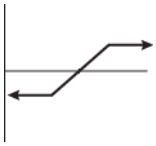
OptionMath.com - Collar Cheat Sheet

	Collar
Description	Long Underlying Stock, Short OTM Covered Call, Long OTM Put
Example	ATM = 100.00 Long 100 Shares of Stock Short One 105 Strike Call Long One 95 Strike Put
Pay or Collect Premium	Pay or Collect Very Small Amount of Net Premium
Needed Directionality	
Passage Of Time Without Market Movement	Little or No Net Impact
Increase In Implied Volatility Without Market Movement	Little or No Net Impact
Payoff Thumbnail Chart	
Maximum Risk	Price of the Stock When the Collar Is Executed Minus Put Strike Price Plus Any Net Premium Paid or Minus Any Net Premium Received
Maximum Profit	Call Strike Price Minus Price of the Stock When the Collar Is Executed Minus Any Net Premium Paid or Plus Any Net Premium Received
Breakeven Points	Current Stock Price

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