

EQUITY MARKETS

The S&P 500® Index gained 3.85% for the third quarter, bringing its year-to-date return to 7.84%. The month of July delivered most of the market's return for the quarter with an advance of 3.69% followed by returns of 0.14% and 0.02% for August and September, respectively.

The quarter began with surprisingly calm equity market conditions given the volatility related to the Brexit vote at the end of June. However, the market made a sharp advance after June payroll data was released on July 8th. From the market open on July 8th through July 15th, the S&P 500® Index returned 3.06%. From that point, the market made a more modest advance accompanied by very little realized volatility as the S&P 500® Index returned 1.47% from July 15th through September 7th. The only significant downside for the quarter materialized with a 2.71% decline from September 7th through September 14th, followed by a partial recovery through quarter-end.

Though over 70% of the 497 S&P 500® Index companies that reported earnings after June 30, 2016 exceeded analysts' estimates, aggregate operating earnings declined by 9.35% year-over-year for the period ended June 30, 2016, the sixth consecutive quarter of year-over-year operating earnings decline. The final estimate of second quarter 2016 GDP growth was revised from 1.1% to 1.4%, which exceeded analysts' consensus estimates.

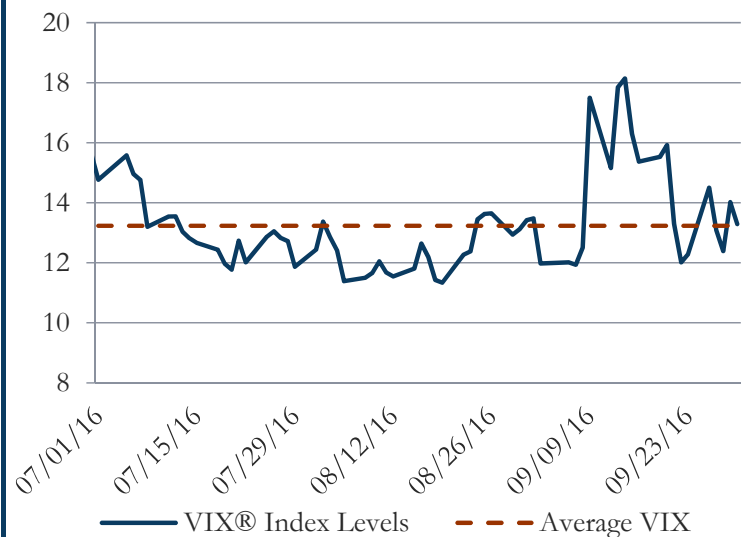
Implied volatility, as measured by the Chicago Board Options Exchange Volatility Index® (the VIX®), averaged 13.23 for the quarter, exceeding S&P 500® Index realized volatility (as measured by its annualized standard deviation of daily returns) of 9.97%. The VIX® declined from 15.63 at the end of the second quarter to a post-Brexit low of 11.34 on August 19th before rising to a third quarter closing high of 18.14 on September 14th. The VIX® ended the quarter at 13.29.

The Chicago Board Options Exchange S&P 500 BuyWrite Index (the BXMSM)¹, had a return of 1.83% for the third quarter, bringing its year-to-date return to 4.31%.

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 0.94%, 0.82% and 1.53% for July, August and September, respectively. The higher premium in September was consistent with higher levels of implied volatility later in the quarter. With monthly returns of 0.79%, 0.95% and 0.08%, the BXM'sSM underperformance relative to the S&P 500® Index for the quarter was primarily due to call premium earned in July being insufficient to keep pace with the equity market's relatively rapid advance. Though low implied volatility resulted in low call premiums collected in July and August, the BXMSM outperformed the market over the last two months of the quarter with a cumulative return of 1.03%, while the S&P 500® Index churned sideways with a cumulative return of 0.16%.

VIX® Levels



Datasource: Bloomberg, L.P.

FIXED INCOME MARKET

The Bloomberg Barclays U.S. Aggregate Bond Index returned 0.46% for the second quarter, bringing its year-to-date return to 5.80%. The yield on the 10-year U.S. Treasury Note ended the second quarter at 1.47% and then declined to an all-time low of 1.36% on July 8th before rising to a high for the quarter of 1.73% on September 13th. The rate declined slightly as the equity market softened and ended the third quarter at 1.60%.

