

**Item 1. Cover Page**

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**Part 2A of Form ADV  
(The “Brochure”)**

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This Brochure provides information about the qualifications and business practices of Stormfield Capital, LLC (the “Adviser”). Registration with the United States Securities and Exchange Commission (the “SEC”) does not imply a specific level of skill or training. If you have any questions about the contents of this Brochure, please contact Timothy Jackson at 203.762.6095. This information has not been approved or verified by the SEC or by any state securities authority.

Additional information about the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2. Material Changes**

This is the Adviser's first Form ADV filing as a SEC Registered Investment Adviser; therefore, no material changes have been made. Our current and future investors are encouraged to read this Brochure, as well as all of the governing documents applicable to their current or prospective investment, in their entirety. To receive an additional current copy of this Brochure free of charge, please contact Timothy Jackson at 203.762.6095.

### Item 3. Table of Contents

Item 1. Cover Page.....	1
Item 2. Material Changes .....	2
Item 3. Table of Contents .....	3
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation .....	4
Item 6. Performance-Based Fees and Side-by-Side Management.....	4
Item 7. Types of Clients .....	4
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	5
Item 9. Disciplinary Information.....	6
Item 10. Other Financial Industry Activities and Affiliations .....	6
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	6
Item 12. Brokerage Practices.....	8
Item 13. Review of Accounts .....	8
Item 14. Client Referrals and Other Compensation .....	9
Item 15. Custody .....	9
Item 16. Investment Discretion .....	9
Item 17. Voting Client Securities .....	9
Item 18. Financial Information.....	9

#### **Item 4. Advisory Business**

The Adviser is an investment advisory firm with its principal place of business in Southport, Connecticut and organized as a limited liability company under the laws of the State of Delaware. The Adviser commenced operations as an investment adviser in September of 2016. Wesley W. Carpenter and Timothy Jackson are the managing members of the Adviser (the “Managing Members”).

The Adviser provides discretionary investment advisory services to pooled investment vehicles (“Clients”), intended for accredited, qualified investors. The Adviser seeks to generate attractive risk-adjusted returns for Clients by creating a diversified and current yielding portfolio composed primarily of short-term bridge loans secured by real estate in primary and secondary metropolitan areas throughout North America.

The Adviser manages Client assets on a discretionary basis.

The Adviser does not participate in wrap fee programs.

#### **Item 5. Fees and Compensation**

The Adviser charges the Clients an asset-based investment management fee (the “Management Fee”) based on the value of net assets under management and an incentive allocation (the “Incentive Allocation”), based on the net profits attributable to Clients. The Management Fee is generally payable monthly at an annual rate of 1.5 %. The Incentive Allocation is equal to an aggregate amount up to 15% of the net profits attributable to Clients, subject to a loss carryforward provision.

In addition to paying the Management Fee and allocating the Incentive Allocation, Clients are subject to other investment expenses, such as legal, compliance, administrator, audit and accounting expenses (including third party accounting services); organizational expenses; investment expenses such as commissions, research fees and expenses (including research related travel); expenses related to loan servicing software; expenses incurred in connection with the marketing or offering of the Interests (such as travel, legal and accounting fees, and printing and mailing costs), and in connection with the marketing of loan products; interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Client-related insurance costs; and any other expenses related to the purchase, sale or transmittal of Client assets. It is important that each investor who is considering an investment to review the private placement memorandum, limited partnership agreement, management agreement, and/or subscription agreement (individually and collectively, the “Governing Documents”) applicable to the Client for a complete and detailed description of the fees and expenses applicable to such investment.

The Adviser may waive or reduce the Management Fee and the Incentive Allocation for principals, employees or affiliates of the Adviser, relatives of such persons, and for certain large or strategic investors.

#### **Item 6. Performance-Based Fees and Side-by-Side Management**

As discussed in Item 5, the Adviser or its affiliate is allocated performance-based compensation by the Clients in the form of an Incentive Allocation.

#### **Item 7. Types of Clients**

As described in Item 4, the Adviser’s Clients are pooled investment vehicles suitable for accredited, qualified investors. Any minimums for investors are disclosed in the Governing Documents.

## **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

### **Investment Objective and Strategy**

The Adviser's objective is to generate attractive risk-adjusted returns by creating a diversified and current yielding portfolio composed primarily of short-term bridge loans secured by real estate in primary and secondary metropolitan areas throughout North America.

This strategy may be deemed to be highly speculative and is not intended as a complete investment program. It is designed only for sophisticated persons who can bear the risk of the loss of their entire investment and who have a limited need for liquidity. The Adviser can give no assurance that its investment strategy will achieve its investment objective.

### **Risk Factors**

The investment strategies the Adviser uses entail substantial risks, including, but not limited to, those identified below. Further details regarding these risks and other applicable risk factors are included in the offering documents of the Clients for which the Adviser performs investment advisory services, or in the advisory agreement or other documentation furnished to other Clients. Investors are advised to carefully review all risk factors described in such documents. The following is not intended to supersede the material contained in such documents nor identify all possible risks of an investment with the Adviser.

