factors, including those directly related to the technology systems.

Material Risk Factors

Investing in securities and derivatives involves a risk of loss that Clients in SRA Sub Advisory, Private Funds, and Alternative Model Programs should be prepared to bear. By investing, Clients are relying on the discretionary market judgment of SRA. The following is a general summary of some of the material risk factors associated with the SRA and Model Manager strategies. This information below does not attempt to describe all of the risk associated with an investment in the strategies but instead presents a brief summary of the risks involved.

- ***Identification of Opportunities***

SRA activities require a continual ability to monitor and analyze market activity, price movements, individual transactions, the Client positions, and a wide range of other information regarding market demand for particular options. SRA may fail to identify and/or take advantage of profit opportunities and opportunities to hedge the portfolios and individual positions. This may be due to flaws in SRA's or Model Managers overall investment strategy, or failure of SRA systems to identify these opportunities, or SRA's inability to implement the strategy.

- ***Market Disruption***

It is possible that accounts may incur major losses in the event of disrupted markets, and other extraordinary events that may not be consistent with historical pricing relationships on which SRA or Model Managers base their models. The risk of loss may be compounded by the fact that in disrupted markets many positions become

illiquid, making it difficult or impossible to close out positions against which the markets are moving. Market disruptions caused by unexpected credit crises, political, military and terrorist events may from time to time cause dramatic losses for certain strategies we undertake, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

- ***Model Risk***

SRA will utilize quantitative and technical valuation models in implementing its investment strategies. As market dynamics shift over time, a previously successful model could become outdated or inaccurate, perhaps after substantial losses are incurred. There can be no assurance that SRA will be successful in developing and maintaining effective quantitative and technical models. Correlations among the instruments in a portfolio will change over time and could result in a loss of diversification and/or substantially more risk than SRA's models, methods and techniques would have estimated. SRA relies on historical data as part of its risk management, but historical data can prove to be quite different from future dynamics in the market place and thus result in a materially greater risk profile than SRA would expect. There is no standard, approved or accepted methodology for calculating risks in the investment management industry and SRA uses its best efforts to measure and control risk, but its methodologies differ from other investment managers.

- ***Market Judgment***

Although SRA relies heavily on technology, software and systems to evaluate trades and portfolio risks, strategies are by no means wholly systematic; the market judgment and discretion of SRA staff are fundamental to the implementation of these strategies.

- ***Hedging Risks***

Although certain of SRA investment strategies are intended, in part, to hedge the Client portfolios and/or individual holdings, there is no guarantee that they will do so to the degree predicted by historical practice and theory. In fact, hedges could result in losses. SRA may enter into risk offsetting transactions in instruments with which we expect to hedge exposure to risk. If the value of the positions changes in a direction or manner that SRA has failed to protect against with hedging transactions or if the instruments used in the hedging transactions are not as "correlated" as anticipated, the result may be an imperfect hedge.

- ***Illiquid Instruments***

A portion of the strategies used by SRA and Model Managers may consist of securities and other financial instruments, which are not actively and widely traded. Consequently, it may be relatively difficult for SRA to dispose of such investments rapidly and at prices in connection with a Client's withdrawal requests due to adverse market developments or other factors. Adverse market conditions can lead to a "liquidity crisis," i.e., the inability to sell many securities at expected prices.

There can be no assurance that future market conditions will not result in similar liquidity crises.

- ***Brokerage and Custodial Risk***

There are risks involved in dealing with the custodians or prime brokers who settle Client trades. A Client will maintain custody accounts with its prime brokers and primary custodians. Although SRA will monitor the Prime Brokers and believes that they have appropriate custodians, there is no guarantee that the Prime Brokers, or any other custodian that a Client may use from time to time, will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code and the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of Fund assets, a Client would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

- ***Risks of Technology***

Our services are highly reliant on the accurate performance of our technology infrastructure, including software, communication networks, market data, and algorithms. A malfunction or failure in any of these could cause you to experience losses, some or all of which could be significant. With respect to each of our Clients, SRA seeks to direct required transactions on an automated basis to meet the parameters of a given strategy or risk limit. However, there are numerous scenarios including failure of the communication lines, networks, technology and software systems, or inaccurate data, which could prove critical in our ability to fulfill our responsibility. As with any technology, software, algorithm, data point, or communication line, their performance or accuracy can be compromised or prove unpredictable. It is important to note that SRA's reliance on the collective technology and communication infrastructure is critical for SRA to perform its advisory services. Any interruption or failure of these systems could have an adverse effect on Client accounts, as it may limit or prohibit SRA from performing its advisory duties. In addition this interruption could result in material Client losses.

- ***Cybersecurity Risk***

With the increased use of the Internet to conduct business, a Client is susceptible to operational and information security risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to a Client's digital systems through system-wide "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on a Client's website. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on a Client's systems.

Cyber security failures or breaches by a Client's third party service providers (including, but not limited to, the custodians and financial intermediaries) and the issuers of securities in which a Client invests, may cause disruptions and impact the service providers' and a Client's business operations, potentially resulting in financial losses, the inability of a Client to transact business or process transactions, inability to calculate a Client's net asset value, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs.

A Client may incur incremental costs to prevent cyber incidents in the future. A Client could be negatively impacted as a result. While SRA has established business continuity and cyber security plans and risk management systems designed to prevent or reduce the impact of such cyber-attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been adequately identified or prepared for. Furthermore, a Client cannot directly control any cyber security plans and systems put in place by third party service providers, or by issuers in which a Client invests.

- ***Risks Unique to Options***

There are several risks that are unique to options trading that the client must be fully aware of before entering into the SRA program. Options involve additional risk and are not suitable for all investors. Following is a list of some specific common risks to options trading but it is by no means intended to be an exhaustive list and Clients should consult with their Advisor before participating in a service offered via the SRA Platform.

Assignment

Having a short call or put in your position can lead to an assignment and involuntary transaction, which cannot otherwise be avoided. In the case of a short call, being assigned can lead to a forced sale of stock, whether it is held long in the portfolio or not. Being short a put can lead to a forced purchase of the underlying stock for which funds will have to be provided by the account holder.

Losses and Limited Gains

In the case of an option purchase (long call or long put), the client's entire initial investment of premium can be lost. In the case of a covered option short sale (short call or short put), upside gains can be limited by the sale of a short call against an underlying stock position (see also Assignment risk above) and a forced purchase of stock can occur in the case of a short cash covered put sale. In the case of a naked call or put sale (a call with no underlying stock position and a put with no cash to cover the possibility of a forced stock purchase) there is the risk of unlimited loss in the call position and substantial loss in the put position.

Lack of Liquidity

Some option markets are very thinly traded and highly illiquid, resulting in wide markets and limited trading opportunities. Should it be determined that an option trade will be attempted in such a market, there is the risk of a fill price that is either substantially higher (purchase) or substantially lower (sale) than mid-market. In addition, in such illiquid markets and despite best efforts there is the risk that no fill will occur at all for the intended order.

Other Options Risks

There are various other risks associated with option positions. Options are complex derivative securities and should not be traded without full knowledge of all the factors affecting their value. These factors include changes in implied volatility in the market that can cause an increase/decrease in the value of an option with no concurrent change in the underlying price of the stock. In addition, changes in the underlying stock dividend, time to expiration, market interest rates and other factors can affect the value of an option position.

- ***Private Fund Strategies***

SRA's private fund strategies may incorporate "long only" investment strategies (i.e., no short sales or direct use of leverage) and funds may utilize "hedging" and other investment strategies more commonly associated with hedge funds, including, long/short equities, long/short thematic, relative value, arbitrage and event-driven trading styles, among others. The following is a summary of the inherent material risks associated with investing in private funds. Investors in Private Funds should carefully review the Offering Documents and other fund offering memoranda and documentation for further information on the risks associated with investing in a particular Private Fund.

Leveraged and Speculative Investments

An investment in private funds is speculative and involves a high degree of risk. Private funds commonly engage in swaps, futures, forwards, options and other derivative transactions that can result in volatile fund performance. Leveraging may increase risk.

Limited Liquidity

There are limited channels in the secondary market through which investors can attempt to sell and/or purchase interests in private funds. An investor's ability to transact business in the secondary market is subject to restrictions on transferring interest in private funds, and private funds may suspend or limit the right of redemption under certain circumstances. Thus, an investment in private funds should be regarded as illiquid.

