



August 5, 2025

Dear Gator Financial Partners:

We are pleased to provide you with Gator Financial Partners, LLC's (the "Fund" or "GFP") 2025 2nd quarter investor letter. This letter reviews the Fund's 2025 Q2, shares our current view on interest rates, and shares our investment thesis on WEX Inc. ("WEX").

Review of 2025 Q2 Performance

During the 2nd quarter of 2025, the Fund had a strong performance. We outperformed both the broader market and the Financials sector benchmark. The Fund's holdings in small and mid-cap Financials outperformed the largest bank and insurance companies. The outperformance of small and mid-cap Financials in Q2 was a reversal from Q1, where large-cap Financials outperformed. Commonly, stocks of small and mid-cap companies outperform in the beginning stages of stock market rallies.

Our long positions in Robinhood Markets, Societe Generale, Esquire Financial, Barclays PLC, and Axos Financial were the top contributors to the Fund's performance. The largest detractors were long positions in Global Payments and BBX Capital and short positions in Toronto-Dominion Bank, JP Morgan Chase, and NMI Holdings.

| | <u>2025 Q2</u> | <u>2025 YTD</u> | <u>Total Return Since Inception¹</u> | <u>Annualized Return Since Inception¹</u> |
|---|----------------|-----------------|---|--|
| Gator Financial Partners, LLC² | 14.49% | 13.84% | 2,772.98% | 21.84% |
| S&P 500 Total Return Index³ | 5.57% | 6.20% | 575.01% | 11.89% |
| S&P 1500 Financials Index³ | 2.08% | 8.47% | 359.60% | 9.39% |

Source: Gator Capital Management & Bloomberg

Our Current View on Interest Rates

We believe that the Federal Reserve should cut interest rates two times this year. The short end of the yield curve remains inverted, signaling that the bond market is pricing in lower rates ahead and that monetary policy is currently too restrictive. An inverted yield curve has been a reliable signal that the Fed is behind the curve and risks causing a recession.

We believe the Fed's primary monetary tool, setting interest rates, is a blunt instrument and cannot affect drivers of inflation outside the scope of monetary policy. Regulatory bottlenecks and artificial scarcity create inflationary pressures. A few examples of artificial scarcity are in sectors like housing,

¹ The Fund's inception date was July 1, 2008.

² Performance presented assumes reinvestment of dividends, is net of fees, brokerage, and other commissions, and other expenses an investor in the Fund would have paid. Past performance is not indicative of future results. Please see General Disclaimer on page 7.

³ Performance presented assumes reinvestment of dividends. No fees or other expenses have been deducted.

healthcare, and college education. Zoning laws, restrictive land-use policies, and rent-control regulations drive housing scarcity. The rising price of healthcare services can be linked to limits on medical school enrollment and residencies, and by health insurance companies empowered by the Affordable Care Act. The cost of college education has been driven by elite universities not increasing their class sizes in at least three decades despite significant increases in demand and ample technological improvements in teaching. These areas (housing, health care, and college education) have created persistent inflation that monetary policy cannot resolve with higher interest rates.

We also believe public pressure and jawboning from the White House are counterproductive. The Fed must maintain its independence and credibility. With the current public pressure on the Fed, we are concerned that the Fed will wait until it is unquestionable that the economy has slowed before it cuts rates. At that point, the rate cuts may be too late to prevent deeper economic damage.

Pricing pressures from tariffs are one-time in nature, and higher interest rates do not reduce inflationary pressures caused by tariffs. Tariffs act as a tax. Increasing taxes by imposing tariffs will slow the economy, not accelerate it. While we recognize the Fed's concern that inflation expectations could become unanchored, we disagree that inflation expectations are the highest risk at the current time. The housing market has been slow for three years, and the labor market has softened compared to the 2018–2023 period. These are not the conditions in which inflation tends to accelerate.

That said, many companies have discovered newfound pricing power in the post-COVID era. Consumers are flush with cash and exhibit strong brand preferences, which has allowed businesses to maintain or raise prices with less pushback. This "rent-seeking" behavior may represent a structural shift in how price increases flow through the economy.

