

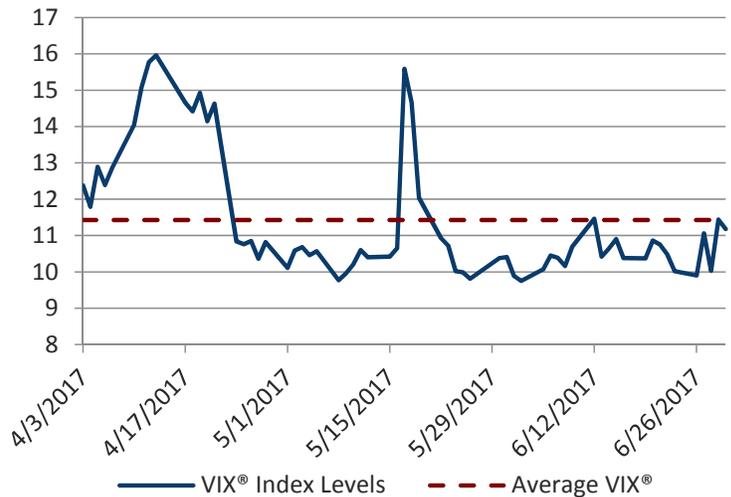
EQUITY MARKETS

The S&P 500[®] Index gained 3.09% for the second quarter of 2017, bringing its year-to-date return to 9.34%. The equity market posted positive returns each month of the quarter with the S&P 500[®] Index returning 1.03%, 1.41% and 0.62% for April, May and June, respectively. The quarter began with a decline of 1.35% through April 13th. The loss was a continuation of the market decline that began in early March. From its close on March 1st through April 13th, the S&P 500[®] Index lost 2.58%, its largest peak-to-trough-decline of 2017. From April 13th through quarter-end, the S&P 500[®] Index returned 4.50%. The advance was largely steady with the only significant interruption being a one-day loss of 1.79% on May 17th. Realized volatility and implied volatility were persistently low throughout the quarter.

The market backdrop for the second quarter was generally encouraging for the broader economy and quite positive for corporate profitability. Over 81% of S&P 500[®] Index companies reported first quarter earnings that met or exceeded analyst estimates, and aggregate operating earnings grew 4.55% from their December 31st, 2016 level. Year-over-year, earnings grew at a rate of 12.67%, the fastest measure since the first quarter of 2011. Despite initial estimates of first quarter GDP growth coming in well short of expectations and below one percent, and inflation measures that dropped below the Federal Reserve's (the Fed) two percent target, there was little market response to the Fed's monetary policy commentary and actions. The Fed determined that economic data was strong enough to support raising the Federal Funds rate for the second time this year during their June meeting. The Fed also began discussing plans for shrinking the size of its balance sheet after nearly a decade of asset purchases. At the end of June, the final estimate of first quarter GDP growth came in at 1.4%, an upward revision that beat consensus estimates. Despite an elevated level of turmoil in Washington, D.C., the market impact of the political environment was limited. Market weakness at the beginning of the quarter was, in part, a continuation of the concern that the Trump administration's policy agenda of deregulation, tax cuts and infrastructure spending was losing momentum due to the failure of Congress to pass a healthcare bill that repealed or modified the Affordable Care Act. Similar concerns also played a part in the sharp one-day equity market decline on May 17th, as controversy around President Trump and investigations into his campaign staff's ties to Russian officials were seen as an additional impediment to his administration's legislative agenda.

Implied volatility, as measured by the Chicago Board Options Exchange Volatility Index[®] (the VIX[®]), averaged 11.43 for the quarter, the second lowest quarterly average over its 110-quarter history which began in 1990. Implied volatility exceeded S&P 500[®] Index realized volatility (as measured by its annualized standard deviation of daily returns) of 7.45% for the quarter. On June 2nd, the VIX[®] closed at 9.75, its closing low for the quarter and its lowest close since December 1993. The VIX[®] has closed below 10 just 16 times since 1990, but seven of those instances occurred in the most recent quarter. The closing high for the VIX[®] during the quarter was 15.96 on April 13th.