Absence of Regulatory Oversight

Private funds are not required to be registered under the Investment Company Act; therefore private funds are not subject to the same regulatory requirements as mutual funds.

Dependence upon Investment Manager

The general partner or manager of a private fund normally has total trading authority over its respective fund. The use of a single advisor applying generally similar trading programs could mean the lack of diversification and consequently, higher risk.

Foreign Exchanges

Selective private funds may execute a portion of their trades on foreign exchanges. Material economic conditions and/or events involving those exchanges may affect future results.

Fees and Expenses

Private funds often charge high fees; such fees and expenses may offset trading profits.

Complex Tax Structures

Private funds may involve complex tax structures resulting in delays in distributing important tax information.

Limited Reporting

While private funds generally may provide periodic performance reports and annual audited financial statements, they are not otherwise required to provide periodic pricing or valuation information to investors.

Business and Regulatory Risks of Private Funds

Legal, tax and regulatory changes could occur during the term of a private fund that may adversely affect the fund or its managers. Private Fund strategies may pursue a variety of strategies, including strategies that incorporate equity and fixed income strategies. Accordingly, Private Fund strategies that incorporate equity and fixed income strategies will be subject to material risks including, but not necessarily limited to:

- Risk of Loss: Clients should understand that all investment strategies and the investments made pursuant to such strategies involve risk of loss, including the potential loss of the entire investment in the Client Accounts, which clients should be prepared to bear.
- The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. The investment decisions

made and the actions taken for Client Accounts will be subject to various market, liquidity, currency, economic, political and other risks, and will not necessarily be profitable and may lose value. Past performance of Client Accounts is not indicative of future performance. In addition to the risks listed here, there may be additional material risks associated with the types of products in which your account invests. Clients should refer to the prospectus or other applicable offering documents of those particular products for a discussion of applicable risk factors for that particular investment.

Potential Limited Investment Opportunities

Availability of investment opportunities is subject to change in economic and market conditions, and there may be no assurance that SRA will be able to identify opportunities that are sufficient to achieve its investment objective.

Portfolio Turnover

Certain investment strategies may require SRA to actively trade a Client's portfolio, and as a result, turnover and brokerage commission expenses and other transaction costs of the Client may significantly exceed those of other investments.

Limited Operating History

The Private Funds are newly formed entities that have no operating histories upon which investors can evaluate their likely performance. An investment managed by SRA therefore entails a significant degree of risk.

Short Selling

A strategy may engage in short selling. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in securities. There can be no assurance that the security necessary to cover a short position will be available for purchase, or that the price of the underlying security will not increase, thus increasing the cost of buying those securities to cover the short position.

Investment Strategy and Portfolio Management Risk

There can be no assurance that an investment strategy will produce an intended result, which would result in losses to an investor, including, potentially, a complete loss of principal. The performance of a strategy depends on the skill of SRA and its portfolio manager(s) in making appropriate investment decisions.

Hedging

Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the hedging instrument

and the Private Fund's position being hedged; (ii) possible lack of a secondary market for closing out a position in such instruments; (iii) losses resulting from interest rate, spread or other market movements not anticipated by SRA; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Private Fund's position; and (v) default or refusal to perform on the part of the counterparty with which the Private Fund account trades. Furthermore, to the extent that any hedging strategy involves the use of derivatives instruments, such a strategy will be subject to the risks applicable to such instruments, including the effects of the implementation of the various regulations adopted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). The Dodd-Frank Act has initiated a dramatic revision of the U.S. financial regulatory framework and consumer credit markets that is expected to continue to unfold over several years.

Government and Other Interest Rate Securities

Income securities, which may be employed as cash equivalents from time to time, are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Depending on the timing of the purchase of a fixed-income security and the price paid for it, changes in prevailing interest rates may increase or decrease the security's yield. Typically, the longer the maturity of a debt security, the greater the effect a change in interest rates could have on the security's price. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities.

Exchange-Traded Funds

From time to time, certain Private Funds may invest their assets in exchange-traded funds ("ETFs") to gain exposure to certain markets or implement certain currency hedging or currency management views. ETFs represent shares of ownership in funds, unit investment trusts or depository receipts that hold portfolios of securities or individual issuers which closely track the performance of specific instruments, including broad market, sector or international indexes. ETFs give investors the opportunity to buy or sell an entire portfolio of securities of individual issuers in a single security, as easily as buying or selling a share of stock, or to gain exposure to other instruments. They can offer a wide range of investment opportunities. While similar to a mutual fund, ETFs differ from mutual funds in significant ways.

Unlike mutual funds, ETFs are priced and can be bought and sold throughout the trading day. Certain ETFs, such as leveraged and inverse ETFs, seek to deliver multiples of the performance of the index or benchmark they track (or the inverse of such index or benchmark), and can significantly magnify the risk of losing capital in volatile or uncertain markets. As a result of using leverage, an ETF is subject to the risk of failure in the futures and options markets it uses to obtain leverage and the risk that a counterparty will default on its obligations, which can result in a loss to the Fund. Other ETFs feature actively managed portfolios that do not seek to replicate the performance of any particular market index. ETFs pursuing international investment strategies can be subject to local trading restrictions, limits on securities transfers or potentially unfavorable tax treatment based on applicable tax rules of such jurisdictions. ETFs with new features continue to be proposed by sponsors and the regulations that govern ETFs are subject to change. ETFs are subject to tracking error and may be unable to sell poorly performing stocks that are included in their index. ETFs may trade in the secondary market at prices below the value of their underlying portfolios and may not be liquid. Moreover, an ETF may not fully replicate the performance of its benchmark index, if any, because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of stocks held. The market value of an ETF share may differ from its net asset value; the share may trade at a premium or discount to its net asset value, which may be due to, among other things, differences in the supply and demand in the market for the share and the supply and demand in the market for the underlying assets of the ETF. The market for certain ETFs can be more thinly traded than others, resulting in limited liquidity that could impact the Fund's ability to enter or exit investments therein at an optimal price. Investing in ETFs, which are investment companies, may involve duplication of advisory fees and certain other expenses and is subject to the risks of the ETF's investments. To the extent a Private Fund invests in ETFs, the Private Fund will bear the fees and expenses of such ETFs.

Derivatives Risk

Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference or index. In implementing certain of its Private Fund investment strategies, SRA or its designated affiliate may use derivatives, such as futures and options as part of a strategy designed to reduce exposure to other risks or to take a position in an underlying asset. Derivatives may involve risks different from, or greater than, those associated with more traditional investments. Derivatives can be highly complex, can create investment leverage and may be highly volatile, which would result in the strategy losing more than the amount it invests. Derivatives may be difficult to value and highly illiquid, and the strategy may not be able to close out or sell a derivative position at a particular time or at an anticipated price. SRA is not required to engage in derivative transactions,

even when doing so would be beneficial to the account. In addition, SRA or its designated affiliate may take advantage of opportunities with respect to derivative instruments that are not currently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the Private Fund's investment objectives and guidelines and legally permissible. Special risks may apply to such instruments that are invested in the future that cannot be determined at this time or until such instruments are developed or invested in by the relevant Private Fund. Derivatives may also be affected by the implementation of the various regulations adopted pursuant to the Dodd-Frank Act. The impact of the Dodd-Frank Act is not yet certain.

SRA does not offer any technology products, option strategies, or services that guarantee rates of return on any investments for any time period to any client. Investing in securities of any type may result in the loss of principal. All clients also assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products. Investment returns can fluctuate as the investment environment changes.

Investing in any type of securities involves a risk of loss and is inappropriate for those who are unable to bear the economic risk of loss. The recommendations provided by SRA are not intended to comprise any client's complete investment program. SRA does not make any assurance that our services, algorithms, and the technology that generates these algorithms can result in profitable return or avoidance of loss.

SRA services are highly reliant on the accuracy of the information provided to us by the Advisor or Custodian regarding their Clients. If a client were to provide us with inaccurate information, this could result in losses and materially impact the quality and applicability of our services. Information could include accurate Client positions, Client's portfolio values, Client's approved affirmation to participate in SRA programs, Client's suitability to participate as determined by Advisor, and Clients' general circumstances which might change from time to time and dictate whether certain investment risks are appropriate.

SRA makes no guarantee or representation that investment recommendations will be successful. Past performance is no guarantee of future results. Investing in Options involves additional risk and is not suitable for all investors.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SRA or the integrity of SRA management. SRA has no information applicable to this item.

