ZEGA FINANCIAL

SEPARATE MANAGED ACCOUNTS: MONTHLY STRATEGY PERFORMANCE (%)

As of July 2019

ALL PERFORMANCE NUMBERS ARE NET OF MANAGEMENT FEES

High Probability Option Strategies	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	**YTD**	**1 yr**	**3 yr**	**5 yr**	**ITD**
Aggressive Growth	4.07	-0.09	1.32	1.43	2.28	2.76	1.54						14.04	2.94	7.70	5.99	17.84
Moderate Growth	2.59	0.05	1.04	0.81	1.68	2.00	0.91						9.42	2.25	4.34	2.98	5.09
Conservative	1.69	0.58	1.20	0.81	1.05	0.90	0.26						6.67	11.08	10.24	6.73	7.35
Pairs	4.20	0.02	1.44	1.46	2.31	2.87	1.58						14.68	9.39	-	-	13.22
Buy and Hedge	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	**1 yr**	**3 yr**	**5 yr**	**ITD**
Buy & Hedge Master Composite	5.31	2.16	1.31	3.12	-5.22	4.92	0.77						12.63	3.25	7.77	5.76	9.15
Buy and Hedge Supplemental	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	**1 yr**	**3 yr**	**5 yr**	**ITD**
Buy & Hedge Classic	5.20	2.27	1.01	3.62	-5.67	5.27	1.54						13.54	4.37	9.01	-	6.70
Buy & Hedge Retirement	4.45	1.75	1.26	2.93	-4.57	4.28	0.69						10.99	2.65	6.95	5.16	8.27
ZBIG Leveraged	9.19	3.68	1.78	4.58	-8.28	8.24	1.06						20.90	4.66	12.14	-	12.86
ZBIG IRA	5.69	2.35	1.19	2.79	-5.21	5.00	0.62						12.68	4.00	-	-	8.47
ZBIG Standard	7.02	2.81	1.40	3.60	-6.54	6.30	0.95						15.92	4.03	-	-	11.06
Other Strategies	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	**1 yr**	**3 yr**	**5 yr**	**ITD**
ZALT	5.73	0.29	0.59	0.53	-0.57	1.51	0.50						8.77	3.66	3.82	-	6.21
Dual Direction	2.87	1.29	0.59	1.29	-1.21	0.65	-0.09						5.47	1.71	-	-	2.05

Benchmarks	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	**YTD**	**1 yr**	**3 yr**	**5 yr**
S&P 500 TR	8.01	3.21	1.94	4.05	-6.35	7.05	1.44						20.25	7.99	13.36	11.35
Barclays US AGG Bond TR	1.06	-0.06	1.92	0.03	1.78	1.26	0.22						6.36	8.10	2.18	3.05
CBOE S&P 500 Putwrite	2.77	1.40	1.21	1.58	-3.75	4.77	2.00						10.20	-0.45	6.19	5.91

Note: Returns are expressed in US Dollars net of fees.
ZEGA Financial is a registered investment adviser and investment manager that specializes in derivatives. ZEGA is a separate accounts manager and all returns expressed herein are solely from the separate accounts business within ZEGA. ZEGA Financial claims compliance with the Global Investment Performance Standards (GIPS®). To receive a full list of composite descriptions of ZEGA Financial and/or a presentation that complies with the GIPS standards, contact Jay Pestrichelli at 1-800-380-9342, ext 101 or jay.pestrichelli@zegafinancial.com.

All investments involve the risk of potential investment losses as well as the potential for investment gains. Prior performance is no guarantee of future results and there can be no assurance, and clients should not assume, that future performance of any of the model portfolios will be comparable to past performance. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment or strategy will be suitable or profitable for a client's portfolio.

These results should not be viewed as indicative of the advisor's skill. The prior performance figures indicated herein represent portfolio performance for only a short time period, and may not be indicative of the returns or volatility each portfolio will generate over a long time period. The performance presented should also be viewed in the context of the broad market and general economic conditions prevailing during the periods covered by the performance information. The actual results for the comparable periods would also have varied from the presented results based upon the timing of contributions and withdrawals from individual client accounts. Employee accounts do not pay advisory fees, so the returns illustrated for the strategy are higher than they would be if employee accounts paid similar fees.