VIX[®] Levels
(4/1/2017 - 6/30/2017)



Datasource: Bloomberg, L.P.

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.

The Chicago Board Options Exchange (CBOE[®]) S&P 500[®] BuyWrite Index (the BXMSM)¹, had a return of 3.07% for the second quarter, bringing its year-to-date return to 7.21%.

¹ The CBOE[®] S&P 500 BuyWriteSM Index (the BXMSM) is a passive total return index designed to track the performance of a hypothetical buy-write strategy on the S&P 500[®] Index. The construction methodology of the index includes buying an equity portfolio replicating the holdings of the S&P 500[®] Index and selling a single one-month S&P 500[®] Index call option with a strike price approximately at-the-money each month on the Friday of the standard index-option expiration cycle and holding that position until the next expiration.

The premiums collected when the BXM'sSM new index call options were sold on the third Friday of each month (as the previous months' index call options expired) significantly influenced the relative return of the BXMSM over the course of the quarter. Premiums collected as a percentage of the BXM'sSM underlying value were 1.10%, 0.97% and 1.14% for April, May, and June, respectively. The premiums received were consistent with the low volatility environment that persisted throughout the quarter. Despite the relatively low premiums received, the BXM'sSM monthly returns were 0.91%, 1.78% and 0.35% for April, May and June, respectively. Compared to the S&P 500[®] Index, the BXM'sSM slight underperformance in April and June was nearly erased by its outperformance in May.

FIXED INCOME MARKET

The Bloomberg Barclays U.S. Aggregate Bond Index returned 1.45% for the second quarter, bringing its year-to-date return to 2.27%. The yield on the 10-year U.S. Treasury Note ended the first quarter at 2.39% and climbed to a second quarter high of 2.41% on May 10th before declining to a second quarter low of 2.13% on June 14th and then rising again to end the quarter at 2.30%.

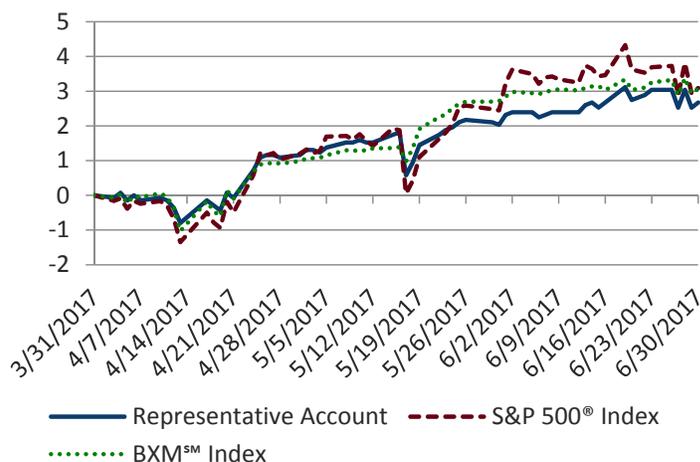
COMPOSITE PERFORMANCE

The Gateway Active Index-Option Overwrite Composite (the Composite) returned 2.74% for the second quarter, underperforming the BXMSM by 33 basis points (bps) and bringing its year-to-date return to 6.59%. With monthly returns of 1.09%, 1.00% and 0.63% for April, May and June, respectively, most of the Composite's underperformance came in the month of May while June's outperformance was not enough to catch up to the BXMSM.

The portfolio performance contributions, annualized standard deviation and portfolio statistics quoted for the Composite in the following paragraphs are those measured by a representative account.*

*Represents supplemental information to the GIPS-compliant presentation. This representative account was selected as it is the largest account in the Composite.

Cumulative Performance (%)
(4/1/2017 - 6/30/2017)



Datasource: Bloomberg, L.P.

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.

