



ELITE WEALTH MANAGEMENT

Dynamic Futures Option Strategy

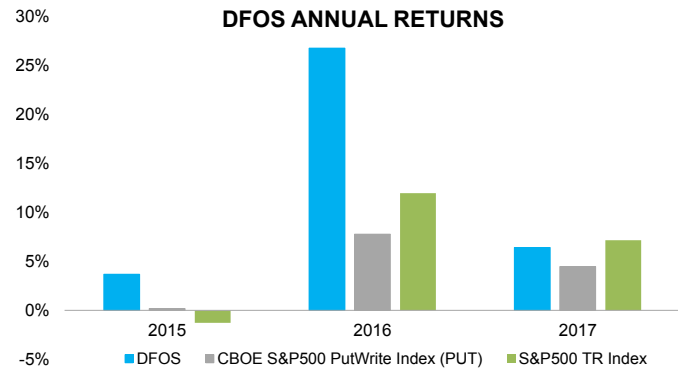
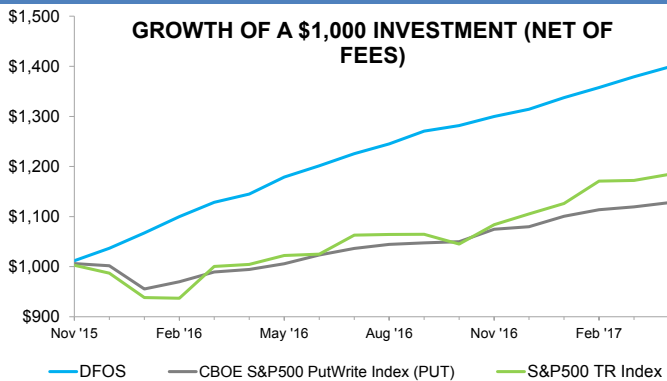
April 2017

INVESTMENT OBJECTIVE: The Dynamic Futures Option Strategy (“DFOS”) seeks capital appreciation along with income generation and lowered volatility than the broad market.

INVESTMENT APPROACH: This strategy embodies the idea of selling futures options against cash and collecting premium to produce an income stream for the portfolio. Focuses on selling options on S&P 500 e-mini futures contracts. Targets income generation and lowered volatility than the broad market. The strategy involves selling out-of-the-money futures options collecting premiums as long as the price of the underlying security remains out-of-the-money at expiration. Futures contracts, the underlying product, may be assigned at a price discounted from current trading prices at the point of options placement. The put options are used as a tool to acquire a security at a lower and pre-established price, which is the strike price of the option. Calls are used as a tool to exit assigned futures contracts and generate income in the interim. This strategy is appropriate for a long-term investor looking to generate profits from the collection of premium and/or to go long security positions at a significant discount to their current trading prices. The strategy can only be implemented for taxable accounts. IRA accounts cannot utilize this strategy given the nature of futures option selling.

STRATEGY STRENGTHS

- Futures option writing is executed to potentially earn profits by ongoing collection of premium.
- Assignment through put writing, if it occurs, purchases the underlying security at a lower price.
- Selling futures options can potentially generate yield in a bull market, stagnant market and within a range of heightened volatility.
- Futures option writing may potentially reduce both extreme positive and negative monthly returns in exchange for more consistent monthly returns.
- Futures options have a much wider trading window than the standard equity options market.



The above presentation is for informational and comparative purposes only. It is intended only for use by those who are knowledgeable about such comparisons. The index or indices selected to generate the above comparison is/are not available as directly investible product(s). Generally, no individual can purchase an actual index as an investment holding for his or her portfolio. All index comparisons should be considered with the intent to evaluate differences between a singular trading strategy against a designated benchmark. Additional information about the CBOE S&P 500 PutWrite Index and the S&P 500 TR Index shown can be found at the end of this presentation.

