

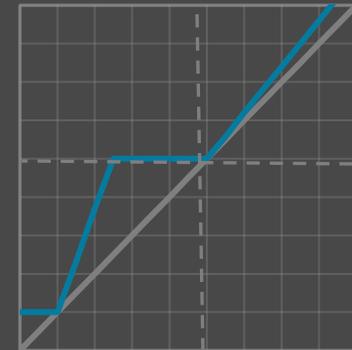
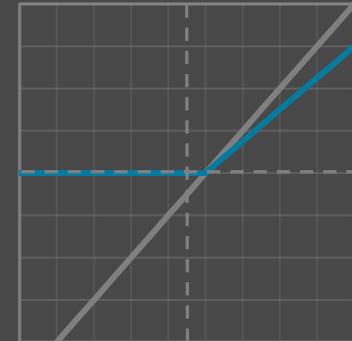
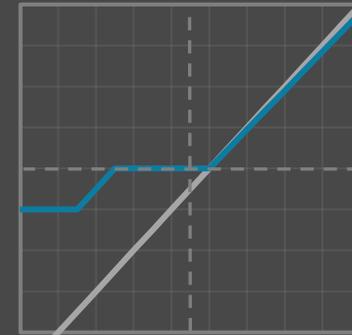
# ZEGA's Dividend Max Strategy

October 2025



ZEGA  
INVESTMENTS

The disciplined option



# Disclosure

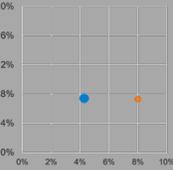
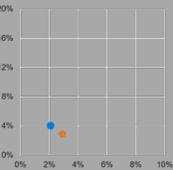
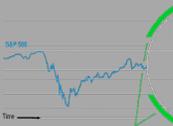
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**Except where specifically identified otherwise, all performance data in this presentation is the performance of the Separate Account Strategy.**



# About ZEGA Investments LLC

- ❑ ZEGA Investments - SEC Registered Investment Advisor effective 2024 Originally part of ZEGA Financial Founded in 2011
- ❑ ZEGA Investments AUM ~\$500M+ as of 12/31/24.
- ❑ Conservative market positioning that encompasses hedged equity, alternative income, alpha generation and more
- ❑ Authors of the best-seller<sup>1</sup> on hedged equity: *"Buy and Hedge: The 5 Iron Rules for Investing over the Long Term"*
- ❑ Established as a source for option insights on numerous financial media
- ❑ Host of the "Broken Pie Chart Podcast"



**Bloomberg**

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BUSINESS

THE WALL STREET JOURNAL.

**N** Nasdaq

**TheStreet.**

*"ZEGA partners with advisors to deliver options-based solutions that clearly define and align potential returns with an individual client's risk profile.*

*We combine over 140 years of trading experience with our passion to develop forward-thinking strategies that distinguish both our firm...and yours.*

*Never forgetting our adherence to the strictest of ethical codes."*

Jay Pestrichelli, Founder & Chairman

<sup>1</sup> Appeared on Amazon best-seller list for 'Investing' category upon release January 2011

