ZTAX – ZEGA 130

ZTAX ZEGA 130 | 30 Tax Aware Long Short

September 2026

Investment Vehicle: Separately Managed Account
Portfolio Manager: Derek Moore

Inception Date: August 2025

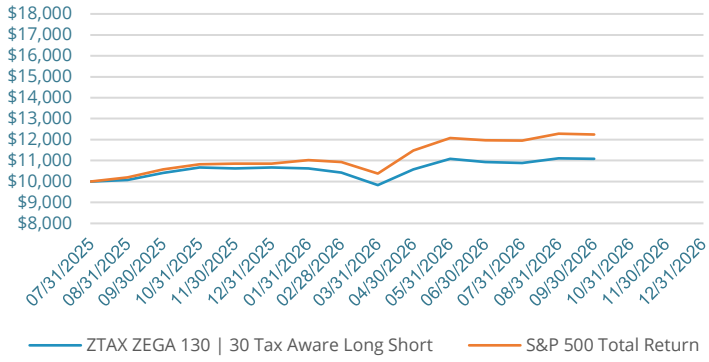
Strategy Overview

The ZEGA 130 | 30 Tax Aware Long Short strategy (ZTAX) is designed to provide upside market hedged growth on 100% of the portfolio. Then ZEGA builds in a synthetic borrow of funds as an alternative to margin using a tactic called a short box trade. Using the extra 30%, ZEGA puts an additional long 30% position on while simultaneously adding a -30% short position. The goal is to let winners run as unrealized gains while seeking tax loss harvesting opportunities on the short positions. The net exposure winds up being 130% long market exposure with -30% short exposure. They are deployed in an SMA format and utilize ETFs and Options.

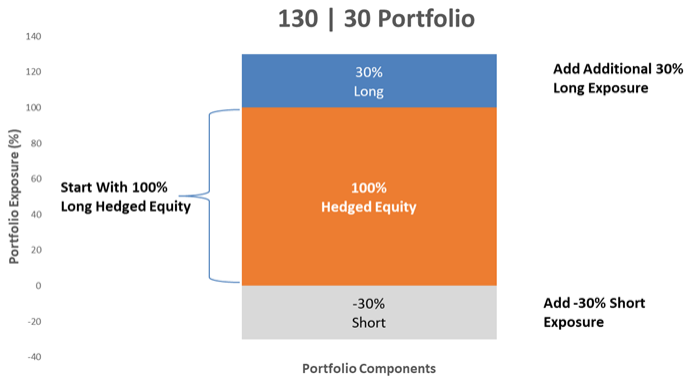
Performance Statistics

	ZEGA Investments	S&P 500 Total Return
YTD Return	3.90%	12.74%
Annual Return ITD	9.18%	18.91%
Annualized Volatility	10.70%	11.88%
Sharpe Ratio	0.49	1.26

Cumulative Growth (since inception)



Methodology



- The strategy starts with a base of 100% Long Hedged Equity exposure but then overlays an additional 30% | -30% tactic that aims to get long additional market positions which will go up more than the additional short exposure to create after tax alpha for investors.
- Strategy looks to harvest losses while maintaining the goal to aim to generate net gains across the aggregate portfolio by aiming to create 'unrealized' long term gains while creating 'realized' losses in short positions
- This does use leverage and borrows to create the funding for the additional exposure overlay. The benefit of using a short box trade

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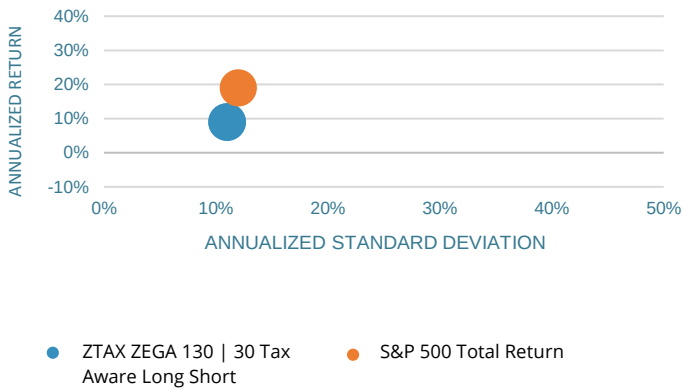
as a synthetic financing mechanism is typically borrow rates are lower than traditional margin rates but the synthetic interest cost may become an additional taxable loss.

- While not designed as a hedge, short positions may provide a positive offset during market downturns

Recommended Usage

- As part of an overall portfolio as a piece seeking tax harvesting with post-tax alpha
- Investors who prioritize a balance between portfolio returns with the potential value created by tax efficiency
- Investors that are comfortable with inherent leverage in a 130 | 30 strategy and borrowing within a portfolio to create leverage
- For investors who have embedded capital gains, including concentrated positions, where capital losses would be valuable on a tax equivalent basis to assist in seeking to reduce tax liability with the main goal of net post-tax alpha in an SMA wrapper

Risk vs. Return



Monthly Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD S&P500
2025								0.77%	3.38%	2.49%	-0.47%	0.34%	**6.63%**	**8.56%**
2026	-0.40%	-1.82%	-5.74%	7.58%	4.84%	-1.40%	-0.42%	2.04%	-0.25%				**3.90%**	**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.

This strategy involves leverage, which can increase volatility, create tracking error, and may generate short- or long-term capital gains.

There is no guarantee that the extra long 30% and the short -30% portions will create a net gain and may produce additional losses. Portfolio returns may not exceed the borrow cost of the short box spread. Strategy utilizes leverage in the portfolio. Short positions may create short term gains during market downturns contrary to the aim of the strategy

Manager does not consider an individual's tax status and should consult with a tax professional ZEGA Investments does not make a determination of an individual's tax status and should consult their own tax professional to determine tax treatment of securities purchased, sold, or held. ZEGA Investments does not render tax advice. ZEGA Investments also does not have insight into holdings in outside accounts and individuals should rely on their tax professional to determine whether realized gains or losses may offset one another.

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 Dividend Max strategy from ZEGA Financial. Prior to spin off, performance results for the period May 2023 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 May 2023 as the inception date for the Dividend Max strategy.

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