GATEWAY ACTIVE INDEX-OPTION OVERWRITE COMPOSITE PERFORMANCE

The Gateway Active Index-Option Overwrite Composite (net of fees) (the Composite) returned 2.79% for the third quarter, outperforming the BXMSM by 96 basis points (bps) and bringing its year-to-date return to 5.14%. The Composite outperformed the BXMSM in July and September but underperformed by 28 bps in August as the BXM'sSM index call option had a higher strike price than the weighted-average strike price of the Composite's portfolio of index call options as the market advanced over the first half of the month.

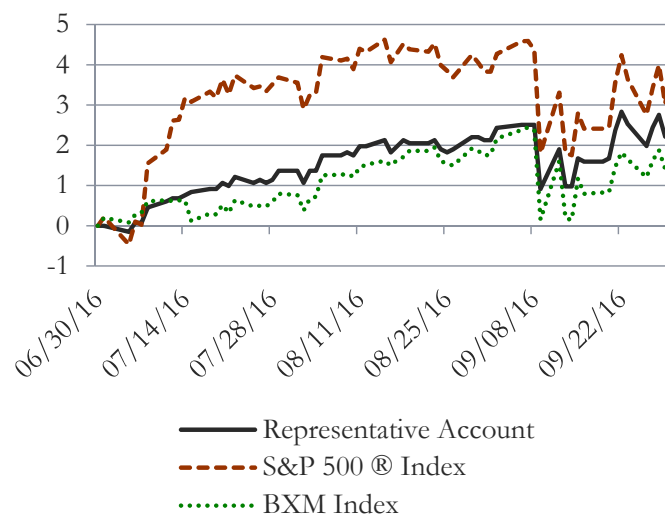
The partial period returns, portfolio performance contributions, annualized standard deviation and portfolio statistics quoted for the Composite in the following paragraphs are those measured by a representative account.*

The Composite's index call option portfolio detracted from return in July but contributed positively in August and September. The Composite's annualized standard deviation of daily returns for the quarter was 5.64% as compared to 7.37% for the BXM and 9.97% for the S&P 500[®] Index. The Composite exhibited a beta to the BXM of 0.91 for the quarter.

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

The Composite's index call option activity in July focused on increasing the portfolio's weighted average strike price as the market advanced while balancing opportunities to add premium-to-earn with the need to guard against a short-term market reversal. In August and September, index call option activity involved exchanging expiring contracts for ones with later expiration dates and higher strike prices, maintaining a typical level of market exposure for the Composite and opportunistically taking advantage of relatively elevated implied volatility in early September.

Cumulative Performance (%)



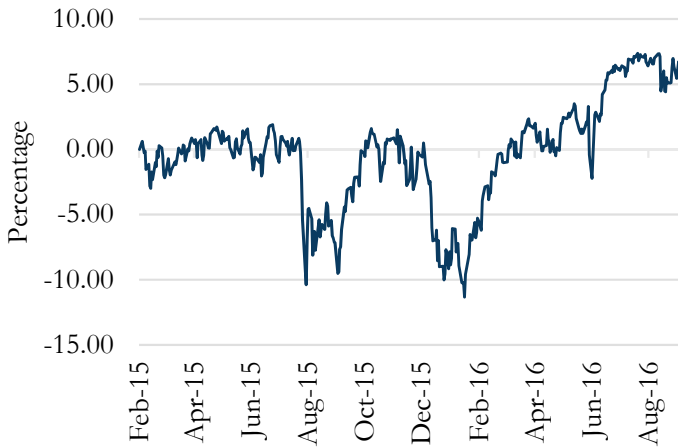
Datasource: Morningstar DirectSM

As of September 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 28 days and annualized premium to earn of 10% to 12.5%. Relative to the beginning of the quarter, this positioning represented increased market exposure and higher net cashflow potential.

MARKET PERSPECTIVE

Was the paltry 1.95% annualized rate of return the S&P 500® Index generated from February 2015 through June 2016 the pause this seven-and-a-half-year-old bull market needed to gear up for its next big advance? Or was the recovery from the selloff at the start of 2016 the last gasp of a market that has been fighting several quarters of sluggish economic growth, declining earnings and the prospect of rising interest rates? As of quarter end, despite a rally of over 20% since the year-to-date low on February 11th, 2016, the S&P 500® Index has generated a cumulative return of only 6.57% since the end of February 2015. The strong equity market rally earlier in 2016, after a period of generally sideways movement that included two double-digit corrections, has many investors scratching their heads.