**General Credit Risk.** While loans originated by the Adviser or its affiliates are intended to be over-collateralized, Clients may be exposed to losses resulting from default and foreclosure. Therefore, the value of the underlying collateral, the creditworthiness of the borrower and the priority of the lien are each of great importance. The Adviser cannot guarantee the adequacy of the protection of the Client's interests, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests.

**Loan Origination.** If the Adviser were unable to sell, assign or successfully close transactions for participations in the loans that it originates, the Client would be forced to hold its excess interest in such loans for an indeterminate period of time. This could result in the Client's investments being over-concentrated in certain borrowers.

**Fixed Income.** A primary risk when investing in fixed income securities is that associated with a change in interest rates. Rising interest rates mean falling fixed income prices, while declining interest rates may mean rising fixed income prices. The Adviser intends to mitigate this risk by investing in shorter-duration notes. There is no guarantee that the Adviser will be able to successfully hedge the portfolio from the risk of rising rates and falling prices or that the portfolio duration will fall within the target objective at all times. Further, changes to prepayment risk as defined below may significantly alter the duration and interest rate risk of the portfolio.

**Illiquidity.** Non-traditional sources of income may be a primary means of achieving the stated investment objective. Such sources as stated above may include but are not limited to structured credit products, loan participations, privately held businesses and partnerships and real estate. These investments tend to have limited liquidity and a wide bid-ask spread may exist. Further, the more traditional investments that fall within the mandate such as bonds and shares may at times be illiquid and volatile, especially esoteric product types within these asset classes such as asset backed bonds.

**Real Estate.** The Adviser intends for Clients to lend against real property. Traditionally, the real estate

industry is cyclical in nature and it may experience dramatic swings in value. Real estate has generally appreciated in value over long periods of time. However, such appreciation may not continue to occur.

***Lack of Diversification.*** The Client's portfolio may not be widely diversified among asset classes, property types, geographic areas or security interests. Further, the Client's portfolio may not necessarily be diversified among a wide range of issuers or collateral types. Accordingly, the Client's portfolio may be subject to more rapid change in value than would be the case if the Client were required to maintain a stricter diversification policy.

***Use of Leverage.*** The Adviser may utilize leverage, subject to the restrictions contained in the Governing Documents. Leverage increases the Client's returns if the Client earns a greater return on investments purchased with borrowed funds than the Client's cost of borrowing such funds. However, the use of leverage exposes the Client to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Client not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Client's cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Client's assets, the Adviser might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

#### **Item 9. Disciplinary Information**

The Adviser has no legal or disciplinary events to disclose.

#### **Item 10. Other Financial Industry Activities and Affiliations**

Neither the Adviser nor its Managing Members has any existing or pending affiliations with a broker-dealer or registered representative of a broker-dealer.

Neither the Adviser nor its Managing Members has any existing or pending financial industry affiliations, such as with a broker-dealer, Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), Commodity Trading Advisor (CTA) or other investment adviser.

The Adviser and/or its Managing Members do not have a financial industry relationship or arrangement with a related person that is material to its advisory business or to its Clients.

The Adviser does not recommend or select other investment advisers for Clients, nor does the Adviser have other business relationships with advisers that create material conflicts of interest.

#### **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

##### ***Code of Ethics***

The Adviser has adopted a Code of Ethics (the "Code") in accordance with SEC requirements. The purpose of the Code is to identify the ethical and legal framework in which the Adviser and its personnel are required to operate and to highlight some of the guiding principles and mechanisms for upholding the Adviser's standard of business conduct. The Code is designed to ensure that all applicable personnel are aware of and adhere to the Adviser's policies and procedures. The description below is a summary only. The Adviser will provide a complete copy of the Code to our Clients and prospective Clients upon request.

**Standard of Business Conduct.** The Adviser and its personnel have a fiduciary duty to our Clients, and in this fiduciary capacity, we must place the interests of our Clients before our own interests.

**Basic Principles.** The Code is based on a few basic principles: (i) the Adviser and its personnel must place the interests of Clients above their own; (ii) the professional activities and personal investment activities of the Adviser's personnel must be consistent with the Code and avoid any actual or potential undisclosed material conflict between the interests of Clients and those of the Adviser or its personnel; (iii) the activities of the Adviser's personnel must be conducted in a way that avoids any abuse of any such person's position of trust with and responsibility to The Adviser and Clients; (iv) employees of the Adviser must not take any inappropriate advantage of their positions at the Adviser; and (v) the Adviser's personnel may not engage in any act, practice or course of conduct that would violate the provisions of Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), and other applicable securities laws.

**Conflicts of Interest.** As a fiduciary, the Adviser has an affirmative duty of care, loyalty, honesty and good faith to act in the best interests of its Clients. The Adviser makes every effort to avoid conflicts of interest and fully disclose all material facts concerning any conflict of interest that may arise with respect to any of its Clients. The Adviser stresses that individuals subject to the Code must try to avoid situations that have even the appearance of conflict or impropriety.

**Insider Trading.** The Adviser's personnel may not trade, either personally or on behalf of another, on material non-public information or communicate material non-public information to another person in violation of the law. This policy applies to all of the Adviser's personnel and extends to their activities both within and outside their duties for the Adviser. The Adviser has also implemented policies and procedures designed to detect and prevent insider trading.

