

## CFTC Risk Disclosure Statement

THE RISK OF LOSS IN TRADING COMMODITIES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED COMMODITY ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THE DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF THE PRINCIPAL RISK FACTORS AND EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR ("CTA").

THE REGULATIONS OF THE COMMODITY FUTURES TRADING COMMISSION ("CFTC") REQUIRE THAT PROSPECTIVE CUSTOMERS OF A CTA RECEIVE A DISCLOSURE DOCUMENT WHEN THEY ARE SOLICITED TO ENTER INTO AN AGREEMENT WHEREBY THE CTA WILL DIRECT OR GUIDE THE CLIENT'S COMMODITY INTEREST TRADING AND THAT CERTAIN RISK FACTORS BE HIGHLIGHTED. THIS DOCUMENT IS READILY ACCESSIBLE AT THIS SITE. THIS BRIEF STATEMENT CANNOT DISCLOSE ALL OF THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. THEREFORE, YOU SHOULD PROCEED DIRECTLY TO THE DISCLOSURE DOCUMENT AND STUDY IT CAREFULLY TO DETERMINE WHETHER SUCH TRADING IS APPROPRIATE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. YOU ARE ENCOURAGED TO ACCESS THE DISCLOSURE DOCUMENT BY CLICKING THE LINKS PROVIDED AT [FORMS.ALTAVRA.COM](https://forms.altavra.com). YOU WILL NOT INCUR ANY ADDITIONAL CHARGES BY ACCESSING THE DISCLOSURE DOCUMENT. YOU MAY ALSO REQUEST DELIVERY OF A HARD COPY OF THE DISCLOSURE DOCUMENT AT [FORMSBYMAIL.ALTAVRA.COM](https://formsbymail.altavra.com), WHICH WILL ALSO BE PROVIDED TO YOU AT NO ADDITIONAL COST. THE CFTC HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN ANY OF THESE TRADING PROGRAMS NOR ON THE ADEQUACY OR ACCURACY OF ANY OF THESE DISCLOSURE DOCUMENTS.

QUESTIONS OR COMMENTS: PLEASE EMAIL [CLIENTSERVICES@ALTAVRA.COM](mailto:CLIENTSERVICES@ALTAVRA.COM) OR CALL 1-800-998-7870.

For up-to-date performance information on 90+ managed accounts, please access the alternative investment database\*.

To access the database:

1. Request a pin number at [altavra.com](https://altavra.com).
2. After you receive your pin number, you can access the database at [portfolio.altavra.com](https://portfolio.altavra.com).
3. In the database, click on "List of Programs" at the top of the page to view all of the programs in the database.

\*PLEASE NOTE: There is no fee to access the database. This is not a trial access. The pin number does not expire.

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THE RISK OF LOSS IN TRADING FUTURES, OPTIONS AND OFF-EXCHANGE FOREX CAN BE SUBSTANTIAL.  
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

## Oak Investment Group

### **Program Description: Ag Options Program**

The Agricultural Sector Option Specific Trading Program of Oak Investment Group utilizes a short options strangle strategy, primarily, but not limited to U.S. Exchange traded livestock futures and options. A short options strangle strategy consists of selling (going short) an out of the money call option, above the current futures price, while simultaneously selling (going short) an out of the money put option, below the current futures price, effectively bracketing the market. The intent being that the short options will expire with the underlying futures price falling between the short option strike prices.

Selling “naked” options, i.e. going short an option without an accompanying futures position, entails unlimited risk exposure. Specifically, should the counterparty purchaser of an option exercise that option, the seller of that option is assigned a futures position, with the attendant unlimited risk.

Oak Investment Group’s Trading Strategy is to actively manage that risk exposure through constant monitoring of futures market price and direction, and the use of protective futures hedges, when needed. The primary indication of the need to initiate a protective futures hedge is an underlying futures price at or beyond either the short call or short put strike price. Should a protective futures hedge or hedges need to be enacted, the effect is that the risk exposure is limited to the difference between the price at which the futures were initiated and the strike price of the short option. This is a cost, which both reduces, and protects potential profits. The goal of the trading strategy is to collect as much premium as possible, and then retain as much as possible of that premium as profits for clients. Both the customer and proprietary performance for Oak Investment Group’s trading strategy are included on pages 15 - 17 of the disclosure document.

### **Program Description: Ag Futures Program**

The Agricultural Sector Futures Specific Trading Program of Oak Investment Group utilizes a discretionary trading strategy developed by the Advisor. The program is based on fundamental analysis of the agriculture markets and determines whether to open long or short futures contracts. The program will primarily trade, but is not limited to U.S. Exchange trading livestock futures.

Oak Investment Group’s trading strategy is to actively manage that risk exposure through constant monitoring of futures market price and direction, and the use of protective option hedges, when needed. Should a protective hedge or hedges need to be enacted, the effect is that the risk exposure is limited to the difference between the price at which the futures were initiated and the strike price of the short option. This is a cost, which both reduces, and protects potential profits. Both the customer and proprietary performance for Oak Investment Group’s trading strategy are included on pages 15 - 17 of the disclosure document.

**Management Information: Joseph H. Ocrant**

Joseph H. Ocrant has been registered as a floor broker since April 12, 2007.

Mr. Ocrant functioned as an agriculture futures and stock trader, trading his own personal funds from multiple locations including the office of Alaron Futures and Options, 822 West Washington Boulevard, Chicago, IL, from March, 2003 until March, 2007.

In March, 2007, he came back to the floor of the Chicago Mercantile Exchange as a CME Member where he continues to function as a floor broker, and now a Commodity Trading Advisor. Mr. Ocrant's customer and proprietary trading performance is shown on pages 15 and 16 of the disclosure document.

In March 2007, Mr. Ocrant re-registered with the National Futures Association as a floor broker. He was registered as a Commodity Trading Advisor on February 25, 2008, Principal of the Advisor on February 7, 2008 and became a member of the National Futures Association on March 7, 2008.

As of the date of the most recent disclosure document, Mr. Ocrant remains as a Chicago Mercantile Exchange member, a floor broker and a Commodity Trading Advisor (CTA).

*The descriptions above are from the manager's disclosure document.*