The Composite's underperformance of the BXMSM in May was primarily due to relative performance during the market pullback on May 17th. On that day, the weighted-average strike price of the Composite's index call option portfolio was higher than the strike price of the BXM'sSM May index call option, resulting in the Composite having more market exposure than its benchmark. The Composite declined 1.21% on May 17th, underperforming the BXMSM by 81 bps. From the beginning of the quarter to market close on May 16th, the Composite returned 1.81%, outperforming the 1.39% return of the BXMSM by 42 bps. From their closing values on May 17th through quarter end, the Composite and the BXMSM both returned 2.08%.

For the second quarter, the Composite's underlying equity portfolio contributed a total return of 3.24%, resulting in a positive performance differential of 15 bps relative to the S&P 500[®] Index. Although the Composite's index call option portfolio generated risk-reducing cash flow throughout the quarter, it detracted from returns in May primarily due to call premiums earned that month being insufficient to keep pace with the equity market's advance. The impact of the index call option portfolio to the Composite's returns in April and June was negligible as call option premiums earned in those months were nearly equal to the market's advance. The Composite's annualized standard deviation of daily returns for the quarter was 4.68% as compared to 4.28% for the BXMSM and 7.45% for the S&P 500[®] Index. The Composite exhibited a beta to the BXMSM of 0.96 for the quarter.

Gateway's index call option activity throughout the quarter focused on increasing the weighted-average strike price of the Composite's index call option portfolio as the market advanced, at times preferring longer-dated contracts with higher-dollar premiums offering more attractive protection in the event of a market reversal than shorter-term contracts with higher annualized premiums and less protection. The investment team took advantage of relatively high implied volatility in mid-April and mid-May by writing index call options with higher levels of implied volatility priced into them.

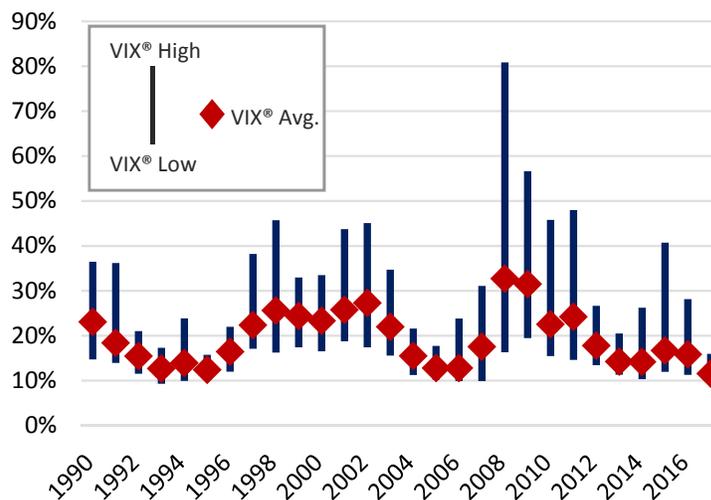
As of June 30th, the Composite's diversified equity portfolio was over 95% hedged with index call options with average strike prices between 1.5% in-the-money and 1.5% out-of-the-money, average time to expiration of 37 days and annualized premium to earn of 7.5% to 10%. Relative to the beginning of the quarter, this positioning represented similar market exposure and increased net cashflow potential.

MARKET PERSPECTIVE

2017 may end up being one of the lowest volatility years in history. By many measures it already is. The 9.75 closing value for the VIX[®] on June 2nd was the fourth-lowest closing value in the twenty-seven-and-a-half-year history of the volatility index. All three of the lower marks came in December of 1993. The VIX[®] has also been persistently low, accumulating a year-to-date average through June 30, 2017 of just 11.56 while closing below 10 on 7 different days this year, which is nearly half of all sub-10 closing values in history.

As we have written in previous Market Perspectives, the primary driver of low VIX[®] is low realized volatility. The year-to-date standard deviation of daily returns for the S&P 500[®] Index is 7.14%. If that level persists throughout the year, it will be the lowest recorded in the last 28 years. Key elements of the market backdrop supporting a low volatility environment include global economic growth, accelerating corporate profitability and confidence in central bank policies.

Annual VIX[®] High-Low Range and Average
1990 to June 2017



Datasource: Bloomberg, L.P.

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.