S&P 500® Index Cumulative Return
2/27/15-9/30/16

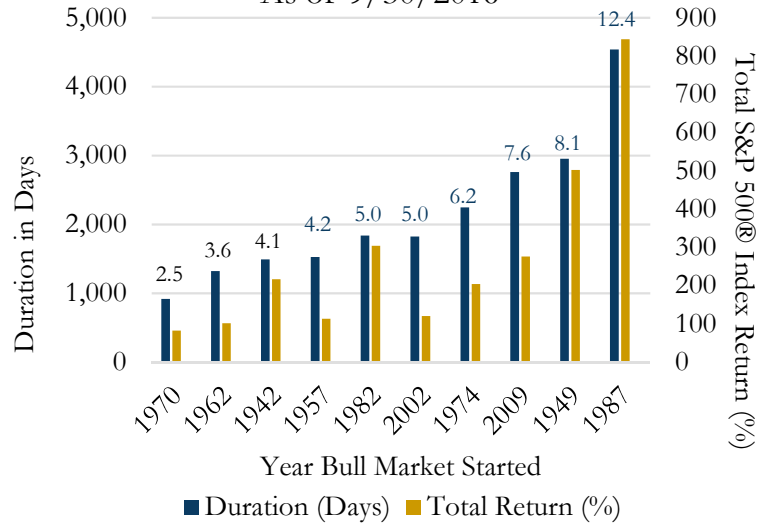


Datasource: Bloomberg, L.P.

Short-term return patterns may not be the best gauge of a nearing market peak, but with bond yields rising from historic lows, investors may find cause for concern in multiple components of their portfolios. Taking a longer term view, the chart below shows that the current bull market, which began in 2009, is about six months away from becoming the second longest bull market since 1942. However, despite the current bull market’s duration, its 276% cumulative total return only ranks fourth among all recorded bull market returns and a doubling of its return would still place it well short of the highest-returning bull market in history.

Longest Bull Markets (Since 1942)

As of 9/30/2016



An aging bull market along with a strong short-term rally after a period of economic headwinds and muted returns may be a combination that tempts some investors to sell equities and increase cash allocations. Doing so may protect these investors from the next correction or bear market. But it may also cause these same investors to miss out on a possible next phase of this bull market, which could be significant yet still not result in an unprecedented outcome in terms of duration or cumulative total return. The timing of the next market downturn is as uncertain as its occurrence inevitable. We firmly believe it is best to stick with a consistent and sound investing strategy through all phases of the equity market’s cycles. This has been our investment philosophy at Gateway for almost 40 years, a long history of utilizing low-volatility equity strategies to seek favorable risk-adjusted performance.

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Standard Performance

Average Annual Performance					
As of September 30, 2016					
	One Year	Three Years	Five Years	Return Since Inception*	Risk** Since Inception*
Active Index-Option Overwrite (Net)	9.72%	7.45%	10.34%	5.75%	10.34%
BXM SM Index	8.48%	7.50%	9.92%	4.37%	12.02%
S&P 500 [®] Index	15.43%	11.16%	16.37%	8.32%	15.98%

*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	-19.65%	-20.09%	-30.43%	-26.10%	N/A	N/A	N/A	1	\$ 492	\$7,071
2009	14.56	13.74	26.46	25.91	N/A	N/A	N/A	1	502	7,188
2010	13.03	12.22	15.06	5.86	N/A	N/A	N/A	1	516	7,699
2011	6.51	5.63	2.11	5.72	11.20%	18.97%	13.66%	1	496	8,081
2012	11.32	10.48	16.00	5.20	8.51	15.30	11.56	4	717	10,517
2013	14.84	14.10	32.39	13.26	6.25	12.11	9.39	4	1,233	12,475
2014	7.63	7.03	13.69	5.64	4.35	9.10	6.07	5	2,263	12,239
2015	5.87	5.22	1.38	5.24	5.37	10.62	6.52	6	2,404	12,210

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 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 June 30, 2016.

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 June 30, 2016. 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.