# Meet the ZEGA team



**Derek Moore**  
CEO | CIO

30 + years  
investment  
experience



**Jay Pestrichelli**  
Executive  
Chairman

27 years  
investment  
experience



**Jillian Baker**  
Chief  
Operating  
Officer

20 years  
financial  
experience



**Mike Puck**  
Director of  
Business  
Development

19 years  
investment  
experience



**John McDevitt**  
Chief  
Compliance  
Officer

25 years  
investment  
experience



**Michael Snyder**  
Director of  
Trading

15 years  
investment  
experience



**Shane Skinner**  
Trading  
Manager

5 years  
investment  
experience



**Soupy Chum**  
Operations  
Manager

16 years  
financial  
experience



**Therese Brader**  
Client  
Services  
Manager

14 years  
client service  
experience



**Lynn Pestrichelli**  
Marketing  
Manager

30 years  
marketing  
experience



**Roman Ellefson**  
Business  
Development/  
Operations

4 years  
financial  
experience



**Mateni Yim**  
Performance/  
Data Analyst

1 year  
financial  
experience



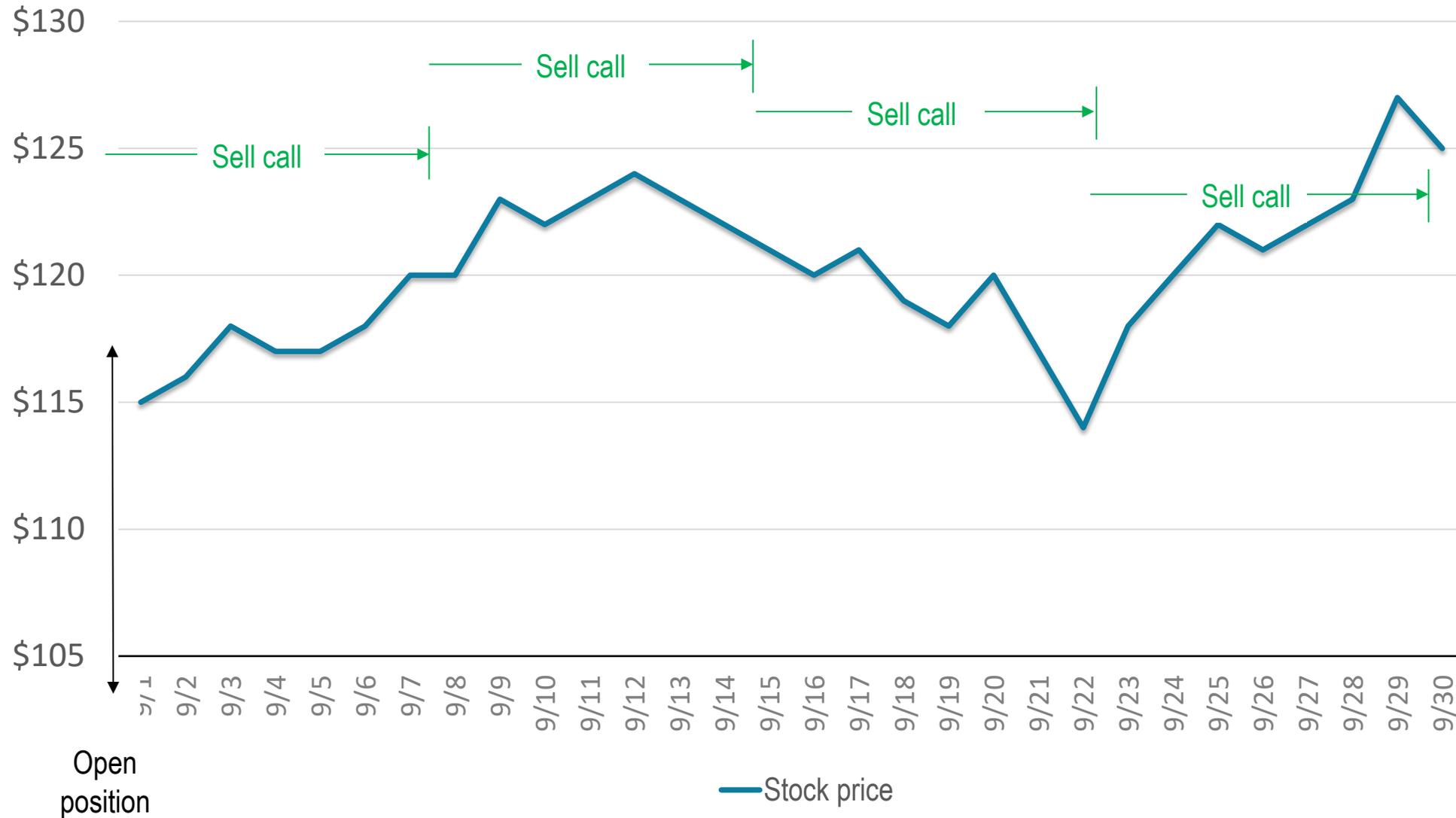
**Makai Elep**  
Institutional  
Relationship  
Manager

5 years  
financial  
experience

# Dividend Max – Basket of ETFs for Alt Income

- ❑ Actively managed **Basket of ETFs** constructed with options on a single ticker with the intention of **delivering outsized dividend yields**.
- ❑ Strategy designed to **convert option volatility** to cash flow
- ❑ Using short-term and near-the-money **option selling**, Puts, Calls or Spreads.  
  
The strategy looks to **take advantage of the natural time decay** of options
- ❑ Some positions may use a **replication of a covered call** strategy.

