

CLEMENTS & CO. CAPITAL PARTNERS, LLC

PRIVATE OFFERING MEMORANDUM AND INVESTMENT PROSPECTUS

FOR REFERENCE ONLY

Clements & Co. Capital Partners, LLC
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These securities have not been approved or disapproved by the Securities and Exchange Commission nor has the Commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

MEMBER PROFILE

Clements & Co. Capital Partners, LLC (“The Fund”) may be suitable for investors seeking income as well as total return on investment. While this Fund may not be ideal for investors concerned about investment certainty and immediate availability of capital, it does represent an opportunity for investors to take advantage of the potential benefits of foreign exchange derivatives.

INVESTMENT OBJECTIVES

The objective of this investment fund is to obtain superior risk-adjusted rates of return for its investors by implementing alternative leveraged investments that include but are not limited to public equity market-neutral investments, foreign exchange derivative financial instruments, synthetic positions, private equity deals, distressed securities, arbitrage, and various other approaches to managing the assets.

PRINCIPAL INVESTMENT STRATEGIES

The Fund focuses on identifying financial arbitrage opportunities and hedging against market volatility. Clements & Co.'s proprietary process of scrutiny, combining quantitative and qualitative analysis together with fundamental research and investment strategy design, supports the selection of OTC derivatives that fit the Fund's strategy. Fundamental factors such as volatility premiums, sufficiently liquid derivatives market, and anticipated effectiveness of hedge position will be considered to identify the best portfolio securities.

The Manager then uses a qualitative and quantitative selection model based on various supplemental factors to narrow the list of eligible instruments to the most attractive. The Fund may, under varying market conditions, employ various strategies which involve put and/or call option contracts.

Because international OTC markets trade derivative instruments based on various currency crosses, the Fund's management seeks to enter into foreign exchange transactions to create market-neutral, synthetically-opened, short straddles, to achieve returns from exponential time value decay. This strategic timing of these transactions will increase the Fund's portfolio turnover, but also provides the opportunity to increase income and profits for members.

The effects of compounding have the potential to increase the investment return over the long-term. By continuously reinvesting investment returns back into the capital account, the capital can continue working to potentially enhance future investment returns.

PRINCIPAL RISK FACTORS

Loss of money is a risk of investing in the Fund. In addition, your investment in the Fund may be subject to the following principal risks:

MARKET RISK: There is a possibility that the Fund's various investment holdings will suffer from adverse market conditions. Markets generally move in cycles, with periods of rising prices followed by periods of falling prices. The value of your investment may tend to increase or decrease in response to these movements.

INVESTMENT STYLE RISK: The possibility that the complex financial instruments on which this Fund focuses — foreign exchange rate derivatives — will underperform other kinds of investments or market averages.

BASIS RISK: Financial instruments such as options or futures contracts derive their value from an underlying asset and price volatility. This relationship between derivative instruments and underlying securities is known as the basis. Basis risk arises when derivative instruments and underlying securities do not fluctuate to the same degree as expected based on historical trends or models.

FOREIGN RISKS. Because the Fund may own instruments of foreign nature, it may be subject to risks not usually associated with owning securities of U.S. issuers. These risks can include fluctuations in foreign currencies, foreign currency exchange controls, political and economic instability, differences in financial reporting, differences in securities regulation and trading and foreign taxation issues.

RISKS OF USING DERIVATIVE INSTRUMENTS. In general terms, a derivative instrument is one whose value depends on (or is derived from) the value of an underlying asset, interest rate or index. Options, futures contracts and options on

futures contracts are examples of derivative instruments. Derivative instruments involve risks different from direct investments in underlying securities. These risks include imperfect correlation between the value of the instruments and the underlying assets; risks of default by the other party to certain transactions; risks that the transactions may result in losses that partially or completely offset gains in portfolio positions; and risks that the transactions may not be liquid.

MANAGER RISK. As with any managed fund, the Fund's investment adviser may not be successful in selecting the best-performing securities or investment techniques, and the Fund's performance may lag behind that of similar funds.