We admit that our call for lower rates and a steeper yield curve would benefit the Fund's portfolio positioning. We are currently overweight small and mid-cap banks, which would benefit from a steeper yield curve. While a few specific holdings, such as First Citizens and Axos Financial, are well-positioned for a "higher for longer" rate environment, we believe the portfolio overall stands to benefit more from a modest reduction in short-term rates and a steeper yield curve.

Investment Thesis on WEX Inc.

WEX Inc. offers a compelling investment from current levels. WEX is a payments company with three segments: fleet fuel cards, health savings accounts, and corporate payments. WEX's business model is attractive because it is capital-light. Almost all net income generated by the company is available as free cash flow to pay down debt, make acquisitions, or return to shareholders. Although growth has slowed in recent years, the valuation doesn't reflect the high-quality nature of the business.

Our investment thesis is below:

- 1. High-Quality Business** - WEX Inc. operates a high-quality business model that has low capital intensity and strong customer retention. Payment processing requires limited physical infrastructure. Also, WEX has low customer turnover due to the embedded nature of its services in clients' daily operations, such as fleet fuel management and employee benefits administration. These offerings often involve customized integrations and data reporting tools that create high

switching costs and lead to long-term client relationships. This enables WEX to generate robust free cash flow and high returns on invested capital.

2. **Low Valuation on Price to Earnings and EV/EBITDA Basis** - WEX appears to be a compelling investment due to its low valuation. Based on our estimates, the stock trades at just 9.7x 2026 expected earnings per share and 8.7x Enterprise Value to EBITDA. These absolute levels are attractive, especially given WEX's consistent revenue, strong free cash flow, and capital-light operating model. Stock market investors appear to be overly focused on short-term volatility in fuel prices and macroeconomic uncertainty and not giving enough credit to the durability of WEX's core business and the company's intention to deleverage and return capital to shareholders. As these concerns fade, there is meaningful potential for multiple expansion.
3. **Higher than Normal Debt Level creates a private equity-like investment in the public markets** - WEX is particularly attractive because its capital structure creates a risk/return profile similar to a private equity investment. However, it remains investible in the public markets. Following the March 2025 tender offer, the company carries a high level of debt, which is a reason why WEX trades at a discounted valuation. However, we believe investors are being overly punitive in their assessment of this leverage. As WEX continues to deleverage, the market will begin to re-rate the stock.
4. **Presence of Activist** – Impactive Capital owns 7% of WEX and has filed a 13D. The firm wants WEX to sell-off some units and streamline operations. They have also made noise about running a proxy fight to get some representation on the WEX Board of Directors. The presence of an activist investor in WEX shares adds a layer of accountability to management. It serves as a check against value-destructive decisions. We believe Impactive's involvement signals to the board and executive team that shareholders are closely watching and will not tolerate actions that dilute value or ignore shareholder interests. In our view, the recent tender offer and WEX's public commitment to avoid pursuing acquisitions while the stock trades at depressed valuation levels are both indirect results of the activist's presence. Impactive's influence likely reinforces a disciplined capital allocation strategy, aligning management more closely with shareholder priorities and enhancing the investment case.
5. **Strong Capital Allocation** – WEX management has recently made a couple of shareholder-friendly capital allocation decisions. In March 2025, the company completed a tender offer to repurchase 10% of its shares. This transaction improved earnings per share in a tax-friendly manner and reflects management and the Board's confidence in the intrinsic value of the business. Additionally, management has publicly committed to refraining from acquisitions while the stock trades at current levels. This signals that management is focused on maximizing shareholder value.