PROPRIETARY DFOS MONTHLY PERFORMANCE (NET OF FEES)

Year													YTD		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	DFOS	PUT	S&P 500
2017	1.76%	1.50%	1.60%	1.40%									6.41%	4.47%	7.16%
2016	2.95%	3.06%	2.59%	1.47%	2.96%	1.91%	2.00%	1.59%	2.05%	0.88%	1.41%	1.12%	26.77%	7.77%	11.96%
2015											1.19%	2.46%	3.68%	0.18%	-1.28%

PROPRIETARY DFOS PERFORMANCE STATISTICS (NET OF FEES)

Standard Deviation (Monthly):	0.67%	April:	1.40%
Standard Deviation (Annualized):	2.31%	YTD:*	6.41%
Downside Deviation (Monthly):**	0.00%	Average Monthly:	1.88%
Downside Deviation (Annualized):**	0.00%	Highest Month:	3.06%
Sharpe Ratio (Monthly):**	2.45	Lowest Month:	0.88%
Sharpe Ratio (Annualized):**	8.49	% of Positive Months:	100.00%
Sortino Ratio (Monthly):**	N/A	Maximum Drawdown:	N/A
Sortino Ratio (Annualized):**	N/A	Longest Winning Streak:	18 Months
Alpha (Monthly):***	1.68%	Longest Losing Streak:	0 Months
Alpha (Annualized):***	22.13%	Compounded Monthly Return:	1.88%
Beta:***	-0.11	Compounded Annual Return:	25.06%
Correlation Coefficient:***	-0.25	Cumulative Return:	39.86%
R-squared:***	0.06		

*YTD through April 2017 **Based on Risk Free Rate (RFR) at 3.0% (Sortino reads N/A if all monthly returns exceed RFR) ***Calculated Against PUT Index

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS



ELITE WEALTH MANAGEMENT

Dynamic Futures Option Strategy

April 2017

IMPORTANT: INVESTMENT IN DFOS TAKES APPROXIMATELY 60 DAYS TO GAIN FULL POSITION EXPOSURE. CLIENT RESULTS BEGAN ON MAY 27, 2016, WITH THE FIRST CLIENT INVESTING IN THE STRATEGY. AS SUCH, RETURNS IN THE CLIENT COMPOSITE WILL DIFFER FROM THOSE IN THE PROPRIETARY COMPOSITE, WHICH IS AN INTERNAL ACCOUNT THAT BEGAN TRADING IN THE PROGRAM IN NOVEMBER 2015. BOTH COMPOSITES ARE BLOCK TRADED SIMULTANEOUSLY. HOWEVER, THE CLIENT COMPOSITE WILL CONSIST OF ANY NEW AND TRANSITIONING CLIENT ACCOUNTS THAT WOULD HAVE A DILUTIVE EFFECT ON THE CLIENT COMPOSITE RETURNS. CLIENT ACCOUNTS THAT ARE IN THE STRATEGY LONGER THAN 60 DAYS WILL APPROXIMATELY MATCH THE PROPRIETARY COMPOSITE RESULTS.

CLIENT DFOS MONTHLY PERFORMANCE (NET OF FEES)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD		
													DFOS	PUT	S&P 500
2017	1.54%	1.35%	1.46%	1.42%									5.90%	4.47%	7.16%
2016					-0.01%	1.62%	1.34%	1.41%	1.71%	0.47%	1.50%	1.01%	9.40%	8.58%	10.04%

CLIENT DFOS PERFORMANCE STATISTICS (NET OF FEES)

Standard Deviation (Monthly):	0.51%	April Return:	1.42%
Standard Deviation (Annualized):	1.77%	YTD Return:*	5.90%
Downside Deviation (Monthly):**	0.08%	Average Monthly Return:	1.23%
Downside Deviation (Annualized):**	0.26%	Highest Month:	1.71%
Sharpe Ratio (Monthly):**	1.94	Lowest Month:	-0.01%
Sharpe Ratio (Annualized):**	6.71	% of Positive Months:	91.67%
Sortino Ratio (Monthly):**	N/A	Maximum Drawdown:	-0.01%
Sortino Ratio (Annualized):**	N/A	Longest Winning Streak:	11 Months
Alpha (Monthly):***	1.03%	Longest Losing Streak:	1 Months
Alpha (Annualized):***	13.09%	Compounded Monthly Return:	1.23%
Beta:***	0.19	Compounded Annual Return:	15.85%
Correlation Coefficient:***	0.26	Cumulative Return:	15.85%
R-squared:***	0.07		

