



ELITE WEALTH MANAGEMENT

Dynamic ETF Option Strategy

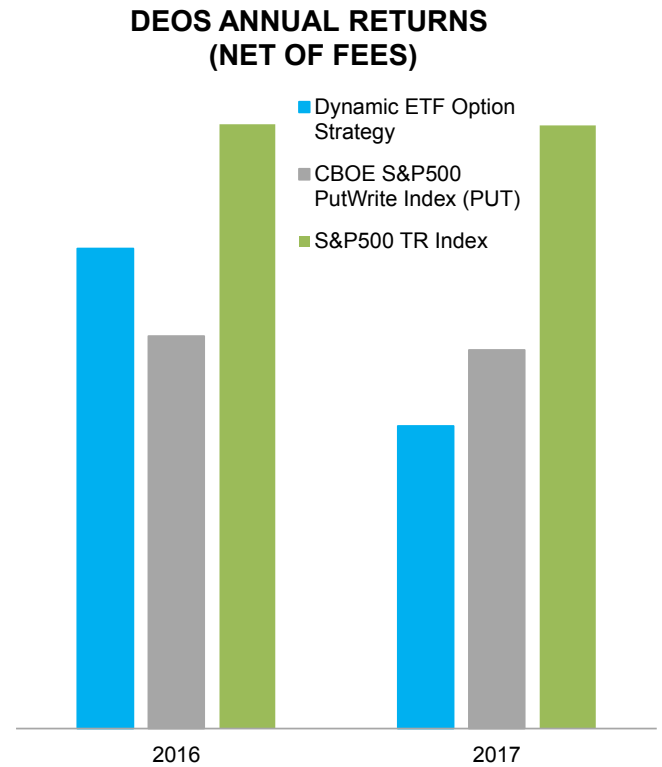
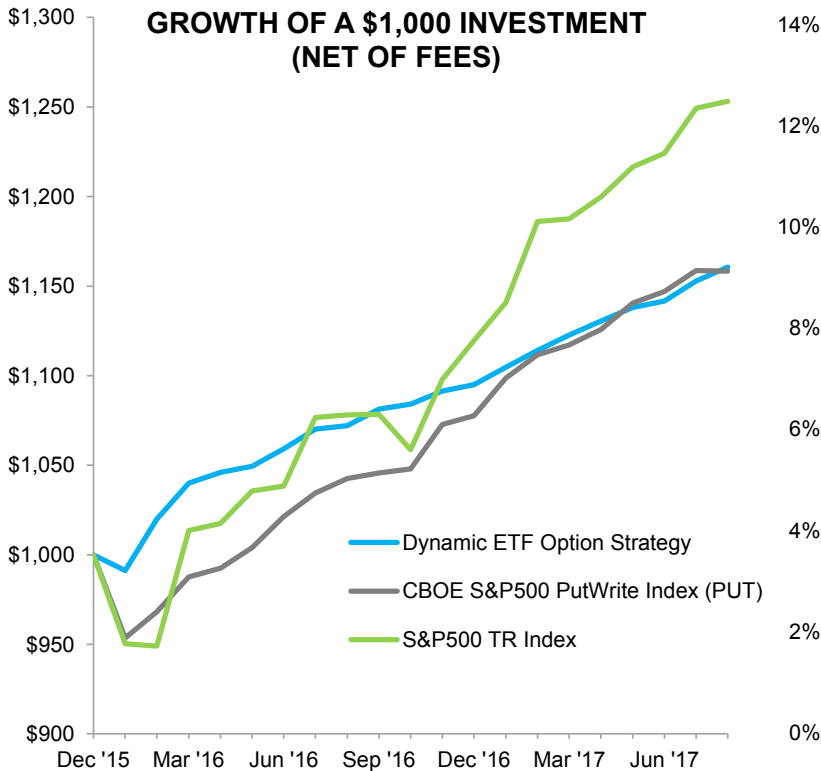
August 2017

INVESTMENT OBJECTIVE: The Dynamic ETF Option Strategy (“DEOS”) targets capital appreciation along with income generation. The strategy is designed to take advantage of variances in volatility across the entire spectrum of market conditions in order to target generating a continuous income stream. This strategy seeks to track or outperform the performance of the CBOE S&P 500 PutWrite Index (PUT).

INVESTMENT APPROACH: The strategy embodies the idea of selling put options against cash and collecting premium to potentially produce an income stream for the portfolio. The strategy involves selling out-of-the-money puts collecting premiums as long as the ETF price of the underlying remains above the put strike price at expiration. ETFs may be assigned at lower prices compared to their trading prices when their options are sold. The put options are used as a tool to acquire an ETF at a lower and pre-established price, which is the strike price of the option. Covered calls are used as a tool to exit assigned ETFs and generate income in the interim. This strategy is designed for a long-term investor looking to generate profits from the collection of premium and/or to go long ETF positions at lower prices compared to their current trading prices. The strategy can only be implemented for taxable accounts; IRA accounts cannot utilize this strategy given the nature of put selling.

