



# TIF FUND MANAGEMENT LLC (“TIFFM”) SECURITIES TRADING PORTFOLIO PROGRAM “STP”

TIF Fund Management LLC’s Security Trading Portfolio (STP) is a “GIPS” compliant, liquid, systematic, short-term, long/short program that trades only in listed securities.

STP is offered as either a customizable **Separate Managed Account** (SMA) with daily liquidity or as a separate **Triumph Fund Share Class** with monthly liquidity. All account activity is fully transparent.

***The program’s success results from strict risk discipline applied to momentum trading in highly liquid securities that are traded at very low transaction costs.***

The Program works because losses are eliminated rapidly and profitable positions are held until their momentum diminishes or a higher priority opportunity appears.

## **FEATURES & BENEFITS**

- Non-Leveraged SMA - Daily Liquidity and Transparency
- Broad Diversity in Markets, Sectors and Direction (L/S)
- Limited Time Exposure, Active Momentum Trading
- Liquid Positions and Low Risk per Trade
- Historically Consistent, Non-Correlated Return

## **HISTORY**

Based on a highly successful futures trading program dating from 1993, STP was adapted to equities trading after analyzing 17,000 trades dating from 2005. The attached charts compare STP to S&P 500 performance.

## **AUTOMATED TRADING**

STP employs a proprietary, multiple-algorithm computer program that operates on mirrored servers located 900 miles apart. The program constantly evaluates real-time price data to generate instantaneous trading signals, enter orders, monitor open positions and report trades. The potential for human error is minimized by the systematic logic and totally automated procedures. The program is constantly monitored to optimize performance, reliability, scalability, return consistency and to reduce risk.

## **EXCHANGE LISTED EQUITIES TRADING**

STP trades only in active, listed equities. Orders are prioritized and entered by eliminating signals that do not meet the established return expectations, risk parameters or exposure rules. Hundreds of potential trades are evaluated each day with only a small percentage actually executed.

## **RISK MANAGEMENT**

STP employs short-term trading strategies that range from a few minutes to several days.

Trade frequency is influenced by the number of opportunities available and specific issue liquidity.

Profitability is enhanced by minimizing transaction costs and maintaining strict loss control. Losses are controlled by rapidly exiting losing positions. The average trade risk is typically less than 1/20<sup>th</sup> of 1% of AUM.

Risk typically decreases with each subsequent day that a position is held.

The shares traded typically range in price from \$5 to \$250. Uninvested funds are placed overnight in cash equivalents, typically US Treasury Securities.

## **INVESTOR CONTROLLED STRUCTURE**

The standard or 1X capital utilization level is 1 share per every \$5,000 of AUM. The 2X allocation is 2 shares per every \$2,500 of AUM.

Variable Capital Utilization Levels are available in SMAs. Should an investor’s objective change, the applicable utilization level is easily adjusted.

**The STP program is designed not to use leverage and thus should not typically incur interest expense.**

Individually managed accounts are fully transparent and offer daily liquidity.

***TIFFM receives no portion of commissions as management’s compensation is primarily derived from incentive fees. Thus, both our investors and management are focused on performance.***

***STP broadens your opportunity for profit and adds considerable diversity to your portfolio. The program’s risk and return parameters can be structured to fit your specific objectives.***

## **SUBSCRIPTION**

***We welcome the opportunity to discuss this exciting product with you.***

***Subscription literature is available at [info@tiffund.com](mailto:info@tiffund.com) or by calling TIFFM at (845)477-0200.***



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## S&P vs. STP 2X CAPITAL UTILIZATION - COMPARITIVE ANNUAL NET RETURN 2007-2010

Comparison: S&P500 vs STP 2x				
Year	S&P500 Return	S&P500 Drawdown	STP 2x Net Return	STP 2x Drawdown
2007	3.52%	-10.09%	19.56%	-2.70%
2008	-38.48%	-48.75%	29.48%	-7.40%
2009	23.45%	-27.62%	24.65%	-3.81%
2010	12.78%	-15.99%	12.87%	-4.86%

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