RETIREMENT

Buy & Hedge - Retirement

September 2026

Investment Vehicle: Separately Managed Account

Portfolio Manager: Jay Pestrichelli & Derek Moore

Inception Date: March 2013

Strategy Overview

The Buy & Hedge Retirement strategy is designed to provide broad market exposure while limiting the downside risk in the event of a material market correction. The product is deployed in a SMA format and utilizes index based options and ETFs. The investor has long-term market exposure in the equity markets but attempts to reduce downside risk by limiting the actual capital invested in equity positions. The position is created using a combination of options to build synthetic exposure as well as actually holding ETF shares for growth and income.

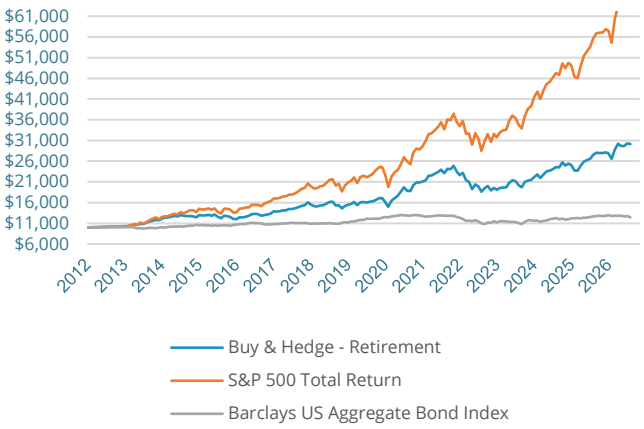
Methodology

- Purchases SPY/SPX call options to simulate long market exposure
- At times, may produce income by selling Out-of-the-Money calls
- Fixed income ETFs are purchased with free cash and the income is used to pay for the long call option
- Options may be built in laddered positions over a 12 month window using at least two rungs
- Regularly rebuilding each ladder rung as options expire can provide the means for purchasing extra equity exposure as markets experience reduced prices (essentially buying on dips)
- Regularly rebuilding each rung may also lock in gains as markets move up as hedged positions are reestablished at higher levels
- Hedges on fixed income positions are structured to be either credit hedges or interest rate hedges—but never both in the same ladder

Performance Statistics

	ZEGA Investments	S&P 500 Total Return	Barclays US Aggregate Bond Index
YTD Return	7.76%	12.74%	-2.90%
Ann. Return: 1 year	9.61%	15.73%	-1.84%
Ann. Return: 3 years	14.31%	22.90%	4.06%
Ann. Return: 5 years	5.45%	13.80%	-0.62%
Ann. Return: 10 years	8.58%	15.34%	1.15%
Annual Return ITD	8.45%	14.69%	1.60%
Annualized Volatility	10.83%	14.19%	4.63%
Sharpe Ratio	0.76	0.91	-0.05

Cumulative Growth (since inception)



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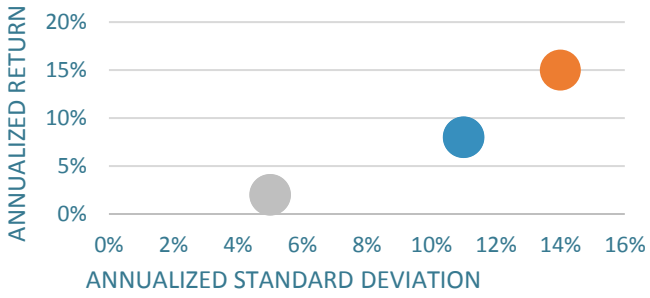
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Recommended Usage

The ZEGA Buy & Hedge Retirement Strategy is recommended as a Core holding to replace a portion of the US equity exposure for a client. Client should have moderate risk tolerance. Strategy is best suited to a tax-advantaged account.