All of SRA's personnel, prior to being hired, must complete an application and submit to a pre-hire review of the person's character, identity, and regulatory background; the information is also processed through an independent third party for validation. In

addition, fingerprints may be taken for individuals with key responsibilities, internal control measures, or for operational security, and are processed through the IARD – CRD process. The regulatory portal, if applicable, will link the fingerprint data through the FBI's criminal data base center for screening. The criminal records for all SRA personnel are clear and have no events to disclose.

Additionally, there have been no administrative proceedings before the SEC, any other federal regulatory agency, any self-regulatory organization (SRO) proceedings, any state regulatory agency, or any foreign financial regulatory authority involving either SRA or a management person associated with SRA. However there is other disciplinary information related to SRA's broker-dealer business which can be found in Part 1 of SRA's Form ADV.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

SRA is part of The SpiderRock family of entities, which is ultimately held by SpiderRock Holdings, LLC ("the Firm"). The Firm which is a holding company encompasses four companies: (1) SpiderRock EXS LLC, a limited-service broker-dealer registered with FINRA; (2) SpiderRock Platform Services LLC, an option based technology trading platform company; (3) SpiderRock Gateway Technology LLC, a market access gateway company that establishes DMA controls and checks and provides market data; and (4) SpiderRock Advisors LLC. As such, the Firm acts as a technology developer, investment manager and advisor, and may have other direct and indirect interests in the equity, derivative, and other markets.

As a result, the Firm and its affiliates, including SRA, and its directors, partners, managers, members, officers and employees (collectively, the "Firm"), including those who may be involved in the management, technology creation and servicing, sales, investment activities, or business operations of SRA, are engaged in businesses and have interests other than that of solely advising and monitoring Clients' accounts. Clients should be aware that this could potentially cause conflicts that could disadvantage the advisory accounts.

In addition, the firm, and its affiliates, including its managing member, managing directors, managers, members, officers, and employees may have contrary views, strategies, interest, or other opposing ideas which may conflict directly with SRA's services, strategies, and model designs or other interest which unknowingly could potentially have a detrimental effect and conflict with the firm's strategies and/or client accounts.

The activities and interests of the Firm include potential multiple advisory, transactional, financial, technology development, and other interests in option contracts and securities. These activities and interests also include potential multiple advisory, transactional and financial and other interests with consultants and distributors who may advise in the opening of advisory accounts. Such additional businesses and interests may give rise to potential conflicts of interest of which investors should be aware and which may cause conflicts that could disadvantage the advisory accounts.

Material Relationships

SRA currently has certain relationships or arrangements with related persons that are material to its advisory business or its clients. Below is a discussion of such relationships/arrangements and conflicts that arise from them.

Certain principal executive officers of SRA provide management, financial, operational and compliance services to affiliates of SRA. These principal executive officers may devote the majority of their time to providing management, financial, operational and compliance services to other SRA affiliates. The existence of these relationships creates a conflict of interest.

- ***Private Funds or other pooled investment vehicle***

SRA acts as adviser or sub-adviser to certain Affiliated Private Funds. Management persons of SRA may act as directors or officers of Affiliated Private Funds. And in their affiliated capacity as a registered broker-dealer, SRA may route orders or direct orders to execute transactions for certain of the Affiliated Private Funds and receive brokerage commissions directly or indirectly in that regard. Further information on these functions and relationship is contained in the offering materials for such private funds.

SRA has a conflict of interest to the extent that it recommends or invests Client Accounts in, or recommends that SRA Private Fund Clients invest in, the Affiliated Private Funds (rather than in Non-Affiliated Private Funds) due to the benefit the Firm may receive in connection with increased subscriptions to the Affiliated Private Funds and thus larger funds. Neither SRA nor its related persons are obligated to allocate any specific amount of time or investment opportunities to a particular Client Account or Private Fund Client. Because SRA may receive a performance fee in connection with its management of a Private Fund, SRA may be incentivized to devote a disproportionate amount of time and resources to the Private Fund at the expense of other accounts that are not charged a performance fee. SRA and its related persons intend to devote as much time as they deem necessary for the management of each account, and will allocate investment opportunities between Private Funds and other accounts managed in a similar strategy in accordance with SRA's trade allocation policy described in Item 12.

- ***SRA's Affiliates Operational Conflicts***

SRA's affiliate, SpiderRock EXS, provides certain back office and administrative services to SRA under a separate service agreement. SRA shares its office space, technology resources, and personnel in the same location as its' affiliates, however the area devoted to SRA is partitioned off and segregated from the other firm affiliates for privacy, compliance, and client confidentiality.

SRA's affiliate, SpiderRock Platform Services LLC, provides certain technology solutions to SRA under a separate service agreement. SRA shares its office space, technology resources, and personnel in the same location as its affiliates.

SRA's affiliate, SpiderRock Gateway Technology LLC, provides a market access gateway that establishes DMA controls and checks and provides market data. SRA shares its office space, technology resources, and personnel in the same location as its affiliates.

- ***Selection of Other Investment Advisers***

From time to time, SRA may engage other advisers, including its affiliates, to act as sub-advisers for its Separate Accounts and Affiliated Private Funds. In addition, from time to time, SRA may delegate some or all of its role as adviser to other advisers, including its affiliates, for its Separate Accounts, Affiliated Private Funds and Non-Affiliated Funds. In connection with these investments and the selection of potential sub-advisers, SRA makes recommendations and/or selections of underlying investment managers for these clients. SRA performs detailed due diligence on third party potential sub-advisers or advisers to these pooled investment vehicles before selecting them, including but not limited to, analysis of the adviser's investment process and results, including the length of their track record, consideration of the assets under management, and interviews with members of the adviser's senior management and investment teams. SRA's decision to continue to use a sub-adviser or invest in a fund managed by another adviser depends upon various factors which may include, but not be limited to, the sub-adviser's performance record, management style, number and continuity of investment professionals, and client servicing capabilities.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

SRA requires its employees to represent that they will comply with the SRA Code of Ethics to help to avoid actual and potential conflicts of interest and seek to comply with applicable provisions of law.

SRA has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts, and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at SRA must acknowledge the terms of the Code of Ethics annually, or as amended. The Code of Ethics contains policies and procedures that, among other things:

- Require employees to observe fiduciary duties owed to clients.
- Prohibit employees from taking personal advantage of opportunities belonging to clients.

- Prohibit trading on the basis of material non-public information.
- Place limitations on personal trading by employees and impose reporting obligations with respect to such trading.
- Impose limitations on the giving or receiving of gifts and entertainment.
- Restrict employees' outside business activities.
- Prohibit disclosure by employees of confidential information of SpiderRock Advisors and its clients.

Personal securities transactions by employees are monitored by the Chief Compliance Officer, and governed by the procedures set forth in the Code of Ethics. A copy of the Code of Ethics is available upon request.

Participation or Interest in Client Transactions

SRA may participate or have an interest in client transactions as described below. SRA makes all investment management decisions in its clients' best interests.

- ***Affiliated Broker***
SRA is affiliated with SpiderRock EXS, LLC, a limited purpose broker-dealer, that may on occasion and for specific clients, execute transactions for SRA. Typically the client of SRA will advise SRA on their preferred choice of executing brokers, and SRA will adhere to that where possible, although SRA is not required to do so. If SRA chooses to utilize the brokerage services of its affiliate, SpiderRock EXS, a services agreement will be executed between the two entities which will outline the commissions and fees involved for each client.
- ***Financial Interests in Securities or Investment Products***
SRA may invest Client Accounts in, or recommend to, SRA Clients investments in which SRA or its affiliates have a direct or indirect financial interest. Such financial interest could include, but not be limited to, having a business relationship (whether client, broker, vendor or investment consultant) or serving as investment adviser, general partner, managing member or director for a particular investment product. In such instances, the purchase or sale of a security as directed by SRA on behalf of its client(s) may have an impact on the price of such security, which may indirectly benefit (or act to the detriment of) its affiliates. SRA and its Advisory Affiliates act in various capacities with respect to the Affiliated Private Funds or accounts from which they receive advisory, distribution or other fees. When appropriate and in accordance with applicable law, SRA may invest client funds in the Affiliated Private Funds. Due to the compensation SRA and/or its affiliates derive from the Affiliated Private Funds, SRA has an incentive to use the Affiliated Private Funds for client investments instead of other similar investments which could be more or less beneficial to a client.
- ***Employee Investment in SRA Products***
SRA employees may be investors in the Firm's Affiliated Private Funds. Any employee investments are made in conformity with the Conflicts Procedures which

include procedures governing the use of confidential information and personal investing. SRA may also maintain Separate Accounts for employees. SRA maintains a policy that prohibits “insider accounts” that do not pay investment advisory fees from receiving a more favorable execution price than that received on the same day by other SRA Client Accounts.