In addition to volatility-lowering fundamentals, volatility is further dampened by the market behaving like a 'market of stocks', rather than a 'stock market.' In other words, the equity market is not behaving like a single entity with constituent parts responding the same way to economic and financial variables. Instead, the price action of individual companies has been more random lately than in recent years. The equity market has been 'grinding higher' with low correlation across individual companies. The statistical correlation among the 50 largest companies in the S&P 500[®] Index was above its 10-year average for most of Q3 2016 and steadily declined to a 10-year low in February of this year. Correlation levels have been well below their 10-year average throughout 2017. That low correlation is evidence of a diversification effect that lowers realized volatility.

One above-average characteristic of this low volatility environment has been the spread between implied volatility levels and realized volatility. Higher implied volatility relative to realized volatility is a persistent characteristic of the markets for index options and equities. So far this year, the spread has been wider than in most years. This wider-than-usual spread may be an indication that the low volatility environment has caused increased speculation on future changes in volatility. Some speculators are betting that the current environment is likely to continue and are selling volatility at its current level in hopes that it drops further.

Other speculators are betting that the historically low volatility environment is unsustainable and are betting that volatility will spike. Growth in exchange-traded products tied to volatility derivatives is more evidence of this increase in speculation. Research suggests that the balance of the speculation is tilted toward volatility buyers who hope to benefit from a spike in volatility.²

Annual VIX® Average, S&P 500® Standard Deviation and Implied-Realized Spread: 1990 to YTD 2017

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
VIX® Average	23.1%	18.4%	15.5%	12.7%	13.9%	12.4%	16.4%	22.4%	25.6%	24.4%	23.3%	25.7%	27.3%	22.0%
S&P 500® Realized Volatility	18.0%	14.5%	9.8%	8.7%	10.0%	7.9%	12.0%	18.5%	20.7%	18.3%	22.6%	21.9%	26.4%	17.3%
Spread	5.0%	3.9%	5.6%	3.9%	3.9%	4.5%	4.5%	3.9%	4.9%	6.0%	0.7%	3.8%	0.9%	4.7%

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD 2017
VIX® Average	15.5%	12.8%	12.8%	17.5%	32.7%	31.5%	22.5%	24.2%	17.8%	14.2%	14.2%	16.7%	15.8%	11.6%
S&P 500® Realized Volatility	11.3%	10.4%	10.2%	16.3%	41.7%	27.7%	18.3%	23.7%	13.0%	11.2%	11.6%	15.8%	13.3%	7.1%
Spread	4.2%	2.4%	2.6%	1.3%	-9.0%	3.8%	4.2%	0.5%	4.8%	3.0%	2.6%	0.9%	2.5%	4.4%

Source: Bloomberg, L.P.

Gateway’s use of index options to manage equity risk differs from speculating on the future direction of volatility in fundamental ways. While a pure speculator will generate an absolute gain or absolute loss depending on the change in volatility, Gateway’s strategies use index options to consistently reduce the risk of equity market exposure. Higher levels of volatility can lead to higher option premiums and increased cash flow from option selling, but the gain or loss of the strategy as a whole is more dependent on the direction of the equity market than whether volatility is rising or falling. Gateway’s strategies are designed to be a true hedge to the equity market—with the potential to consistently benefit from equity market advances and consistently mitigate the effect of equity market declines. This market agnostic, risk-first approach has generated a low-volatility equity profile that has served our investors well for nearly 40 years.

²“Are Volatility Selling Strategies Crowded?”, Goldman Sachs Options Research, June 28, 2017

The S&P 500 Index is a product of S&P Dow Jones Indices LLC (“SPDJ”), and has been licensed for use by Gateway Investment Advisers, LLC (Gateway). Standard & Poor’s®, S&P® and S&P 500® are registered trademarks of Standard & Poor’s Financial Services LLC (“S&P”); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Gateway. Gateway’s Active Index Option Overwrite Composite is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Standard Performance

Average Annual Performance

As of June 30, 2017

	One Year	Three Years	Five Years	Return Since Inception*	Risk** Since Inception*
Active Index-Option Overwrite (Net)	13.18%	7.84%	9.27%	6.85%	9.99%
BXM SM Index	12.06%	6.49%	7.73%	5.09%	11.57%
S&P 500 [®] Index	17.90%	9.61%	14.63%	9.11%	15.42%

*Inception of Gateway Active Index-Option Overwrite Composite is April 1, 2008

** Standard deviation is based on monthly performance

Periods over one year are annualized.