The Buy & Hedge Classic, Buy & Hedge Retirement, and the three ZBIG strategies are supplemental information and are sub-composites to the Hedged Equity Master Composite that ZEGA maintains. The data in this supplemental report is for the accounts that were managed in accordance with the guidelines consistent with each of these sub-composites as described in the description tab on this page.

Hedged Equity Master Composite includes all Hedged Equity strategies and accounts managed by ZEGA prior to and since ZEGA's inception. To qualify as a Hedged Equity strategy, the account must be invested with its assets in at least 70% in a diversified portfolio of Equities, Equity ETFs, or Equity indexes. The value is based on the notional dollars controlled. The portfolio must also have a hedge built in that limits the downside for the majority of the notional equity controlled. All portfolios that are at least 70% allocated to this strategy are included. The benchmark is the S&P 500. The S&P 500 Index is a collection of 500 of the largest publicly traded US Equity large cap companies.

The High Probability Options Strategy (HIPOS) – Aggressive Growth composite includes all institutional, retail, and founder portfolios that deploy out of the money credit spreads across the entire portfolio. This strategy targets out of the money strikes that can typically produce target returns of 1% to 3% per trade. The strategy aims to deliver risk-adjusted returns that are uncorrelated to the broader markets. A rapidly declining market generally negatively affects the strategy's credit put spreads. The Aggressive Growth version maximizes the amount of buying power available in a portfolio, and therefore takes on the maximum amount of risk. This composite includes all portfolios that were at least 70% dedicated to this strategy. The benchmark is a custom benchmark of two periods. The current period reflects the return of the CBOE Put Write Index back to November 2015 and prior reflects 2 times the CBOE Put Write Index back to inception. This benchmark was modified in September of 2017 to match the High Probability Options Strategy Conservative benchmark which the Aggressive Growth strategy currently employs. The CBOE Put Write Index is an index that measures the performance of a hypothetical portfolio that sells S&P 500 Index (SPX) put options against collateralized in cash reserves held in a money market account.
.

The High Probability Options Strategy (HIPOS) – Moderate Growth Composite includes all institutional and retail portfolios that deploy out of the money credit spreads across 40% to 60% of the portfolio along with money market ETF for the remainder. This strategy targets out of the money strikes that can typically produce target returns of 1% to 3% per trade. The strategy aims to deliver risk-adjusted returns that are uncorrelated to the broader markets. A rapidly declining market generally negatively affects the strategy's credit put spreads. This composite includes all portfolios that were at least 70% dedicated to this strategy. The benchmark is the CBOE Put Write Index. . The CBOE Put Write Index is an index that measures the performance of a hypothetical portfolio that sells S&P 500 Index (SPX) put options against collateralized cash reserves held in a money market account.

The High Probability Options Strategy (HIPOS) – Conservative Composite includes all institutional and retail portfolios that deploy deep out of the money credit spreads across the entire portfolio. This strategy targets out of the money strikes that can typically produce target returns of 1% by seeking strikes that are further out-of-the-money than the trades deployed by the other HiPOS strategies. The strategy aims to deliver risk-adjusted returns that are uncorrelated to the broader markets. A rapidly declining market generally negatively affects the strategy's credit put spreads. This composite includes all portfolios that were at least 70% dedicated to this strategy. The benchmark is the CBOE Put Write Index. . The CBOE Put Write Index is an index that measures the performance of a hypothetical portfolio that sells S&P 500 Index (SPX) put options against collateralized cash reserves held in a money market account.

The ZEGA Alternative Income Strategy Composite includes all institutional and retail portfolios that invest in a basket of diversified high-yield holdings, with a HiPOS overlay for additional income. The holdings include a diversified basket of ETFs and other income yielding vehicles that own large cap high dividend stocks, investment grade corporate bonds, high yield (junk) corporate bonds, utility stocks, preferred equity, real estate, and other income vehicles like MLPs. The HiPOS overlay allocates 20% of the portfolio to ZEGA's High Probability Options Strategy, which sells deep out-of-the-money credit spreads with 3-4 weeks until expiration to collect the options premium– thereby generating monthly income. The underlying ETFs are the collateral that permits the overlay investment. The benchmark is the Barclays US Aggregate Bond Index. This Barclays Index is a market cap weighted index of fixed income securities and it widely considered the most used index in the fixed income investment community.