- ***Buying and Selling Securities that are Recommended to Clients***

SRA may recommend to clients investments in which its affiliates or employees are also invested. Key personnel of SRA may be invested directly in affiliated Private Funds and the performance fee distributions and management fee payable by such affiliated Private Funds may be separately negotiated by SRA. Certain Private Funds may elect to waive management or performance fees/allocations for employees of the Firm who invest in the Affiliated Private Fund pursuant to the Firm’s employee investment program. SRA manages Separate Accounts for employees and other related persons. SRA may recommend the purchase of Affiliated Private Funds to these “insider accounts” as well as to Client Accounts. SRA may also recommend to Clients securities in which a related person has established an interest independent of SRA. SRA may purchase and sell securities for its accounts that the Firm or its employees have seeded. SRA provides investment advisory services to various Clients which may differ from the advice given, or the timing and nature or action taken, with respect to any one account. SRA, its affiliates, and employees (to the extent not prohibited by the Code of Ethics), and other Clients may have, acquire, increase, decrease, or dispose of securities or interests at or about the same time that SRA is purchasing or selling securities or interests for an account which are or may be deemed to be inconsistent with the actions taken by such persons. All such investments are made in conformity with the Conflicts Procedures and SRA’s Aggregation and Allocation Procedures.

- ***Other Interests in Client Transactions***

SRA employees may also be officers, employees and/or registered representatives of any of the Advisory Affiliates. In such capacity, they may sell or provide similar services as the services offered by SRA. The views and opinions of SRA or any of the Advisory Affiliates and their research staff may differ from one another. As a result, Client Accounts may hold, and SRA may recommend that Clients invest in, securities or other investment products for which each of these entities may have a different investment opinion or outlook at the time of their acquisition or subsequent thereto.

Personal Trading

SRA, or one or more of its affiliates, including employees, from time to time, may invest for their own account directly or through an Affiliated or Non Affiliated Private Fund or in equity, fixed income, derivative or other investments in which SRA may also invest on behalf of Client Accounts. Moreover, SRA and its affiliates and their respective employees may buy, sell or hold securities while entering into different investment decisions for one or more Client Accounts. All such investments are made in accordance with the Compliance Procedures. SRA’s employees and those of its affiliates may participate directly or

indirectly in Private Fund investments to the extent permitted by the terms of the relevant Private Fund's Offering Documents or partnership agreement. Such participation in each investment will be on substantially the same terms and conditions as provided for in the offering materials of the Private Funds. The sale or disposition by SRA, its affiliates, or their respective employees must also be consummated in accordance with internal policies and applicable law.

It is the Firm's policy to monitor and in some cases prohibit personal securities transactions for the Firm, its affiliates, and their respective employees. The Conflicts Procedures contain employee trading policies and procedures that are closely monitored by the Compliance Department. Key aspects of the employee trading policies and procedures include:

- a requirement for securities accounts to be maintained at SRA or other approved entities;
- prohibitions against employee participation in certain IPOs;
- prohibitions against trading on the basis of material non-public information;
- pre-approval requirements for certain security transactions, such as private placement offerings;
- a holding period for most personal securities transactions, and
- An annual affirmation, in writing, that (i) all reportable transactions occurring during the year were reported to the Firm; (ii) all reportable positions were disclosed; (iii) all newly opened securities accounts and/or private placements were disclosed; and (iv) that the employee has read, understood and complied with the Code of Ethics.

As stated in the Code of Ethics, it is the policy of SRA for its SEC-registered advisers to prohibit insiders, that is, the employees of such advisers and certain of their close relatives, from effecting transactions in anticipation of transactions in such securities by Client Accounts.

Outside Business Activities

Certain types of outside affiliations or other activities may pose a conflict of interest or regulatory concern to the Firm. Therefore, the Firm prohibits certain activities, and requires employees to disclose outside activities to the Firm in writing so that responsible personnel may assess the compatibility of the outside affiliation or activity with their role at the Firm. "Outside affiliations" include relationships in which SRA personnel serve as an employee, director, officer, partner or trustee of a company other than the Firm (paid or unpaid), including joint ventures, portfolio investment companies, non-profit, charitable, civic or educational organizations. These relationships may or may not be related to employment with the Firm. Employees registered in the U.S. may also have to update their regulatory filings to reflect outside affiliations. Generally, Firm employees do not have to disclose affiliations which involve little or no personal responsibility or exposure on their part and have minimal potential for adversely affecting the Firm's image or creating conflicts of interest. Firm personnel are not required to disclose affiliations of family

members unless they are aware that an immediate family member's affiliation with a company or organization may result in a conflict of interest between the employee and the Firm or the employee and a client of the Firm.

Firm personnel are generally prohibited from being employed by another nonaffiliated company or from engaging in other activities that could interfere or conflict with their service at the Firm. Firm personnel are prohibited from being employed by, or serving on a board or in an advisory position with, any public company or with other nonaffiliated firms in the financial services industry. Furthermore Firm personnel are prohibited from entering into independent non-Firm related business relationships with clients, vendors, or co-workers. Exceptions to these prohibitions may only be made in writing on a case-by-case basis by the Compliance Department. Firm personnel may, under certain limited circumstances, serve as an executor, trustee, guardian or conservator, with prior approval from the Compliance Department, irrespective of whether such service is personal in nature. Brokerage accounts under control of the employee as a result of their service as an executor, trustee, guardian or conservator must be disclosed in accordance with the Firm's Code of Ethics, even if the relationship is personal. The Firm generally permits employees to engage in philanthropic, charitable or other similar pursuits, subject to certain limitations and with prior approval from the Compliance Department.

Outsourcing/Service Providers

The Firm conducts appropriate due diligence on any outside vendor that provides products or services to the Firm and enters into an appropriate contract. The Firm's relationships with outside vendors are managed so that appropriate controls and oversight are in place to protect the Firm's interests, including safeguarding of private and confidential information regarding the Firm's clients and employees.

Side by Side Management of Different Types of Accounts

SRA and its personnel may have differing investment or pecuniary interests in different accounts managed by SRA, and its personnel may have differing compensatory interests with respect to different accounts. Similarly, SRA personnel who are dual employees with an Advisory Affiliate may have different interests with respect to accounts managed for SRA and accounts managed for the Advisory Affiliate. Certain SRA portfolio management personnel, who are dual employees of an Advisory Affiliate, manage the SRA Funds. As such, the dually employed personnel manage both a private fund and sub advisor accounts or clients under different Advisory agreements.

SRA faces a potential conflict of interest when (i) the actions taken on behalf of one account may impact other similar or different accounts (e.g., where accounts have the same or similar investment strategies or otherwise compete for investment opportunities, have potentially conflicting investment strategies or investments, or have differing ability to engage in short sales and economically similar transactions) and/or (ii) SRA and its personnel have differing interests in such accounts (e.g., where SRA or its related persons are exposed to different potential for gain or loss through differential ownership interests

or compensation structures) because SRA may have an incentive to favor certain accounts over others that may be less profitable. Such conflicts may present particular concern when, for example, SRA places, or allocates, securities transactions that SRA believes could more likely result in favorable performance, engages in cross trades or executes potentially conflicting or competing investments. To mitigate these conflicts, SRA's policies and procedures seek to ensure that investment decisions are made in accordance with the fiduciary duties owed to such accounts and without consideration of SRA's (or such personnel's) pecuniary, investment or other financial interests. SRA has policies and procedures designed to allocate investment opportunities fairly among Client Accounts.

