

# SJC Capital Partners LLC

SJC Capital Partners LLC, is a private investment fund engaged in the purchase and sale of S&P Futures Contracts on a short term basis at specific pre-determined price levels within the S&P 500 Index.

SJC's strategy is to scale into its positions at every 1% move upwards and downwards in the Futures market tracking the S&P 500 Stock Index. We do not over concentrate our positions. Each position is a separate trade and spaced in a 1% range from any other position. This is key. The average daily move of the S&P 500 is 1.4%. All positions are held until profitable and all winning positions are closed out at the end of each trading day. Positions that are not yet profitable are held until they are profitable.



Fear, Greed and Emotion drive the markets and lead most to ruin. By removing these basic human traits in our strategic plan SJC Capital Partners uniquely profits on every opportunity the market offers us. The Key: being adequately capitalized to withstand every market scenario: We Are Bulletproof.

Fear-driven periods in the past have been used as buying opportunities for savvy investors. Unfortunately, many investors make the mistake of buying high and selling low, while SJC Capital Partners uses the exact opposite strategy to outperform the market.

SJC always has a position in the market as no one, literally no one, can forecast future events, be they economic, event driven, or geopolitical, which can move the markets upwards or downwards.



As such we are pre-positioned with buy orders at specific market levels to take advantage of any opportunity the market offers at all times, 24 hours a day, 7 days a week, every single day of the year. And, as always, we sell our profitable positions at the end of the daily market close to lock in our profits. Again, we always sell and lock in our profits. Always. There is no emotion in any of the positions we enter or exit.

SJC follows a fundamental and systematic investment process. It uses historical analysis of past events to constantly stress test the portfolio against all market possibilities. History is the best predictor of the future.

The Fund is capitalized in such a way as to be absolutely "bulletproof" against all market scenarios. Meaning however far the market can fall SJC is fully capitalized to take advantage of any market move downward to enter a position on the way down and then exiting and locking in profits as the market then moves upwards.



The average daily move of the market has increased over time due to technology and the speed in which information moves and trades are executed. One can expect 5 % plus “flash crash” corrections multiple times a year, and then the resulting reversal “melt up”. Due to investor psychology the market goes up like an escalator and down like an elevator, all of these moves to our advantage.

**Potential Tax Benefits:** Futures capital gains have a standardized tax treatment known as the ‘60/40’ rule, and futures trades are exempt from wash sale rules. Regardless of the actual holding period, 60% of gains are taxed at the long-term capital gains rate, and 40% of gains are taxed at the short-term capital gains rate like ordinary income.

**Capital Efficiency:** Establishing an equity position in an ordinary stock margin account requires you to pay 50% or more of its full value. With futures, the required initial margin amount is typically set at 10% of the underlying contract value. This leverage permits SJC the potential to efficiently utilize the fund’s capital and generate larger returns as a percent of capital invested.

**Direct Market Exposure:** When investing in stocks you are investing in a particular company. However when trading S&P Futures Contracts you gain direct exposure to the entire market which offers the potential for a more macroeconomic view. Further, futures markets are open nearly 24 hours a day, 6 days a week, allowing SJC to react to global events and fully participate in the market at all times.



**Overview:** The S&P 500 is a US stock market index based upon the market capitalization of the top 500 companies listed on the NYSE and Nasdaq. Over \$1.25 Trillion USD is indexed to the S&P 500 which seeks to reflect the status of the entire stock market by tracking the return and volatility of the 500 most commonly held large cap company stocks on the NYSE & Nasdaq. The 500 companies comprising the S&P 500 span all major industries and its importance is highlighted by its use as an economic indicator of the health of the entire US economy.

**Target Performance:** Historically the S&P has averaged an annual return of 10.5% since 1957. SJC Capital Partners is targeting an annual return of 20% plus.

**Profit Distributions:** Investment partners receive 80% of fund net profits on a quarterly basis. As fund manager, Mr. Chatfield receives a performance fee of 20% of net profits and an annual 2% management fee of gross assets under management.

## **SJC Capital Partners LLC**

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