

## The Strategy

The NorthCoast Concentrated Stock strategy uses proprietary stock and market exposure models to **hedge downside risk and initiate tax-efficient liquidation, while diversifying concentrated account positions.**

## Primary Objectives

- ✓ Hedge downside risk
- ✓ Generate income
- ✓ Tax-efficient liquidation
- ✓ Diversify concentrated position

## A Personalized Solution

### Stock Analysis

Multi-factor stock selection model seeks to enhance the underlying concentrated position, using comprehensive data sets to discover, interpret and leverage valuable patterns and trends

### Market Exposure

Use of proprietary market exposure models to effectively hedge risk, notably during the last two bear market cycles (2000-02, 2007-08)

### Options Trading

Options trading technology applied to our stock analysis and market exposure models, in a system built for daily monitoring and optimized trade execution

### Advisory Services

Personal consultation to determine options strategy, time horizon, possible tax considerations and future investment management



**Dan Kraninger**  
President & CEO

“NorthCoast helps clients reach their investment goals. Whether providing investment management to a piece of a portfolio or working together on a long-term financial plan, we aim to deliver valuable advice and institutional-caliber portfolio management services.”



**Slava Malkin**  
SVP | Derivatives & Options

“Our team analyzes a variety of research data and utilizes technology providers to best manage a concentrated stock portfolio. The goal is to systematically manage options positions against the concentrated position to generate yield, reduce beta and enable liquidation of the position with tax efficiency.”

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Options overlay strategy does not protect from downside risk. The downside risk protection benefit of a call writing strategy is limited to the amount of the premium received. Portfolio holdings may need to be sold to generate cash to settle options. Such sales may produce tax consequences. Investors must be willing to forgo potential upside appreciation above the premium value in exchange for the incremental income. Options may expire worthless or not perform as expected, resulting in losses. Options involve risk and are not suitable for all investors. Refer to Characteristics & Risks of Standardized Options: <http://www.optionsclearing.com/about/publications/character-risks.jsp>