In addition, certain side-by-side managed accounts or portfolios may acquire both long and short positions in securities of an issuer (i.e., "long/short" strategies). A short sale involves the sale of a security that the acquirer does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. To make delivery to the buyer, the acquirer must borrow the security, and the acquirer is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the acquirer. In contrast to taking a long position in a security, when a manager sells a security short, he/she is typically doing so with the expectation that the security will decline in value. Depending on a number of conditions, including, but not limited to, the security's liquidity and general economic conditions, shorting a security may also have the added consequence of adversely impacting its market price. As a result, managers who manage long/short products may have potential conflicts of interest were they to short a security in which they were also long for another client and/or in another product. SRA has adopted policies and procedures which would permit such transactions, under certain circumstances.

Notwithstanding the above, the views and opinions of SRA, its portfolio managers and employees and those of its affiliates may differ from one another, as well as from their respective Chief Investment Officers. As a result, products managed by SRA or its affiliates may hold securities or pursue strategies that reflect differing investment opinions or outlooks at the time of their acquisition or subsequent thereto. Clients who receive brokerage, custody or other services from other broker dealers including but not limited to related persons of SRA may not benefit from some or all of these policies. See Item 12 regarding trade allocation and aggregation policies.

ITEM 12: BROKERAGE PRACTICES

Broker Selection and Trade Order Routing

SRA considers broker selection and trade order generation and routing as important aspects of every trade that we place via our technology for a client account. SRA has put in place a Trading Department Oversight Committee ("TDOC") that reviews brokers selected to execute trades and determines the reasonableness of their compensation based on a range and quality of a broker's services, including execution capability, depth of connectivity, reputation, prior working experience, financial strength, and fairness in resolving disputes. However, neither SRA nor the technology utilized or ideas generated

are obligated to select a broker offering the lowest commission rate or security price in connection with any given transaction. Trade orders are routed on the direction of SRA.

Client Directives

Clients sometimes may wish to restrict brokerage to a particular broker or dealer in recognition of custodial or other services provided to the client by the broker or dealer. A Client that chooses to designate use of a particular broker or dealer on a “restricted” basis, including a Client which designates a broker or dealer as custodian of the Client’s assets, should consider whether such a designation may result in certain costs or disadvantages to the Client, either because the Client may pay higher commissions than might otherwise be obtainable by SRA, or receive less favorable net prices and executions of some or all of the transactions. Less favorable services may include, but are not limited to, connection speeds, technology, and timely and accurate trade communication information.

In the case of a “restricted” designation, SRA may direct trade orders that may deviate from the Client’s designation in situations in which, in its judgment, a significantly more advantageous net price is available from another dealer or it may authorize the designated broker dealer to effect the transaction as agent in order to obtain a better price from another dealer, but allow the designated “agent” broker-dealer a scheduled mark-up or mark-down on the transaction (Step Out).

SRA Trade Order Handling:

SRA seeks to treat all Client Account orders in a fair and equitable manner. The dynamic nature of our strategy and our attention to risk management requires our processes to be highly automated, including trade order routing. As such, our typical order generation and routing is algorithmic in nature, and where we send FIX-based orders directly via our preferred routes to the markets.

Generally SRA places trades on a client-by-client basis unless we decide to purchase or sell the same securities for several clients at approximately the same time. In these instances we may, but are not obligated to, block these orders to obtain best execution, or to allocate equitably differences in prices and commission among our clients if the trades had been placed separately. Like our process with the specialized strategies, we may average the price of the transaction and allocate the positions on a pro-rata basis across the participating clients’ accounts. SRA does not receive any additional compensation as a result of aggregating or blocking trades. Due to the nature of options, algorithm timing, securities utilized or individual order requirements, employing a block trade over all or grouped accounts may not be practical or feasible. In addition, block trading may possibly produce negative or positive returns, if any, as compared to another portfolio with like securities with different trading objectives.

If it is deemed necessary that securities are purchased or sold in a block transaction, trades will be allocated pro rata, when possible, to the participating client accounts in proportion to the size of the order for their respective accounts or any other fair and equitable

methodology as determined by SRA. In all cases, SRA allocates transactions equitably across the accounts. If circumstances are such that it is impractical for us to allocate a small number of securities across accounts then we may allocate in a manner that we believe is fair to all clients.

Due to the nature of the implementation of an options trading strategy across multiple accounts, there is the possibility of partial or incomplete fill quantities relative to the intended quantity desired for an order. In cases such as these, SRA will implement a fair and orderly allocation process designed to treat every account in a way that, over time, will result in partial fill quantities being distributed equitably. This allocation process is at the discretion of SRA senior management and is subject to change at any time without prior notice.

Aggregation of Orders/Allocation of Trades

There may be limited occasions when SRA decides to purchase or sell the same security for several clients at approximately the same time (including Separate Accounts and certain fee-paying employee accounts, the Private Funds and any Sub-Advised Account). SRA may (but is not obligated to) combine or “bunch” such orders in order to secure certain efficiencies and results with respect to execution, clearance and settlement of orders.

Similarly, SRA may elect to combine Client orders with orders entered for the same security for Clients of its Advisory Affiliates (“Affiliate Accounts”). The portfolio manager is not obligated to include any Client Account in an aggregated trade. Transactions for any Client Account may not be aggregated for execution if the practice is prohibited or inconsistent with that client’s investment management agreement.

While SRA may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for its Clients, SRA may direct transactions to brokers based on both the broker’s ability to provide high quality execution and the nature and quality of research services, if any, such brokers provide to SRA. As a result, SRA Clients may not always pay the lowest available commission rates where their trades are effected in this manner, so long as SRA believes that they are nonetheless obtaining best price and execution under the circumstances. SRA will aggregate and allocate orders in a manner designed to ensure that no particular client or account is favored and that participating Client Accounts are treated in a fair and equitable manner over time. SRA may not allocate trades in such a way that affiliated Accounts receive more favorable treatment than Client Accounts. Similarly, SRA may not allocate profitable trades at each day’s end so as to disproportionately favor certain clients without appropriate disclosure. When a bunched order is completely filled, each participating account will generally participate at the average price paid or received on that day for the bunched order, and share in any associated transaction costs, based upon the initial amount requested for the account (subject to certain size- or cost-related exceptions).

SRA will receive no additional compensation or remuneration of any kind as a result of the aggregation of client trades, however, to the limited extent it is applicable, commissions will be charged at a rate as though the trades had not been aggregated. SRA will act in a manner it believes is equitable for its clients as a group when bunching and price averaging.

Trade Errors

SRA has determined there are two potential types of trade errors that it may encounter: those that are the result of software, technology and/or electronics and communication systems, and those directly related to gross negligence or willful misconduct by SRA.

It is SRA's policy to be as careful as possible in making and implementing investment decisions and to test the systems and technology. Unfortunately, when we utilize any software, technology and other electronic systems including third party services there is a chance of a failure or interruption, which may result in a material error or the inability of SRA to respond in a timely fashion. As a result there could be material loss or gains in Client accounts.

It is important to understand that in these instances the Client will assume the total liability for any trade errors that are attributed to the failure of software, technology and other electronic systems, including those of SRA, its affiliates, and or third party providers.

However in situations where an error would occur as the result of gross negligence or willful misconduct by SRA, SRA will assume the liability. Trade errors are not to be resolved through soft dollar or other reciprocal arrangements with broker-dealers.

Allocation of Investment Opportunities

SRA serves as investment adviser for a number of clients and may face conflicts of interest when allocating investment opportunities among its various clients. For example: (i) SRA receives different management and/or performance fees from different clients; and (ii) SRA and its affiliates, owners, officers and employees may invest substantial amounts of their own capital in certain collective vehicles (including the Private Funds) in which clients also invest. The majority of SRA's clients pursue specific investment strategies, many of which are similar. SRA expects that, over long periods of time, most clients pursuing similar investment strategies may experience similar, but not identical, investment performance. Many factors affect investment performance, including but not limited to: (i) the timing of cash deposits and withdrawals to and from an account; (ii) the fact that SRA may not purchase or sell a given security on behalf of all clients pursuing similar strategies; (iii) price and timing differences when buying or selling securities; and (iv) the clients' own different investment restrictions. SRA's trading policies are designed to minimize possible conflicts of interest in trading for its clients. SRA considers many factors when allocating securities among clients, including but not limited to the client's

investment objectives, applicable restrictions, the type of investment, the number of shares purchased or sold, the size of the account, and the amount of available cash or the size of an existing position in an account. Clients are not assured of participating equally or at all in particular investment allocations. The nature of a client's investment style may exclude it from participating in many investment opportunities, even if the client is not strictly precluded from participation based on written investment restrictions.

