

Pacific Investors, "PI," was founded 6/12/1975 as an investment partnership on a mission to learn how to earn an extra 5%, for a 15% total annual return. **Invest smarter**, integrating the **best strategies, tools, and investing education**, as we learn how to steadily **increase our net worth**. Our portfolio of over **\$4,800,000** is diversified across **500 companies** to protect against a company's price decline hurting our portfolio's value.

Our partners meet **monthly via Zoom**. Our **picnic** is in August, our **holiday party** is in December. In April we have our **Partners' Retreat**. *The retreat is an exceptional experience*: it begins with a **Get Acquainted Dinner**: (a **free Pizza and Soda event**), it offers us five other **meal opportunities to really get to know our partners better**, a **Roundtable Symposium**, **22 live classes**, a **free Awards Banquet**, and a **cash raffle**.

Studies say co-ed partnerships, like PI, **earn a 2% higher return**. Currently we have **twenty-six partners**, ranging in age from 23 to 93, with 21 males and five females. We've limited PI to 32 Senior Partners. We conduct **research monthly** and post results online. **Our partner teams** propose **new investments** to the other partners each month. What others say: "**Directional traders need price movement in order to profit, but options spread traders don't.**" P 13 Proven Option Spread Trading Strategies, by Billy Williams. *PI has been using options since 1975. Learn how to best use options.*

*"...the best way to gain from any appreciation."* P 182 *"Don't ever again let anyone tell you that stock options are inherently risky. When used correctly, options are conservative, and common stock is much more risky."* P 186-187. Getting Back to Even, by **Jim Cramer** with Cliff Mason.

We have the advantage of bouncing our ideas off fellow partners. Our **Learning aids: 13 articles, 9 books, 9 classes**, strategies, tools, teams, workshops/help sessions, retreats, *KnowledgeAssessments*®, roundtable symposiums, and meals with our partners.

#### Our Innovations include:

**You're invited:** meet some **Senior Partners for breakfast or lunch, let's learn a lot**. Receive hands-on investing guidance from a partner/mentor to help you learn the ropes. Our **Partner Teams** present proposed **new investments** to all our partners every month. Three yearly **1<sup>st</sup> Saturday Workshops/Help Sessions: have partners helping partners.**

**Are you using or losing your annual Tax-Free Capital Gains exclusion?**  
**Your 2024 exclusion is: Single up to \$47,025, Married, filing jointly, up to \$94,050.**

**Grow \$250,000 in 15 years.** Invest \$300/month at 17.19% for 15 yrs. = **\$250,000.**

**Some Tools we use:** Portfolio Status, Completed Positions, and a Portfolio Review.

**Our Education.** A skill set that includes both **technical and fundamental analysis.**

**Education Curriculum Tracking** and a **CPI®**, **Certified Pacific Investor®**, program.

A **Lifetime Outstanding Partner** award program, for our **Certified Pacific Investors®**.

**Penny Accounting** tracks your deposits, you make them with our **Self-Deposit System.**

**Partner Viewing**, of our **two brokerage accounts** and our online accounting firm, is **24/7.**

**Savings: Our Option Commissions cost us \$0.10 per Contract, \$0.65 is standard.**

**Our own Investment Partnership Website:** our partners can access our website **24/7.**

**Electronic links**, ~1 day delay, between our brokerage accounts and our accounting firm.

**Daily valuations:** Prices are updated by ~6:00 PM, prior day trades posted by ~3:00 AM.

**Tax-Smart Investing: 60% Federal long-term Capital Gains: 0%, 15%, and 20% rates, 40% short-term Capital Gains: taxed at your individual tax rate, and above average returns:**

Our 19-year annual return, 1/13/2004 to 12/31/2023, is: **11.2%** vs. S&P 500's: **9.4%.**

Our 5-year annual return, 1/01/2019 to 12/31/2023, is: **32.6%** vs. S&P 500's: **17.3%.**

Our 3-year annual return, 1/01/2021 to 12/31/2023, is: **23.3%** vs. S&P 500's: **11.8%.**

Our 1-year annual return, 1/01/2023 to 12/31/2023, is: **117.7%** vs. S&P 500's: **27.4%.**

Please call **Bruce Ellis** at 206-694-2528 or **Rob Borden** at 253-261-4297 and leave your name, cell, and email so we can invite you to attend our next in-person event.

## Compare \$250,000 in Tax Deferred Accounts (invested in IRA, Roth, and 401k) to Section 1256 Broad Based Index Options, invested in Pacific Investors.

	2024 Single Filer				2024 Married, Filing Jointly			
	In IRA*	In Roth*	In 401k*	Pacific Investors	In IRA*	In Roth*	In 401k*	Pacific Investors
60% LTCG Exclusion:	\$0	\$0	\$0	\$47,025	\$0	\$0	\$0	\$94,050
RMD Withdrawal at 72:	4%	4%	4%		4%	4%		
Years	After Tax	After Tax	After Tax	After Tax	After Tax	After Tax	After Tax	After Tax
Rates:	9.4%	9.4%	11.2%	32.6%	9.4%	9.4%	11.2%	22.5%
60	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
65	\$391,766	\$391,766	\$416,320	\$654,386	\$391,766	\$391,766	\$416,580	\$663,288
70	\$613,922	\$613,922	\$692,356	\$1,614,983	\$613,922	\$613,922	\$694,009	\$1,710,258
75	\$944,775	\$962,055	\$1,141,706	\$3,846,231	\$945,834	\$962,055	\$1,154,639	\$4,164,493
Walk away \$ in 16th year:	\$637,020	\$962,055	\$1,141,706	\$3,846,231	\$669,750	\$962,055	\$1,154,639	\$4,164,493

\*Historical S&P 500 20-year Return = 9.4% to 12/31/2023. \*Historical Pacific Investors 5-year Return = 32.6% to 12/31/2023. \*Historical Pacific Investors 19-year return= 11.2% to 12/31/2023.

Investing involves risk, including loss of principal \* Investment \* Not FDIC Insured \* No Bank Guarantee \* May Lose Value

## Comparing Taxed Accounts borrowing \$500,000 at 8% using an interest only HELOC loan, invested in Pacific Investors, paid off in 10 years.

	Years	2024 Single Filer				2024 Married, Filing Jointly			
		Interest	Pacific Investors	Pacific Investors	Pacific Investors	Interest	Pacific Investors	Pacific Investors	Pacific Investors
LTCG Exclusion :			\$47,025	\$47,025	\$47,025	\$47,025	\$94,050	\$94,050	\$94,050
Alternative Growth Rates:	Rates:	8%	11.2%	22.5%	32.6%	11.2%	22.5%	22.5%	32.6%
60	0		\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
61	1	\$40,000	\$513,544	\$564,261	\$605,987	\$513,760	\$567,540	\$615,078	
65	5	\$40,000	\$583,785	\$965,373	\$1,399,411	\$585,191	\$1,012,042	\$1,492,402	
70	10	\$540,000	\$222,834	\$1,550,551	\$3,888,835	\$226,603	\$1,745,022	\$4,223,968	
71	11		\$246,793	\$1,848,545	\$4,981,785	\$250,967	\$2,091,257	\$5,367,677	
75	15		\$371,184	\$3,695,420	\$12,150,530	\$377,592	\$4,240,935	\$13,439,295	

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