Datasource: Morningstar DirectSM and Gateway Investment Advisers, LLC

Past performance is no guarantee of future results.

GATEWAY INVESTMENT ADVISERS, LLC
GATEWAY ACTIVE INDEX-OPTION OVERWRITE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Annual Performance Results				Composite 3-Year Std. Dev.	S&P 500® 3-Year Std. Dev.	BXM SM Index 3-Year Std. Dev.	Number of Composite Accounts	Composite Assets (millions)	Firm Assets (millions)
	Composite		S&P 500®	BXM SM Index						
	Gross	Net								
9 months ended 12/31/08	-19.54%	-19.72%	-30.43%	-26.10%	N/A	N/A	N/A	1	\$ 492	\$7,071
2009	15.15	14.78	26.46	25.91	N/A	N/A	N/A	1	502	7,188
2010	13.30	12.91	15.06	5.86	N/A	N/A	N/A	1	516	7,699
2011	6.73	6.33	2.11	5.72	11.26%	18.97%	13.66%	1	496	8,081
2012	11.46	11.02	16.00	5.20	8.54	15.30	11.56	4	717	10,517
2013	14.91	14.46	32.39	13.26	6.28	12.11	9.39	4	1,233	12,475
2014	7.64	7.26	13.69	5.64	4.37	9.10	6.07	5	2,263	12,239
2015	5.98	5.57	1.38	5.24	5.37	10.62	6.52	6	2,404	12,210
2016	9.10	8.74	11.96	7.07	5.83	10.74	6.68	4	2,627	11,601

N/A: The three year annualized ex-post standard deviation of the Composite and benchmarks is not presented as 36-month returns are not available. For all periods shown, the Composite has less than six accounts for the full year. As such, the Composite dispersion of portfolio returns is not applicable.

Gateway Active Index-Option Overwrite Composite contains fully discretionary hedged equity accounts that hold common stock and sell index call options on at least 95% of the underlying stock value. Indexes utilized for call option activity are U.S. domestic equity indexes that include all sectors of the economy. This call activity reduces volatility and provides cash flow. The Gateway Active Index-Option Overwrite Composite was created April 1, 2008. Prior to January 1, 2014, the Gateway Active Index-Option Overwrite Composite was named the Gateway Equity Premium Income Composite.

For comparison purposes the Composite is measured against two indexes, the S&P 500® Index, a popular indicator of the performance of the large capitalization sector of the U. S. stock market, and, beginning January 1, 2014, the CBOE® S&P 500 BuyWriteSM Index (the BXMSM Index), a passive total return index designed to track the performance of a hypothetical buy-write strategy on the S&P 500® Index. The BXMSM Index was added as a secondary index as it is viewed to be representative of the Composite strategy.

Performance results are expressed in U. S. dollars. Returns are presented gross and net of actual management fees and include the reinvestment of all income. Past performance is not indicative of future results. The annual Composite dispersion, if applicable, is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year.

Net of fee performance was calculated using actual management fees. The current investment management fee schedule is as follows: 0.85% on the first \$5 million; 0.65% on the next \$5 million; 0.50% on the next \$40 million; and 0.45% on assets in excess of \$50 million. Actual investment management fees incurred by Composite accounts may vary.

Gateway Investment Advisers, LLC (Gateway) is an independent registered investment adviser and a successor in interest to Gateway Investment Advisers, L.P. as of February 15, 2008. Gateway claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Gateway has been independently verified for the periods January 1, 1993 through March 31, 2017.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. The Gateway Active Index-Option Overwrite Composite has been examined for the periods April 1, 2008 through March 31, 2017. The verification and performance examination reports are available upon request.

Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. A list of composite descriptions is also available upon request.