Research or other Soft Dollar Benefits

SRA does not presently receive, nor anticipate receiving in the future, research or other products or services ("soft dollar benefits") other than execution from a broker-dealer or third-party in connection with Client securities transactions.

Brokerage for Client Referrals

SRA does not enter into agreements with, or make commitments to, any broker-dealer that would bind SRA to compensate that broker-dealer, directly or indirectly, for client referrals (or sale of fund interests) through the placement of brokerage transactions.

ITEM 13: REVIEW OF ACCOUNTS

In general, all Client accounts are continuously monitored and reviewed via technology on a daily basis to reasonably ensure that their balances are invested according to parameters indicated within the client's advisory agreement and to verify the accuracy of accounting. SRA reconciles with the Client's custodian on a daily basis all security holdings and cash movements for each client account. Client's accounts are monitored for the Client's stated objectives and risk tolerance. All SRA's accounts are reviewed at least monthly to insure that transactions:

- Conform to Client objectives and investment/restriction guidelines
- Are consistent with available cash in the Client's account; and
- Conform to SRA agreed to investment strategy.

SRA accounts are reviewed by any of the following SRA employees: the firm's Managing Member, Managing Director, Portfolio Manager, and Chief Compliance Officer. Additionally, certain controls have been built into SRA's or Affiliates proprietary software, technology, algorithms, and daily bookkeeping processes to provide multiple checks and balances.

SRA currently employs a two-tiered process where the portfolio manager responsible for the accounts, as well as the compliance department, reviews the prior day's activity. As part of the firm's overall review, the firm's TDOC and compliance department perform an additional quarterly review on Client objectives and account holdings.

Nature and Frequency of Reporting to clients

SRA may choose to provide, when available, each Client the ability to directly receive electronic access to trade activity, account holdings, cash balances and account statements.

The Information contained in these reports is collected from sources believed to be reliable. However, Client should always rely on Custodian's statements. Additionally, on a monthly basis, the Custodian provides each Client a detailed valuation of the individual securities, their cost and market value, and a summary of the total account holdings. The Custodian monthly report also includes a transaction history showing each purchase and sale during the period covered. Clients should always refer to the Custodian's statement as the primary record reflecting their account holdings and value. If Client detects a discrepancy during its reconciliation process they must notify Advisor immediately.

Private Fund Accounts

With respect to SRA Clients, none of SRA or its affiliates are under any obligation to review or monitor a SRA Client's situation on an ongoing basis, or update any advice given to a client with the original plan. As owners of Affiliated Private Funds, SRA Clients will receive or have access to communications with respect to those funds. These communications may include transaction confirmations, quarterly account statements, prospectus updates, annual and semi-annual reports, and proxy statements relating to their fund holdings (as appropriate or disclosed in the private fund's offering document), as well as general SRA emails and other communications.

Non-Periodic Reports

Other than the periodic review of accounts described above, certain account or market anomalies may trigger non-periodic reviews of Client Accounts.

Client Reports

- ***Separate Accounts***

SRA will provide periodic reports to its Separate Account clients regarding the status of their accounts based on the needs of the individual client. Such reports may vary among client accounts based on size and type of account or client. Clients will also receive reports from the qualified custodians (chosen by such clients). When required by the client, confirmations are sent to such client on the next business day following the execution of a transaction in the client's account. Statements are also sent each month in which there is activity in the account.

SRA does not take investment advisory responsibility and shall not provide investment advisory services with regard to any such unsupervised holdings. Any decisions concerning the retention, disposition, or other change with respect to these assets shall remain solely with the client.

- ***Private Funds***

Private Funds receive such reports as are permitted by terms described in the Private Fund's Offering Documents (or as otherwise negotiated with SRA). To comply with the Custody Rule provisions of the Advisers Act, where SRA is deemed to have custody of an affiliated Private Fund's assets, Private Fund audited financial statements are prepared in accordance with Generally Accepted Accounting Principles (or "GAAP") and distributed to investors within 120 days after the end of the Private Fund's fiscal year or as otherwise permitted under applicable provisions of the Advisers Act

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

On occasion, SRA may enter into a formal referral relationship whereby SRA may compensate affiliated persons or third party solicitors in return for referrals. SRA will perform a due diligence review of each solicitor before it will enter into a referral relationship. In each instance, a Solicitor Agreement will be executed between SRA and the Solicitor. At the time of any recommendation of SRA services, the Solicitor will deliver the then current SRA ADV Part II as required by the regulations and disclosure of the relationship. Any referral fees paid by SRA do not affect the advisory fees Clients pay to SRA and SRA advisory fees are not higher than they would otherwise be because of the referral fees paid. Furthermore, SRA does not consider the possibility of receiving client referrals from a particular broker-dealer when selecting or recommending that clients use the broker-dealer.

Other Payments and Contributions to the extent allowed under Applicable Law and SRA Policies

SRA may contribute toward expenses related to educational seminars, training programs, conferences or meals and entertainment incurred by third parties, financial advisors, and firms that use SRA as a sub-advisor or include SRA on a list of recommended advisors (including consultants). SRA may also pay travel and lodging expenses relating to financial advisor's attendance at SRA due diligence meetings. SRA may choose to make charitable contributions, or underwrite or sponsor charitable events at the request of others, including those who may be affiliated with clients or program sponsors or consultants that may refer clients to SRA. In addition, SRA may from time to time buy from third parties certain services or products used in SRA investment advisory business (such as research services) or pay registration or other fees toward or otherwise assist in sponsoring such parties' industry forums, seminars or conferences. Such contributions and payments are paid out of SRA's own resources.

The amount of such payments and the value of such items and benefits may or may not be substantial. These payments, items and benefits could give firms and their personnel incentives to favor SRA investment management services and other SRA affiliated companies, technology products, and services over those of investment management firms that do not provide the same payments, items, or benefits. However, such payments are subject to internal policies that address and in some cases, limit such payments with the

overall aim to avoid compromising advice or recommendations given clients by special incentives or compensation arrangements.

ITEM 15: CUSTODY

Advisors and their Client accounts must be held at a Custodian that allows SRA to place trades on behalf of our institutional clients. For Advisor or Clients whose accounts are not currently held at an appropriate Custodian, SRA will assist Advisor in identifying appropriate Custodians that meet the minimum requirements to support our practices.

Currently, SRA does not impose restrictions on Advisor or Clients' accounts based on broker selection, Custodian, or other Client specific matters; however, this is subject to change at any time if the restriction would create an environment where SRA could not carry out its services or poses a regulatory violation. When custodial services are required, SRA does not recommend the use of any one custodial service. However if SRA were to determine to make this recommendation, this recommendation would come from our internal due diligence review with a primary emphasis placed upon financial strength, customer service and technological capabilities. However, SRA will entertain any Advisor or Client's Custodian relationship absent a legal or regulatory objection, or the ability to perform its services.

When determining which Custodians that SRA will seek to engage as an executing broker, we will consider only those broker-dealers that are "qualified custodians" as defined by the SEC. Advisors and their Clients may choose to utilize their own independent Custodian. In these situations, it is the Advisor and their Client's responsibility to negotiate and pay rates to their Custodian, including bank custody and wire fees. In addition, it must be understood that if the Custodian is unable to meet SRA technology requirements and/or communication connections SRA will be unable to provide its services to Client.

Separate Accounts

Neither SRA nor its affiliates will maintain physical possession of the funds or securities that a client maintains in a Separate Account. The assets in a Separate Account typically are deposited with a qualified custodian. Institutional Accounts typically select their own custodian. Under the investment management agreement, SRA generally invoices the Institutional Account client and the client directs its custodian to pay SRA.

In limited circumstances, SRA will have custody due to certain control it may have over a client's custodial account with a broker-dealer, bank, or other qualified custodian ("Qualified Custodian"). In those instances, the Qualified Custodian will send account statements, no less than quarterly, directly to the client. Clients should carefully review those statements and compare them to any reports received from SRA.

Private Funds

SRA or its affiliates enter into agreements with qualified custodians to maintain custody of the Funds' assets as and to the extent required by Rule 206(4)-2 under the Investment Advisor's Act. These qualified custodians generally include banks, registered broker dealers, registered commodity futures merchants and potentially certain foreign financial institutions. While SRA does not take physical custody of any Client assets, SRA may be deemed to have custody because of its discretionary authority, or by virtue a relationship between SRA or one of its affiliates and a limited partnership or limited liability company Client. The Funds are responsible for all costs of such qualified custodians.