**Personal Securities Transactions.** All personnel must comply with the Adviser's policy on personal trading. Except with respect to certain securities (including certain indices, mutual funds, exchange-traded funds and fixed income securities) and with respect to certain accounts for which a person does not exercise investment discretion and in regards to certain automatic or non-volitional transactions, such as dividend reinvestment plans, personal securities transactions by our The Adviser's personnel must be pre-approved by the Adviser's Chief Compliance Officer ("**Pre-Clearance Procedures**").

**Holdings and Transactions Reports.** Every employee and access person must submit both initial and annual holdings reports to the Adviser's Chief Compliance Officer that disclose all covered securities held in any personal account. Every employee and access person must also submit a quarterly transaction report to the Chief Compliance Officer for each covered securities transaction in any personal account.

**Reporting of Violations.** The Adviser has implemented policies and procedures whereby our Adviser's personnel are required to report any violation, apparent violation or potential violation of the Code to the Adviser's Chief Compliance Officer.

**Review and Enforcement.** The Adviser's Chief Compliance Officer is responsible for ensuring adequate supervision over the activities of all persons who act on our behalf in order to prevent and detect violations of our Code of Ethics by such persons.

#### ***Participation or Interest in Client Transactions***

To the extent that the Adviser's related persons invest in the same securities that the Adviser or a related person recommends to a Client, such practices present a conflict where the Adviser or its related person is in a position to trade in a manner that could adversely affect the Clients. In addition to affecting the Adviser's or its related person's objectivity, these practices by the Adviser or its related persons may

also harm the Clients by adversely affecting the price at which the Client's trades are executed. The Adviser has adopted the foregoing Pre-Clearance Procedures in an effort to minimize such conflicts, which procedures may result in the denial of permission to execute a transaction if such transaction will have any adverse economic impact on a Client. In addition, the Code prohibits the Adviser or its personnel from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer, as discussed below. Trading in employee accounts will be reviewed by the Chief Compliance Officer, compared with transactions for the Client accounts and reviewed against the restricted securities list.

To the extent a supervised person of the Adviser buys or sells securities for a Client at or about the same time that such supervised person buys or sells the same securities for its own account, the supervised person must do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for the Adviser or its supervised person to the detriment of the Client.

From time to time, subject to Client or investment guidelines and restrictions and to the extent we determine it to be in our Clients' best interests to do so, the Adviser is authorized to direct one of our Clients to sell investments to another of our Clients through an internal cross transaction in which the Adviser will receive no compensation. Any such transactions will be conducted using a pricing mechanism the Adviser considers to be fair to both such Clients.

To the extent that any of the transactions described above may be viewed as a principal transaction due to the interest of the Adviser or its affiliates in a purchaser or seller, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act, and provide written notification to the relevant Client and obtain Client consent either prior to the principal transaction or prior to its settlement.

In addition, the Adviser may give advice or take action with respect to investments of one or more of our Clients that may not be given or taken with respect to our other Clients with similar investment programs, objectives and strategies. Accordingly, our Clients with similar investment strategies may not hold the same investments or achieve the same performance. The Adviser may also advise our Clients with conflicting programs, objectives or strategies. These activities may also adversely affect the prices and availability of other investments held or potentially considered for one or more Clients.

## **Item 12. Brokerage Practices**

Given the nature of our Clients' investments, the Adviser does not generally use the services of FINRA-regulated broker-dealers to effect transactions. Prior to funding a loan, the Adviser intends to utilize independent professional appraisers and/or brokers to estimate the value of the property being considered under a number of leases, sale and development scenarios.

### ***Research and Soft Dollars***

At this time the Adviser is not a party to, and does not anticipate entering into, any formal "soft dollar" arrangements. However, the Adviser has the option to use "soft dollars" generated by our Clients to pay for research related services. In the event that the Adviser utilizes allocations of commission dollars, it will do so solely to pay for products or services that qualify as "research and brokerage services" within the "safe harbor" of Section 28(e) of the Securities Exchange Act of 1934, as amended

## **Item 13. Review of Accounts**

The Managing Members regularly review and monitor Client portfolios and investors receive written reports as described in the Governing Documents.



**Item 14. Client Referrals and Other Compensation**

This Item does not apply, as the Adviser receives no economic benefit in connection with Client transactions, and does not compensate any person for Client referrals.

**Item 15. Custody**

To the extent the Adviser is deemed to have custody of Client assets, to the Adviser will comply with Rule 206(4)-2 under the Investment Advisers Act of 1940 by meeting the conditions of the pooled vehicle annual audit provision.

**Item 16. Investment Discretion**

The Adviser is provided with discretionary authority to manage the investment accounts of Clients as set forth in the Governing Documents.

**Item 17. Voting Client Securities**

The Adviser does not have, nor will it accept, authority to vote Client securities.

**Item 18. Financial Information**

The Adviser does not require, nor do we solicit, prepayment of more than \$1,200 in fees per Client, six months or more in advance.

Item 18(B) is not applicable.

The Adviser has never been the subject of a bankruptcy petition.