Furthermore, additional risks that the fund is subject to include, but are not limited to:

Hedging strategies may not fully offset market volatility. Suitable investments may not be available. Orders may not be executed as intended and may result in significant loss of capital. Businesses may fail. Natural disasters may occur. Investments may become worthless. Markets may lose liquidity. Lack of management experience may result in poor investment performance or significant loss of capital. Lack of historical performance of investment strategy may lead to poor investment performance or significant loss of capital. Excess leverage can trigger margin calls and account liquidation.

The Fund actively trades its portfolio securities in an attempt to achieve its investment objective. Active trading will cause the Fund to have an increased portfolio turnover rate, which is likely to generate shorter-term gains (losses) for its shareholders, which are generally taxed at a higher rate than longer-term gains (losses). Actively trading portfolio securities increases the Fund's trading costs and may have an adverse impact on the Fund's performance.

The Fund may, from time to time, take temporary defensive positions that are inconsistent with the Fund's principal investment strategies in attempting to respond to adverse market, economic, political or other conditions. In these and in other cases, the Fund may not achieve its investment objective.

MANAGEMENT FEES AND EXPENSES

Expenses associated with this investment fund include trading commissions, margin interest, annual licensing fees, tax and legal services, administrative fees, periodic independent audits of financial statements, and other expenses the business may require.

Jeff Clements is the exclusive manager of this private investment group. The management fees are contractually structured to provide incentive for performance by aligning the economic interests of the managers with the principals.

Management fees are limited to fifty percent (50.00%) of pre-tax net income & profit and are calculated on a weekly basis, which includes both realized and unrealized gains, and net premiums received and net premiums receivable. These management fees are assessed on a weekly basis.

MANAGEMENT FEE EXAMPLE

If a member invested \$75,000 in the fund, and after a period of time the NAV per unit of the fund had increased by ten percent (10%), out of the \$7,500 profit to the fund, 50% would be allocated to the members in proportion to their relative capital interests, and 50% would be allocated to the management's capital account.

WITHDRAWAL/REDEMPTION POLICY

Funds may be withdrawn by redeeming units for their Net Asset Value (NAV) as of the date of the redemption. Funds may not be withdrawn within the first 120 days of investment. Redemptions are restricted to one per month thereafter, and then only on the first business day of each respective month with ten business days advance written notice.

FEDERAL TAX STATUS

The organizational structure of this private investment fund is a Florida Limited Liability Company. The Company was formed in May 2003 with its initial capital contribution in June 2003. Its federal tax identification number (FEIN) is 92-0185275, and its IRS tax treatment is that of an investment partnership.

SECURITIES REGULATIONS

This private offering is exempt from federal registration pursuant to Regulation D, Rule 504 of the Securities Act of 1933. Its SEC file number is 021-55951 and its Central Index Key (CIK) is 0001240192.

This private offering is exempt from Florida registration pursuant to F.S. §517.061(11).

OPERATING AGREEMENT

Members consent to all provisions of the operating agreement which are incorporated by reference into this investment prospectus.

BIOGRAPHY AND ADDITIONAL INFORMATION REGARDING FUND MANAGEMENT

Jeff Clements, JD CPA

Mr. Clements is the chief investment strategist of Clements & Co. Capital Partners, LLC and a founding member of this investment fund. He is a Certified Public Accountant and holds a Juris Doctor degree from the University of Florida. His experience includes tax consulting with PricewaterhouseCoopers, LLP and financial consulting with Morgan Stanley Dean Witter.

PRIVACY NOTICE TO EXISTING AND FUTURE MEMBERS OF CLEMENTS & CO. CAPITAL PARTNERS, LLC

The fund and its management are committed to protecting confidentiality of the information furnished to us by our clients.

We collect non-public personal information about you from the following sources: information we receive from you on applications or other forms; information about your transactions with us, our affiliates, or others; and information we may receive from a consumer reporting agency.

However, occasionally we may share information about you with affiliated companies and with parties that provide other professional services to us, and with certain financial institutions. Otherwise, we do not disclose any non-public personal information about you to anyone except as required by law. We follow the same policy with respect to non-public information received from all clients and former clients.

The Fund and its management have policies that restrict access to non-public personal information about you to those employees who have need for that information to provide investment alternatives or services to you, or to employees who assist those who provide investment alternatives or services to you. We maintain physical, electronic and procedural safeguards to protect your non-public personal information.

CONTACT INFORMATION

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