As SRA has arranged for delivery of audited financial statements to each Fund investor within 120 days of the end of each fiscal year, investors do not receive reports directly from the Funds' qualified custodians.

SRA urges all Clients to carefully review all statements received from the administrator or custodian.

ITEM 16: INVESTMENT DISCRETION

Separate Accounts

From the outset of an advisory relationship, SRA is generally authorized by the Client thru their Advisor to determine and execute transactions within the specific investment criteria and parameters outlined in each Client's advisory agreement and without consultation on a transaction-by-transaction basis. The amount of securities bought or sold is determined through the strategy chosen, evaluation of individual account balances, investment objectives, and market and other risk considerations. Clients thru their Advisor may terminate the relationship as stipulated in the client agreement.

Client purchases and sales must be suitable for the particular Client and limitations may be imposed as a result of instructions from the Client through investment guidelines or other writings. Clients may limit SRA's authority by prohibiting or by limiting the purchasing of certain securities or industry groups. In addition, Clients may further limit SRA's authority by requiring that all or a portion of client's transactions be executed through client's designated broker/dealer. Client limitations may also be imposed when such purchase, when aggregated with positions in such security held by SRA for itself, insiders and other clients would exceed applicable law or SRA's self-imposed rules with regard to maximum size of positions in a security.

Based on information provided to SRA from the Client, SRA seeks to understand the Client's financial situation, investment goals and objectives, qualification, time horizon, portfolio liquidity and concentration, and tolerance for risk as well as any investment limitations and reasonable restrictions designated by client. Based upon this knowledge, the Advisor selects a suitable Strategy for the Client Account. The Advisor and the Client must mutually maintain communication to monitor investment objectives and any changes in Client's financial circumstances and for communicating any changes in Client situation to SRA in

the form of a suitable Strategy selected for the Client's account. Any questions the Client has regarding the Strategy employed for their account, including SRA or Model Manager, or their suitability for a Client's financial situation should be directed to the Advisor immediately.

Private Funds

SRA's investment advisory services for its Private Funds are provided on a discretionary basis. SRA may exercise this discretion to determine what securities to trade on behalf of each Fund, in what amount to trade such securities and the executing brokers for such transactions. This discretion is subject to any guidelines or restrictions on the investment activities set out in the agreements between SRA and such fund.

ITEM 17: VOTING CLIENT SECURITIES

Separate Accounts

SRA generally does not vote with respect to securities in its Separate Accounts. SRA has adopted very limited written Proxy Voting Policies and Procedures ("Proxy Voting Policy"), which are designed to reasonably ensure that it votes proxies prudently and in the best interest of its Clients in the unlikely event that voting proxies is required as part of the trading strategy. In such circumstances, SRA will generally vote proxies with a view toward enhancing the value of the shares of stock held in the Separate Accounts. The financial interest of its clients is the primary consideration in determining how proxies should be voted. As a general rule, in the unlikely event that it votes proxies, SRA will vote all proxies relating to a particular proposal the same way for all Separate Accounts holding the security in accordance with the proxy voting guidelines set forth in the Proxy Voting Policy, unless a client specifically instructs SRA in writing to vote such securities otherwise.

Private Fund

With respect to Private Fund Clients, SRA will vote or exercise similar rights for client securities based on the guidance listed in the Private Fund's Offering Documents. If required, the exercise of all voting rights associated with any security or other property held in the portfolio shall be the responsibility of SRA or as otherwise stipulated in the Fund's Offering Documents. SRA will not advise or act for the client in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the portfolio or the issuers of those securities.

SRA generally does not vote proxies for its Private Fund Clients as proxy votes are unlikely to have an effect on SRA's investment strategy. However, in the unlikely event that it does determine to vote proxies, such votes will be made in accordance with its Proxy Voting Policy. SRA has developed this policy to be reasonably designed to insure that proxies are voted in the best interest of the Funds it manages and in accordance with its fiduciary duties and Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. Private Fund Clients may not direct SRA as to how to vote a particular proxy. SRA's proxy voting

policy is designed to address potential conflicts of interest that may arise between SRA and its Clients. Clients may obtain both information about how SRA voted proxies and a copy of its Proxy Voting Policy upon request.

Class Action Lawsuits:

From time to time a security held in a client's account may become the subject of a class action lawsuit. In such cases SRA may receive notice of the class action pertaining to the security and will forward the notice to the Client. Unless otherwise agreed with the Client or listed in the Private Fund's offering documents, SRA has no additional responsibilities with regard to the class action process.

ITEM 18: FINANCIAL INFORMATION

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about SRA's financial condition.

- ***Prepayment of Fees (Six or more months in advance)***
SRA does not charge the prepayment of more than \$500 in investment management fees per client.
- ***Impairment of Contractual Commitments***
SRA is not aware of any financial commitment that likely impairs its ability to meet contractual and fiduciary commitments to clients.
- ***Bankruptcy Petitions***
SRA has not been the subject of a bankruptcy proceeding.

Part 2B of Form ADV: Brochure Supplement

For:
George Papa
Doug Bremer
Eric Metz
Joel Blumenau
Fred Sloneker

SpiderRock Advisors LLC

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312-256-9610

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SRASupport@SpiderRockAdvisors.com

September 1, 2015

This brochure supplement provides information about the investment personnel of SpiderRock Advisors LLC that supplements the SpiderRock Advisors LLC Form ADV Part 2A brochure. You should have received a copy of that brochure. Please contact Trish Pokuta, Chief Compliance Officer at SRASupport@SpiderRockAdvisors.com if you did not receive the SpiderRock Advisors LLC brochure or if you have any questions about the contents of this supplement.

Additional information about each of the Advisory Managers is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for George Papa is #2595217, Doug Bremer is #2607455, Joel Blumenau is #2592445, Fred Sloneker is #4771489, Eric Metz is #5511571.

BROCHURE SUPPLEMENT FOR GEORGE PAPA

ITEM 1: COVER PAGE

Name:

George Papa

Business Address:

111 W. Jackson Blvd, Suite 1210
Chicago, IL 60604

Phone Number:

312-256-9610

Firm Name:

SpiderRock Advisors, LLC

ITEM 2: EDUCATION BACKGROUND AND BUSINESS EXPERIENCE

Year of birth:

1969

Formal education after high school:

Degrees in Applied Physics and Economics from the California Institute of Technology.

Business Experience:

Mr. Papa is the Executive Chairman and Managing Member of SpiderRock Advisors. He is the visionary and originator of the philosophy behind every aspect of SpiderRock, and the chief architect of all SpiderRock technology and solutions. Prior to founding the firm, he was instrumental in the trading industry as a partner and managing director for Cantor Fitzgerald in New York as well as executive technology roles with leading trading firms in Chicago.

ITEM 3: DISCIPLINARY INFORMATION

George Papa has not been involved in any activities requiring disciplinary disclosure.

ITEM 4: OTHER BUSINESS ACTIVITIES

George Papa is involved in various other business activities outside SpiderRock Advisors and, as the managing member of SpiderRock Holdings, LLC, devotes a majority of his time to the entities under the SpiderRock Holdings structure, which include SpiderRock EXS, SpiderRock Gateway Tech, and SpiderRock Platform Services. Mr. Papa is also involved in other business ventures outside SpiderRock and its affiliates which include funding and

developing new trading strategies and analysis, technology development, and public speaking.

ITEM 5: ADDITIONAL COMPENSATION

George Papa receives various other compensation outside of SpiderRock Advisors. As a result the majority of his compensation is derived from the entities under the SpiderRock Holdings structure, which include SpiderRock EXS, SpiderRock Gateway Tech, and SpiderRock Platform Services. Mr. Papa will also receive additional compensation from his other business ventures outside SpiderRock and its affiliates.

ITEM 6: SUPERVISION

George Papa is the Executive Chairman and Managing Member at SRA. Mr. Papa is subject to the firm's registration requirements, firm's COE, policies, and procedures. In addition, his outside activities are reviewed by the Chief Compliance Officer. George Papa may be reached by email at George.Papa@SpiderRockAdvisors.com

BROCHURE SUPPLEMENT FOR DOUG BREMER

ITEM 1: COVER PAGE

Name:

Doug Bremer

Business Address:

111 W. Jackson Blvd, Suite 1210
Chicago, IL 60604

Phone Number:

312-256-9610

Firm Name:

SpiderRock Advisors, LLC

ITEM 2: EDUCATION BACKGROUND AND BUSINESS EXPERIENCE

Year of birth:

1971

Formal education after high school:

Mr. Bremer received his BA from the University of Colorado, and his MBA from the Babcock Graduate School of Management at Wake Forest University.