There are risks to our investment thesis on WEX:

1. **Economically Sensitive** - A risk to our WEX investment thesis is the company's exposure to economic cycles in its fleet fuel card segment. WEX's revenues are partly tied to gas prices and fuel volumes, which both usually decline during periods of economic softness. WEX also extends credit to small businesses for their fuel purchases. WEX's credit losses have risen in past recessions. While the company benefits from a recurring revenue base and long-term client relationships, its economic sensitivity could lead to some earnings volatility. We think other investors are too focused on this risk. As we have a longer-term investment horizon than other investors, we tend to view earnings volatility and credit risk across a full economic cycle.
2. **Investor Disinterest in Sector** - The second risk to the WEX investment thesis is a lack of interest in small and mid-cap payments processors. Some investors view WEX as a value trap since the stock price has been flat over the past 7 years. However, we believe this view overlooks the substantial

improvement in WEX's valuation. The Company's P/E ratio has compressed from 22x in 2018 to 9x our 2026 earnings per share estimates despite steady earnings growth, recent share repurchases, and the activist presence. While investor skepticism remains a hurdle, we see it as an opportunity.

- 3. Unexpected Acquisition** – A third risk to our WEX investment thesis is the possibility that management reverses its public stance and pursues an acquisition. If WEX were to announce a deal, it would undermine the deleveraging narrative that is central to our investment case and likely prolong the company's elevated leverage profile. More importantly, such a move would raise serious questions about management's confidence in the intrinsic value and growth potential of their core business. An acquisition would damage investor trust and weaken the argument for multiple expansion, potentially keeping the stock trapped in a low-valuation range.

In summary, we believe WEX presents a compelling investment case with an attractive business model, compelling valuation, and a clear commitment to paying down debt. We also caution readers that we purchased shares of WEX in May 2025 at a price below \$140. Since then, WEX's share price has reached \$170 due to the general market rally and the company's strong 2nd quarter earnings report in late July. WEX remains a compelling long-term investment, but the stock has moved in the short term and could retrace recent gains.

Portfolio Analysis

Largest Positions

Below are the Fund's five largest common equity long positions. All data is as of June 30, 2025.

Long

Societe Generale
First Citizens Bancshares
Robinhood Markets Inc.
SLM Corp
Axos Financial

Sub-sector Weightings

Below is a table showing the Fund's positioning within the Financials sector⁵ as of June 30, 2025.

| | Long | Short | Net |
|--------------------------|----------------|----------------|---------------|
| Asset Managers | 12.79% | -0.60% | 12.19% |
| Capital Markets | 15.05% | 0.00% | 15.05% |
| Banks (large) | 22.33% | -7.93% | 14.40% |
| Banks (mid) | 24.35% | -4.96% | 19.39% |
| Banks (small) | 22.38% | -3.87% | 18.51% |
| P&C Insurance | 2.14% | -8.85% | -6.70% |
| Life Insurance | 8.26% | 0.00% | 8.26% |
| Non-bank Lenders | 7.87% | 0.00% | 7.87% |
| Processors | 11.36% | 0.00% | 11.36% |
| Real Estate | 4.45% | -4.42% | 0.03% |
| Exchanges | 0.00% | 0.00% | 0.00% |
| Index Hedges | 0.00% | -30.37% | -30.37% |
| Non-Financials | 0.00% | 0.00% | 0.00% |
| Total | 130.99% | -61.00% | 69.99% |

The Fund's gross exposure is 191.99%, and its net exposure is 69.99%. From this table, we exclude fixed-income instruments such as preferred stock. Preferred stock positions account for an additional 13.32% of the portfolio.

Conclusion

Thank you for entrusting us with a portion of your wealth. We are grateful to you, our investors, who believe in and trust our strategy. On a personal level, Derek Pilecki, the Fund's Portfolio Manager, continues to invest more than 80% of his liquid net worth in the Fund.

As always, we welcome the opportunity to speak with you and discuss the Fund.

Sincerely,



Gator Capital Management, LLC

Gator Capital Management, LLC prepared this letter. Ultimus LeverPoint Fund Solutions, LLC, our administrator, is responsible for the distribution of this information and not its content.

⁵ 'Financials sector' is defined as companies included in the Global Industry Classification System ("GICS") sectors 40 and 60, which contains financial and real estate companies.

General Disclaimer

By accepting this investment letter, you agree that you will not divulge any information contained herein to any other party. This letter and its contents are confidential and proprietary information of the Fund, and any reproduction of this information, in whole or in part, without the prior written consent of the Fund is prohibited.