STRATEGY STRENGTHS

- Put writing strategy is designed to seek profits by ongoing collection of premium.
- Assignment through put writing, if it occurs, purchases the underlying ETF at a lower price than its market price when the position was initially placed.
- Can be a way of generating additional portfolio income.
- Selling options can generate yield in a bull market, stagnant market and within a range of heightened volatility.
- Option writing may potentially reduce both extreme positive and negative monthly returns in exchange for more consistent monthly returns.



The performance shown is of a strategy consisting of all discretionary accounts using this investment strategy. There is a \$10,000 minimum account size required for inclusion in the strategy. New funds or accounts are added to the strategy upon the first full month of investment and closed funds or accounts are removed from the composite upon the last full month of investment. **Past performance is no guarantee of future results.** Performance returns for periods of less than one year are not annualized. The performance figures contained herein are provided net of 1% management fees basis, reflecting the deduction of investment management fees, as well as brokerage or other commissions and costs. It is not possible to invest directly in an index. Index performance does not reflect charges and expenses and is not based on actual advisory client assets. Index performance does include the reinvestment of dividends and other distributions. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars. Please see the Dynamic ETF Option Strategy Disclosures for additional strategy performance information.

Past performance is not indicative of future results. Please refer to the Disclosure section for additional information.



ELITE WEALTH MANAGEMENT

Dynamic ETF Option Strategy

August 2017

MONTHLY PERFORMANCE (NET OF FEES)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD		S&P500 TR
													DEOS	PUT	
2017	0.88%	0.86%	0.76%	0.70%	0.68%	0.31%	0.98%	0.67%					5.99%	7.49%	11.93%
2016	-0.89%	2.90%	1.97%	0.58%	0.32%	0.93%	1.05%	0.17%	0.87%	0.25%	0.68%	0.33%	9.50%	7.77%	11.96%

DEOS PERFORMANCE STATISTICS (NET OF FEES)

Standard Deviation (Monthly):	0.73%	August Return:	0.67%
Standard Deviation (Annualized):	2.54%	YTD Return:*	5.99%
Downside Deviation (Monthly):**	0.26%	Average Monthly Return:	0.75%
Downside Deviation (Annualized):**	0.89%	Highest Month:	2.90%
Sharpe Ratio (Monthly):**	0.69	Lowest Month:	-0.89%
Sharpe Ratio (Annualized):**	2.38	% of Positive Months:	95.00%
Sortino Ratio (Monthly):**	1.95	Maximum Drawdown:	-0.89%
Sortino Ratio (Annualized):**	6.74	Longest Winning Streak:	19 Months
Alpha (Monthly):***	0.33%	Longest Losing Streak:	1 Month
Alpha (Annualized):***	4.09%		
Beta:***	0.33	Compounded Monthly Return:	0.75%
Correlation Coefficient:***	0.65	Compounded Annual Return:	9.35%
R-squared:***	0.42	Cumulative Return:	16.06%

*YTD Through August 2017 **Based on Risk Free Rate (RFR) at 3.0% ***Calculated Against PUT Index

ABOUT ELITE WEALTH MANAGEMENT, INC.

At Elite Wealth Management, Inc., our commitment to clients comes first. Our mission is to identify, implement, and maintain the best wealth management solution for you, while offering personalized service that exceeds your expectations.

Since no two clients are alike, Elite integrates wealth management, family office, estate planning, and philanthropic services into one complete, personal solution for every unique individual and/or family we serve. As an independent firm, our actions will always reflect your best interests and serve your investment needs.

REGISTERED INVESTMENT ADVISER

Elite Wealth Management, Inc.
1014 Market Street
Kirkland, WA 98033

Phone: +1.425.828.4300
Fax: 425.828.9700

Email: info@elitewm.com
Website: elitewm.com



ELITE WEALTH MANAGEMENT

Dynamic ETF Option Strategy

August 2017

Disclosures:

Elite Wealth Management, Inc. ("Elite") is a registered investment adviser with the Securities and Exchange Commission. The information provided by Elite (or any portion thereof) may not be copied or distributed without Elite's prior written approval. All statements are current as of the date written and does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it would be unlawful to make such offer or solicitation.

The standard fee schedules for Elite's strategies are shown in the firm's Form ADV Part 2. Elite and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with Elite of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

Elite is committed to safeguarding the use of personal information of our Clients that we obtain as your Investment Advisor, as described in our Privacy Policy. For a copy of the Elite Privacy Policy, please contact us. Different types of investments involve varying degrees of risk. Therefore, it should not be assumed that future performance of any specific investment or investment strategy will be profitable.