Business Experience:

Doug Bremer is President and Managing Director of SpiderRock Advisors LLC, where he is responsible for leading corporate development and strategy for the firm.

Mr. Bremer has spent over 20 years in the asset management industry, focusing primarily on equity derivatives, quantitative strategies, and electronic and algorithmic trading systems.

Previously, Doug was Product Manager at Wells Fargo Wealth Management, where he was tasked with engineering and managing business strategy development and electronic trading infrastructure for their options strategies trading desk. Prior to Wells Fargo, Doug was at Evergreen Investments operating as a Sr. Analyst for their Quantitative and Derivative Strategies team.

ITEM 3: DISCIPLINARY INFORMATION

Doug Bremer has not been involved in any activities requiring disciplinary disclosure.

ITEM 4: OTHER BUSINESS ACTIVITIES

Doug Bremer is not involved in other business activities or SpiderRock affiliates.

ITEM 5: ADDITIONAL COMPENSATION

Doug Bremer does not receive additional compensation from outside business activities.

ITEM 6: SUPERVISION

Doug Bremer, is a lead investment professional at SRA and is responsible for the recommendations given to clients. Mr. Bremer reports to Mr. George Papa and is subject to the firm's registration requirements, firm's COE, policies, and procedures. In addition his outside activities are reviewed by the Chief Compliance Officer. Doug Bremer may be reached by email at Doug@SpiderRockAdvisors.com.

BROCHURE SUPPLEMENT FOR ERIC METZ

ITEM 1: COVER PAGE

Name:

Eric Metz

Business Address:

111 W. Jackson Blvd, Suite 1210
Chicago, IL 60604

Phone Number:

312-256-9610

Firm Name:

SpiderRock Advisors, LLC

ITEM 2: EDUCATION BACKGROUND AND BUSINESS EXPERIENCE

Year of birth:

1980

Formal education after high school:

Mr. Metz graduated Magna Cum Laude from the University of Michigan with a B.S.E in Industrial and Operational Engineering, and earned his M.S.E., with honors, in Industrial and Operations Engineering. Eric was also enrolled in the Industrial and Operations Engineering PhD program at the University of Michigan before pursuing his career path in derivatives trading and portfolio management.

Business Experience:

Eric joined SpiderRock Advisors in 2015 and serves as Chief Investment Officer and Lead Portfolio Manager. Eric oversees all strategies and portfolio management activities. Prior to joining SpiderRock Advisors, Eric was the Derivatives Strategist and Portfolio Manager at RiverNorth Capital Management, LLC, managing both mutual fund and hedge fund assets for individuals and institutions. Preceding RiverNorth, Eric was a partner at Bengal Capital LLC, a multi-asset volatility arbitrage firm. Prior to Bengal, Eric was a senior trader at Ronin Capital, LLC where he specialized in equity and ETF derivatives. Eric started his career with the Chicago Trading Company on the floors of the Chicago Mercantile Exchange (CME) and Chicago Board Options Exchange (CBOE). He is a CFA Charterholder and member of the CFA Institute and the CFA Society of Chicago.

ITEM 3: DISCIPLINARY INFORMATION

Eric has not been involved in any activities requiring disciplinary disclosure.

ITEM 4: OTHER BUSINESS ACTIVITIES

Mr. Metz is involved in other non-related business ventures outside SpiderRock Advisors, which include private placement holdings, and passive equity interests in privately held companies.

ITEM 5: ADDITIONAL COMPENSATION

Eric Metz receives minimal additional compensation from his above-mentioned other business activities.

ITEM 6: SUPERVISION

Eric Metz, is a lead investment professional at SRA and is responsible for the recommendations given to certain clients. Mr. Metz reports to Mr. George Papa and is subject to the firm's registration requirements, firm's COE, policies, and procedures. In addition his outside activities are reviewed by the Chief Compliance Officer. Eric may be reached by email at Eric@SpiderRockAdvisors.com.

BROCHURE SUPPLEMENT FOR JOEL BLUMENAU

ITEM 1: COVER PAGE

Name:

Joel Blumenau

Business Address:

111 W. Jackson Blvd, Suite 1210
Chicago, IL 60604

Phone Number:

312-256-9610

Firm Name:

SpiderRock Advisors, LLC

ITEM 2: EDUCATION BACKGROUND AND BUSINESS EXPERIENCE

Year of birth:

1960

Formal education after high school:

Mr. Joel Blumenau received his BA in Economics from Stanford University.

Business Experience:

Joel Blumenau is the Head Trader of SpiderRock Advisors LLC. Mr. Blumenau moved from the west coast to Chicago in 1995 and began his career in the financial industry by spending nearly five years as a market maker on the floor of the CBOE. He then spent several years successfully trading equity index arbitrage strategies both domestically and internationally before joining SpiderRock Trading in 2008 as a senior trader/portfolio manager. He received his BA in Economics from Stanford University.

ITEM 3: DISCIPLINARY INFORMATION

Joel Blumenau has not been involved in any activities requiring disciplinary disclosure.

ITEM 4: OTHER BUSINESS ACTIVITIES

Joel Blumenau is a writer, photographer and artist on a part-time basis outside of regular business hours. In addition, Mr. Blumenau may assist from time to time with other SpiderRock affiliates but is expected to devote the supermajority of his time to SpiderRock Advisors.

ITEM 5: ADDITIONAL COMPENSATION

Joel Blumenau receives minimal additional compensation from his above-mentioned other business activities.

ITEM 6: SUPERVISION

Joel Blumenau is a lead investment professional at SpiderRock Advisors and is certain recommendations given to clients. Mr. Blumenau reports to Mr. George Papa and is subject to the firm's registration requirements, firm's COE, policies, and procedures. In addition his outside activities are reviewed by the Chief Compliance Officer. Joel Blumenau may be reached by email at joel.blumenau@SpiderRockAdvisors.com.

BROCHURE SUPPLEMENT FOR FRED SLONEKER

ITEM 1: COVER PAGE

Name:

Fred Sloneker

Business Address:

111 W. Jackson Blvd, Suite 1210
Chicago, IL 60604

Phone Number:

312-256-9610

Firm Name:

SpiderRock Advisors, LLC

ITEM 2: EDUCATION BACKGROUND AND BUSINESS EXPERIENCE

Year of birth:

1969

Formal education after high school:

Mr. Sloneker graduated from the California Institute of Technology with a B.S. in Economics and a concentration in graduate finance.

Business Experience:

Mr. Frederick Sloneker is a lead portfolio manager and trader for SpiderRock Advisors. Fred has more than 20 years of experience developing, implementing, and managing convertible arbitrage strategies. Before joining SpiderRock Advisors in 2015, he was the Head of the Proprietary Trading Desk at SpiderRock Trading. Prior to joining SpiderRock in 2010, he was the co-creator of an options proprietary trading desk for Toronto Dominion Bank. Before that, Mr. Sloneker was the managing partner and sole trader of an LLC that employed equity option trading strategies in special situations (biotech and regulatory events). Before trading on his own, he spent more than six years as a convertible arbitrage strategist, trader, and portfolio manager for two San Francisco hedge funds, JMG Triton and St. Claire. He is a former member of the CBOE.

ITEM 3: DISCIPLINARY INFORMATION

Fred Sloneker has not been involved in any activities requiring disciplinary disclosure.

ITEM 4: OTHER BUSINESS ACTIVITIES

Fred Sloneker is not involved in other business activities or SpiderRock affiliates.

ITEM 5: ADDITIONAL COMPENSATION

Fred Sloneker does not receive additional compensation from outside business activities.

ITEM 6: SUPERVISION

Fred Sloneker, is a lead investment professional at SRA and is responsible for the recommendations given to certain clients. Mr. Sloneker reports to Mr. George Papa and is subject to the firm's registration requirements, firm's COE, policies, and procedures. In addition, his outside activities are reviewed by the Chief Compliance Officer. Fred may be reached by email at Fred@SpiderRockAdvisors.com.