Risk vs. Return



Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD S&P500
2013			2.68%	1.80%	1.00%	1.03%	1.78%	-0.53%	3.48%	2.07%	2.12%	1.72%	**18.48%**	**24.18%**
2014	-1.09%	3.58%	2.11%	0.50%	0.96%	2.09%	-1.33%	2.22%	-1.10%	-0.44%	0.00%	-0.40%	**7.19%**	**13.69%**
2015	-2.22%	4.41%	-0.74%	0.50%	0.73%	-1.45%	2.33%	-4.05%	-3.22%	4.89%	-0.59%	-1.83%	**-1.66%**	**1.40%**
2016	-3.75%	-0.19%	3.39%	0.52%	1.11%	1.61%	3.34%	0.16%	-0.34%	-2.87%	0.93%	1.52%	**5.30%**	**11.98%**
2017	1.68%	3.82%	-0.39%	0.74%	1.50%	0.19%	1.77%	0.20%	1.42%	1.69%	2.33%	0.57%	**16.59%**	**21.84%**
2018	4.97%	-3.47%	-2.56%	-0.67%	1.49%	0.62%	2.68%	2.37%	0.45%	-5.61%	0.41%	-5.05%	**-4.84%**	**-4.38%**
2019	4.21%	1.76%	1.26%	2.93%	-4.57%	4.28%	0.69%	-1.11%	1.31%	0.72%	2.53%	2.11%	**17.00%**	**31.50%**
2020	-0.21%	-5.59%	-6.73%	9.90%	3.50%	3.04%	5.68%	5.89%	-4.05%	-0.69%	7.73%	3.37%	**22.29%**	**18.40%**
2021	0.07%	1.11%	1.27%	5.19%	0.30%	1.94%	1.77%	2.32%	-3.60%	4.59%	-0.53%	3.43%	**19.04%**	**28.72%**
2022	-5.44%	-3.60%	2.37%	-7.87%	-1.66%	-8.53%	6.24%	-2.78%	-6.12%	4.48%	2.88%	-5.43%	**-23.77%**	**-18.10%**
2023	3.30%	-2.48%	2.34%	0.34%	0.71%	5.42%	2.70%	-1.12%	-4.59%	-2.39%	6.75%	1.64%	**12.70%**	**26.27%**
2024	0.57%	3.16%	2.90%	-3.86%	4.11%	3.15%	0.69%	1.84%	1.85%	-0.46%	5.08%	-2.88%	**16.94%**	**25.05%**
2025	1.96%	-1.53%	-5.24%	-0.16%	4.83%	4.00%	1.62%	1.26%	3.26%	2.11%	-0.43%	0.05%	**11.93%**	**17.89%**
2026	0.76%	-1.05%	-4.71%	8.54%	4.91%	-1.98%	0.08%	2.15%	-0.60%				**7.76%**	**12.74%**

Strategy Risks & Disclosures

Note: Returns are expressed in US Dollars and calculated net of actual fees. Performance includes reinvestment of dividends and other earnings.

ZEGA Investments 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.

The Buy & Hedge Retirement strategy utilizes index-based options and ETFs. Purchases Index call options to synthetically create long market exposure. The underlying index is U.S. large cap and typically one that represents the S&P 500. The investor has long-term market exposure in the equity markets but attempts to reduce downside risk by limiting the actual capital invested in equity positions. The position is created using a combination of options to build synthetic exposure as well as creating an income portion designed to generate a low risk 3-4% of annual return. The income portion may be constructed using fixed income or protected equity with a defined risk. Buy & Hedge accounts are designed to limit downside exposure with a targeted cost of hedging ranging from 1 to 3% per year. While this may cause underperformance in up years, the protection is meant to help avoid losses during market corrections. 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 secondary 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. The minimum account size for this composite is $30,000.

ZEGA Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. ZEGA has not been independently verified.

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.

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. The performance figures contained herein should be viewed in the context of the various risk/return profiles and asset allocation methodologies utilized by the asset allocation strategists in developing their model portfolios, and should be accompanied or preceded by the model.

Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. In finance, standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility.

On July 1, 2024, ZEGA Financial spun off its wealth management-focused advisory business into a new firm ZEGA Investments. Consequently, ZEGA Investments acquired the Buy & Hedge Retirement strategy from ZEGA Financial. Prior to spin off, performance results for the period March 2013 through June 2024 were achieved at ZEGA Financial. ZEGA Financial no longer reports historical performance for this strategy. The lead manager primarily responsible for achieving prior performance began managing this strategy on at ZEGA Financial and has continued in the same capacity at ZEGA Investments. Additionally, the accounts managed and the investment process employed for this strategy at the prior firm remain substantially similar. Therefore, ZEGA Investments uses March 2013 as the inception date for the Buy & Hedge Retirement strategy.

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