# A review of Covered Calls



# Portfolio Composition of ETFs

1. Short Put + Long Call = Long Stock Position
2. Short Call = Income
3. Treasuries = Collateral & Additional Income



Synthetic  
Covered  
Call

## Results:

- Covered call strategy
- Monthly income potential
- Short out-of-the money call allows some upside participation
- All options are backed by the Options Clearing Corporation (OCC)
- No leverage
- No stock gets called away

# ETF Dividend Max

- ❑ Dividend Max : **Holds high dividend yielding ETFs** that primarily institute synthetic covered calls, covered call strategies or other options tactics.
- ❑ Funds **generate income** from a combination of selling covered call premium and any available capital appreciation
- ❑ Diversify Across **Stocks, Commodities and Bonds**
- ❑ High Income Focused

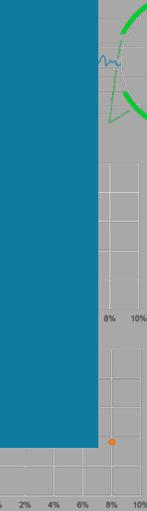
## Risks

- ❑ Portfolio should move inline with a **70/30 portfolio** or a **90/10 portfolio**
- ❑ The covered call ETFs are not downside protected
- ❑ Some of the ETFs are invested in **tech stocks**, tech stocks can be more volatile than the S&P500 at times
- ❑ If the portfolio uses margin, the fluctuation in value will magnify by the percentage of leverages used. For example, a portfolio with 50% margin balance will fluctuate 100% more than a non-margined account

Target Yield of:

up to

30%+



# Use Case: ETF Build Enhancement

Adding a slice of income to an ETF build

	Allocation	Yield	Volatility
ETF Dividend Build	100%	4%	20%
ETF Dividend Build	75%	4%	20%
ZEGA ETF Dividend Max	25%	35%*	50%**
Weighted Result		11.75%	24.5%

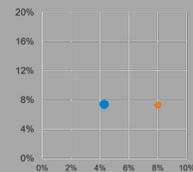
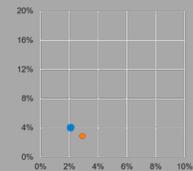
\*Assuming 50% Yield (Target)

\*\*Assuming Volatility of 30%

For clients who can handle the increase in volatility, the dividend can almost triple with a 25% Dividend Max allocation

# ZEGA ETF Dividend Max Summary

- ❑ **High Income** Focus
- ❑ **Dividend yield is different than Total Return**
- ❑ ETFs carry same **downside risk** of stocks, minus options premium
- ❑ Diversify Across **Stocks, Commodities and Bonds**
- ❑ Strategy does **not need options or margin approval**
- ❑ Strategy can be run in UMA or SMA format



# ZEGA-ETF Dividend Max Through October 31, 2025

## Performance Statistics

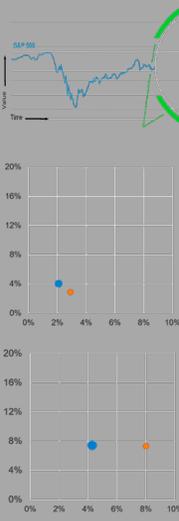
	ZEGA Investments	CBOE NASDAQ-100 BuyWrite Index
YTD Return	10.98%	20.35%
Ann Return: 1 Year	15.39%	24.38%
Cumulative Return ITD	51.91%	72.81%
Annualized Volatility	12.23%	12.23%
Sharpe Ratio	1.18	1.59

## Cumulative Growth (since inception)



## Monthly Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Cboe Nasdaq-100 BuyWrite Index (BXN)*YTD
2023					8.16%	6.86%	3.98%	-3.22%	-3.85%	-2.23%	7.36%	4.72%	22.93%	14.83%
2024	-1.20%	5.52%	4.43%	-4.94%	3.56%	0.55%	-0.89%	-0.51%	1.75%	-0.95%	5.76%	-1.69%	11.35%	25.05%
2025	2.55%	-2.73%	-3.14%	-0.45%	5.33%	4.43%	0.75%	0.06%	2.97%	1.06%*			10.98%	20.35%



For more information – including short videos,  
podcasts, blog posts – on the entire family of  
ZEGA strategies:

[ZEGAInvestments.com](https://ZEGAInvestments.com)

[Service@ZEGAInvestments.com](mailto:Service@ZEGAInvestments.com) (email)