

ShadowTrader Time Spread Options Advisory -

This document is the starting point for those that are deciding to sign up for the Time Spread Options Advisory. It is an overview of the product along with answers to frequently asked questions on the basics of how the advisory works.

Trading Philosophy: What to Expect...

Firstly, let me begin by thanking you for joining and having the interest trade option spreads that can make money in more than one direction. To put it bluntly, two trends are better than one. With this advisory we can trade based upon gaining from theta (decay of extrinsic value) along with the increase in delta (increase in value as the underlying moves in price). Using calendars and diagonals spreads fits these criteria. The basis of each of these strategies falls lies in defined support and resistance on the chart. This becomes the starting point to design this type of trade as well as the endpoint or target price for the short-termed option. The goal of the advisory is to go directional without using only a plain vanilla vertical spread or single option. To accomplish these objectives, we use short term expiries of 3 weeks or less against longer dated options with expiries more than 4 cycles out. The goal is to have the issue move in price to the short option where the gain in extrinsic value is maximized and then gain again on the long option from its value increasing due to the positive effect from delta. In short, options are called options for a reason, because they give you lots of options! That being the case, we believe they should be used at their fullest potential. This advisory is administered by ShadowTrader Scott Gillam. His objective is to present 2-3 options trades per week in real-time via text message to subscribers. These trades are copied and pasted directly from the Filled Orders section of a live money (not demo or paper) thinkorswim account. All trades are real, not hypothetical, and have been executed in a real account. Scott manages all trades with adjustments and exits which are also texted in real-time and all trade activity is posted to a spreadsheet which is updated daily. An email is sent out every afternoon just after the market close which details all texts sent out that day along with explanation of why the trade/adjustment/closing was made, a .pdf of the updated trade spreadsheet, and Peter Reznicek's (co-founder and Chief Strategist for ShadowTrader) closing thoughts on the market. Furthermore, every subscription includes access to a Private Webinar on Fridays at 3pm EST which is for subscribers only. These events are recorded and subscribers receive emails with links to the recordings if they are not able to attend live. These webinars are fully interactive and always include a Q&A session where subscribers can get clarification on any of the trades or strategies being employed.

Frequently Asked Questions

I work full-time, can I still trade this advisory? Probably not. The trades are often very time sensitive and that is why we utilize text messaging directly to subscribers phones so there is little latency between when we initiate the trade or make an adjustment and when you receive the recommendation. That being said, we do have a number of subscribers who are subscribed solely for the information value of the Time Spread webinars and also the educational value of learning more complex options spreads by seeing actual trades being placed and how they unfold. In general, Time Spreads advisory is a bit "slower" than the Weekly Options advisory but the trades are still time sensitive and cannot just be placed at end of day.

How much capital do you recommend to have to trade in the same size as the text messages? We recommend a minimum of \$10 to \$15,000 unmarginated cash in your account in order to comfortably trade all of the trades along with Scott. The trades sent out are purposely sized as small as possible and are always 8 contracts or less. Those with larger accounts should size up proportionally, doubling the size for every \$15k in their accounts.

I just signed up, how can I get the current trades and links to webinars? An email is sent out nightly with a freshly updated .pdf and also links to all of the past webinars. Depending on what time you signed up, you may have to wait until the following afternoon to receive your first daily email.

Are the Friday webinars recorded and archived? Yes. All subscribers receive emails on Friday nights with links to the recording of the webinar that just occurred. The daily update emails also have an archive of all past webinars in each one.

Is there a free trial to the advisory? No. The going rate of \$49 per month is far below what others are charging for something this comprehensive so we are not offering a free trial at this time.

If I sign up, am I locked in for some period of time or can I cancel whenever I like? There is no contract and you may cancel at any time. Note that ShadowTrader does NOT prorate or give any refunds.

I just cancelled, but am still receiving text messages and emails, what gives? When you sign up your account is marked with an anniversary date of that day. You are charged your first \$49 on that day and then \$49 every 30 days after that. If you cancel in the middle of a period you will still receive services until your anniversary date rolls around again. If you would like to stop receiving emails and texts immediately, contact support@shadowtrader.net and we'll take care of that for you.

I don't understand some of the trades and am afraid of putting them on wrong, should I still do them? ShadowTrader does not advocate the placing of any trades that subscribers are uncomfortable with. Your best bet is to sit those out, wait for the nightly email which will more than likely give more detail, and ask questions in the Time Spread webinar.

Do I need a twitter account to follow the trades? No, not at all. The trades are sent out directly to your phone from our website. Twitter is not involved in the process at all.

I am located overseas, can I still receive the text messages to my phone? In almost all cases, yes! We have a number of people trading with us from around the world and our system is sending texts directly to their phones without issue. Your best bet is to email support@shadowtrader.net first and give us your phone number so we can test it out first before you sign up.

When will I receive the invites to the Weekly Private Spread webinar? Invites are sent out on Friday afternoons around 2pm. The webinars start at 3pm. If you sign up after 2pm and want to attend that day's private session, simply send an email over to support@shadowtrader.net and we'll send you the link so you can enter.

I don't exactly understand how I should place the trade according to what I see in the text messages. Is there a user's guide somewhere that explains fully how to interpret the trades in the texts? Yes! You should have received a link to this document in .pdf form with your welcome email right after you signed up. If you are a current subscriber and you don't have it, please email support@shadowtrader.net and we will send you another copy.

I signed up and have not received text messages for a few days now, are there texts sent every day? Yes, it is rare that Scott does not send at least one message each day. A normal day will have 1-5 texts go out. You have probably entered your number incorrectly during the sign up process. Please log into your account at shadowtrader.net and check your information. Note that phone numbers need to be entered in this format: "1234567890" without any dashes or spaces.