

Parametric Risk Advisors (PRA) is an SEC-Registered Investment Advisor offering investment management services, including disciplined option trading strategies such as DeltaShift.

### About Parametric

Parametric is an industry-leading provider of structured portfolio management, headquartered in Seattle, Washington. Parametric and its affiliate, Parametric Risk Advisors, offer a variety of structured portfolio solutions, including customized core equity portfolios (U.S., Non-U.S., global Tax-Managed Core™), options strategies (DeltaShift<sup>SM</sup>), and overlay portfolio management (OverlayOne™).

### Established:

1987

### Ownership:

Majority-Owned Subsidiary of Eaton Vance Corp.

DeltaShift is a professionally managed covered call-writing program designed to improve total return and generate incremental income for investors with concentrated stock positions. DeltaShift is actively managed by Parametric Risk Advisors and offers a transparent, repeatable methodology with institutional execution designed to boost total return within clearly defined risk parameters. DeltaShift combines a risk-based option selection methodology with active risk management to maximize program efficiency. PRA's research indicates that on an annual basis, DeltaShift may have the potential to produce 3-6% of incremental return while expecting to sell 2-5% of the underlying stock.

### METHODOLOGY:

- Determine investor's investment objectives, including: time frame, risk tolerance, return objectives, income stream needs as well as the dynamics of the underlying stock.
- Provide an analysis outlining the stock volatility, an estimate of the premiums to be generated, expected performance given various underlying stock return scenarios, and the expected quantity of shares to be sold during the period.

### IMPLEMENTATION:

- DeltaShift will select multiple short-dated options to sell. Listed American-style options are most often chosen than over-the-counter options (due to greater liquidity and transparency), providing the most cost-effective solution to the investor.

### PROCESS:

- Risk and return characteristics for all open options positions are monitored and evaluated on a real-time basis.
- As options expire, new options are sold, generating additional premium income. If an option is exercised, a "net share settlement" methodology may be implemented to reduce the number of shares sold.

#### PARAMETRIC DELTASHIFT BENEFITS

Provides disciplined and professional management with active risk management.

Utilizes a portfolio of shorter-maturity and out-of-the-money options to reduce exercise risk and maximize total return.

Minimizes corporate event risk by using short-term options.

Using a Net Share Settlement process, an option seller may improve after-tax returns by minimizing the number of existing shares sold in the event the options are exercised.

#### PARAMETRIC DELTASHIFT CONSIDERATIONS

Does not protect a stock from downside risk. The loss for the investor could be the current price of the stock less the premium received from the call option.

Limits upside potential for stock appreciation.

If the stock is called away, substantial capital gain taxes could be incurred.

There is no assurance that the revenue received from the Parametric DeltaShift program will exceed fees and expenses paid.

### Parametric

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### Disclosures

DeltaShift is a discretionary call writing investment management service of Parametric Risk Advisors, LLC (PRA). This factsheet is intended to describe generally how the service works, but it is not a complete description of DeltaShift or how PRA performs its investment management responsibilities. Past performance is not a guarantee of future results.

This information should not be considered investment advice or a recommendation to buy or sell any particular security. The information in this material and specific securities mentioned are not representative of all securities purchased, sold or recommended for advisory clients. Actual portfolio holdings will vary for each client and there is no guarantee that a particular client's account will hold any, or all, of the securities identified. It should not be assumed that any of the securities or recommendations made in the future will be profitable or will equal the performance of the listed securities. It is not possible to invest directly in an Index. Past performance does not predict future results.

The upside potential of fully written call option positions is limited to the strike price plus the premium received. Unless the position is closed, the client relinquishes any upside potential above the call strike price. The downside protection afforded by call writing is limited to the amount of the premium received. If the stock held by the client declines significantly, the only protection will be the premium received. Retaining PRA to render investment management services and/or to manage a securities investment account may involve significant risks, including the risk that the account could suffer substantial diminution in value. Investors should have the financial ability and willingness to accept such risks.

The sale of stock will produce tax consequences for U.S. taxpayers. Each option transaction also produces a tax consequence. Prior to undertaking the DeltaShift service, you should discuss with your personal tax adviser how the options transactions and any sales of underlying stock will affect your tax situation. Neither PRA nor Parametric Portfolio Associates provide tax advice.

Structured products and options are not suitable for all investors. Please ensure that you have read and understood the current options risk disclosure document before entering into any options transactions. The options risk disclosure document can be accessed at the following web address: <http://optionclearing.com/publications/risks/download.jsp>.

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Parametric Risk Advisors is the investment advisor. It is a subsidiary of Parametric Portfolio Associates, LLC, which is a majority-owned subsidiary of Eaton Vance Corp.