Asset Allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss. Performance of the asset allocation strategies depends on the underlying investments. Any specific securities identified do not represent all of the securities purchased, sold or recommended for advisory clients, and may be only a small percentage of the entire portfolio and may not remain in the portfolio at the time you receive this report. You should not assume that investment decisions we make in the future will be profitable or will equal the investment performance of the past.

This information was produced by and the opinions expressed are those of Elite as of the date of writing and are subject to change. Any research is based on Elite proprietary research and analysis of global markets and investing. The information and/or analysis presented have been compiled or arrived at from sources believed to be reliable, however Elite does not make any representation as their accuracy or completeness and does not accept liability for any loss arising from the use hereof. Some internally generated information may be considered theoretical in nature and is subject to inherent limitations associated therein. There are no material changes to the conditions, objectives or investment strategies of the Dynamic ETF option portfolios for the period portrayed. Any sectors or allocations referenced may or may not be represented in portfolios of clients of Elite, and do not represent all of the securities purchased, sold or recommended for client accounts.

Due to differences in actual account allocations, account opening date, timing of cash flow in or out of the account, rebalancing frequency, and various other transaction-based or market factors, a client's actual return may be materially different than those portrayed in the strategy results. The reader should not assume that any investments in sectors and markets identified or described were or will be profitable. Investing entails risks, including possible loss of principal. The use of tools cannot guarantee performance. The information provided may contain projections or other forward-looking statements regarding future events, targets or expectations, and is only current as of the date indicated. There is no assurance that such events or targets will be achieved, and may be significantly different than that shown here. The information presented, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons. Market indexes are included in this report only as context reflecting general market results during the period. Elite may trade in securities that are not represented by such market indexes and may have concentrations in a number of securities and in asset classes not included in such indexes. Accordingly, no representations are made that the performance or volatility of the strategy allocations will track or reflect any particular index. Market index performance calculations are gross of management and performance incentive fees.

The performance shown is of a strategy consisting of all discretionary accounts using this investment strategy. There is a \$10,000 minimum account size required for inclusion in the strategy. New funds or accounts are added to the strategy upon the first full month of investment and closed funds or accounts are removed from the composite upon the last full month of investment. **Past performance is no guarantee of future results. Performance returns for periods of less than one year are not annualized. The performance figures contained herein are provided net of 1% management fees basis, reflecting the deduction of investment management fees, as well as brokerage or other commissions. It is not possible to invest directly in an index. Index performance does not reflect charges and expenses and is not based on actual advisory client assets. Index performance does include the reinvestment of dividends and other distributions.** The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars.

Dynamic ETF Option Strategy ("DEOS") Risk Disclosure Statement: All investments include a risk of loss that clients should be prepared to bear. The principal risks of the Elite Wealth Management strategies are disclosed in the publicly available Form ADV Part 2A. Options carry a high level of risk and are not suitable for all investors. Certain requirements must be met to trade options in your account. If you are interested in margin lending (a loan to purchase securities that is secured or collateralized by securities in your account) or option trading, please visit <http://www.optionsclearing.com/about/publications/character-risks.jsp> to read the Options Disclosure Document titled "Characteristics and Risks of Standardized Options", or call the Interactive Brokers, LLC ("IB") office @ 1-877-442-2757 for a current copy, before considering any option transaction. Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal. The value of the portfolio will fluctuate with the value of the underlying securities. ETFs trade like a stock, and there will be brokerage commissions associated with buying and selling exchange traded funds unless trading occurs in a fee-based account. ETFs may trade for less than their net asset value. Statistics Definitions can be viewed at <http://elitewm.com/analytics>. **Sources:** Yahoo Finance, Hedge Connection, Chicago Board of Exchange.

SEE IMPORTANT DISCLOSURE STATEMENT: <http://elitewm.com/wp-content/EWM-Options-Risk-Disclosure>

Put Option: A put option allows the purchasing investor to require the writing investor to purchase the underlying security, currency or other asset at the specified exercise price. Purchasing and writing (i.e. selling) put options are highly specialized activities and entail significant risks. The risk involved in writing a put option include the possible decreases in the value of the underlying asset caused by declining stock prices, rising interest rates or other factors. If this occurred, the option could be exercised and the client would be required to purchase the underlying security, currency or other asset at a price higher than its current market value. If a put option purchased by a client were permitted to expire without being sold or exercised, the client would lose the entire premium it paid for the option.

Call Option: A call option allows the purchasing investor, for a premium, to purchase from the selling investor the right to buy the underlying security, currency or other asset at the exercise price. Purchasing and writing (i.e. selling) call options are highly specialized activities and entail significant risks. The risks involved in writing a call option include possible increases in the market value of the underlying asset caused by rising stock prices, declining interest rates or other factors. If this occurred, the option could be exercised and the underlying security, currency or other asset would then be sold by the client at a lower price than its current market value. If a call option purchased by the client were permitted to expire without being sold or exercised, the client would lose the entire premium it paid for the option.