*YTD through April 2017 **Based on Risk Free Rate (RFR) at 3.0% (Sortino reads N/A if all monthly returns exceed RFR) ***Calculated Against PUT Index

ABOUT ELITE WEALTH MANAGEMENT, INC.

At Elite Wealth Management, 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.

CONTACT US

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

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Copyright © 2017 Elite Wealth Management • 1014 Market Street, Kirkland, WA 98033 • +1.425.828.4300 • info@elitewm.com • www.elitewm.com



ELITE WEALTH MANAGEMENT

Dynamic Futures Option Strategy

April 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 to 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 strategy 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.

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

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Proprietary account information is shown because investment in DFOS takes approximately 60 days to gain full position exposure. As such, returns in the client composite will differ from those in the proprietary composite. Client accounts that are in the strategy longer than 60 days will approximately match the proprietary results. Please refer to the Disclosure Document at <http://elitewm.com/wp-content/Dynamic-Futures-Option-Strategy-Disclosure-Document.pdf> for additional information.

The CBOE S&P 500 PutWrite Index (PUT) tracks the performance of a hypothetical investment strategy (PUT strategy) that overlays short S&P 500 puts over a money market account. The number of puts is set to collateralize the exposure to S&P 500 downturns. Studies have found that short option strategies, and especially short put strategies, appear to generate high risk-adjusted returns. Reasons cited for the excess returns are the negative risk-premium garnered by volatility, and, in the case of puts, the high demand for portfolio protection. For more information on the PUT Index and the studies described, please visit the website www.cboe.com/put or send an e-mail to institutional@cboe.com.

The Standard & Poor's 500 Index (S&P 500) is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe, made up of companies selected by economists. The S&P 500 is a market value weighted index and one of the common benchmarks for the U.S. stock market.

FUTURES CONTRACTS RISK—Futures contracts are typically exchange-traded contracts that call for the future delivery of an asset at a certain price and date, or cash settlement of the terms of the contract. Risks of futures contracts may be caused by an imperfect correlation between movements in the price of the instruments and the price of the underlying securities. In addition, there is the risk that clients may not be able to enter into a closing transaction because of an illiquid market. Futures markets are highly volatile and the use of futures may result in increased volatility. Futures are also subject to leverage risks and to liquidity risk.

FUTURES OPTIONS RISK—Options or options on futures contracts give the holder of the option the right to buy (or to sell) a position in a security or in a contract to the writer of the option, at a certain price. They are subject to correlation risk because there may be an imperfect correlation between the options and the securities markets that cause a given transaction to fail to achieve its objectives. The successful use of options depends EWM's ability to correctly predict future price fluctuations and the degree of correlation between the options and securities markets. Options are also particularly subject to leverage risk and can be subject to liquidity risk. The number of puts is set to collateralize the exposure to S&P 500 downturns. This design provides higher leverage than the BXM strategy, and it can also capture the potentially "rich" premia of S&P 500 put options documented in several academic studies. These studies have found that short option strategies, and especially short put strategies, appear to generate high risk-adjusted returns. Reasons cited for the excess returns are the negative risk-premium garnered by volatility, and, in the case of puts, the high demand for portfolio protection. For more information on the PUT Index, please visit the website www.cboe.com/put or send an e-mail to institutional@cboe.com. The Standard & Poor's 500 Index (S&P 500) is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe, made up of companies selected by economists. The S&P 500 is a market value weighted index and one of the common benchmarks for the U.S. stock market.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Copyright © 2017 Elite Wealth Management • 1014 Market Street, Kirkland, WA 98033 • +1.425.828.4300 • info@elitewm.com • www.elitewm.com