The information contained in this letter reflects the opinions and projections of Gator Capital Management, LLC (the "General Partner") and its affiliates as of the date of publication, which are subject to change without notice at any time subsequent to the date of issue. All information provided is for informational purposes only and should not be deemed as investment advice or a recommendation to purchase or sell any specific security.

All performance results are based on the net asset value of the Fund. Net performance results are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, as indicated, and include the reinvestment of all dividends, interest, and capital gains. The performance results represent Fund-level returns and are not an estimate of any specific investor's actual performance, which may be materially different from such performance depending on numerous factors.

The market indices appearing in this letter have been selected for the purpose of comparing the performance of an investment in the Fund with certain well-known equity benchmarks. The statistical data regarding the indices has been obtained from Bloomberg and the returns are calculated assuming all dividends are reinvested. The indices are not subject to any of the fees or expenses to which the funds are subject and may involve significantly less risk than the Fund. The Fund is not restricted to investing in those securities which comprise these indices, its performance may or may not correlate to these indices, and it should not be considered a proxy for these indices. The S&P 500 Total Return Index is a market cap weighted index of 500 widely held stocks often used as a proxy for the overall U.S. equity market. The S&P 1500 Financials Index is a market cap weighted index of financial stocks within the S&P 1500 Super Composite Index we used as a proxy for the Financials sector of the U.S. equity market. An investment cannot be made directly in either index. The Fund consists of securities which vary significantly from those in the benchmark indices listed above. Accordingly, comparing results shown to those of such indices may be of limited use.

Statements herein that reflect projections or expectations of future financial or economic performance of the Fund are forward-looking statements. Such "forward-looking" statements are based on various assumptions, which assumptions may not prove to be correct. Accordingly, there can be no assurance that such assumptions and statements will accurately predict future events or the Fund's actual performance. No representation or warranty can be given that the estimates, opinions, or assumptions made herein will prove to be accurate. Any projections and forward-looking statements included herein should be considered speculative and are qualified in their entirety by the information and risks disclosed in the Fund's Private Placement Memorandum. Actual results for any period may or may not approximate such forward-looking statements. You are advised to consult with your own independent tax and business advisors concerning the validity and reasonableness of any factual, accounting and tax assumptions. No representations or warranties whatsoever are made by the Fund, the General Partner,

or any other person or entity as to the future profitability of the Fund or the results of making an investment in the Fund. Past performance is not a guarantee of future results.

The funds described herein are unregistered private investment funds commonly called "hedge funds" (each, a "Private Fund"). Private Funds, depending upon their investment objectives and strategies, may invest and trade in a variety of different markets, strategies and instruments (including securities, non-securities and derivatives) and are NOT subject to the same regulatory requirements as mutual funds, including requirements to provide certain periodic and standardized pricing and valuation information to investors. There are substantial risks in investing in a Private Fund (which also are applicable to the underlying Private Funds, if any, in which a Private Fund may invest). Prospective investors should note that:

- A Private Fund represents a speculative investment and involves a high degree of risk. Investors must have the financial ability, sophistication/experience, and willingness to bear the risks of an investment in a Private Fund. An investor could lose all or a substantial portion of his/her/its investment.
- An investment in a Private Fund is not suitable for all investors and should be discretionary capital set aside strictly for speculative purposes. Only qualified eligible investors may invest in a Private Fund.
- A Private Fund's prospectus or offering documents are not reviewed or approved by federal or state regulators and its privately placed interests are not federally, or state registered.
- An investment in a Private Fund may be illiquid and there are significant restrictions on transferring or redeeming interests in a Private Fund. There is no recognized secondary market for an investor's interest in a Private Fund and none is expected to develop. Substantial redemptions within a limited period of time could adversely affect the Private Fund.
- Certain portfolio assets of a Private Fund may be illiquid and without a readily ascertainable market value. The manager's/advisor's involvement in the valuation process creates a potential conflict of interest. Instances of mispriced portfolios, due to fraud or negligence, have occurred in the industry.
- A Private Fund may have little or no operating history or performance and may use performance information which may not reflect actual trading of the Private Fund and should be reviewed carefully. Investors should not place undue reliance on hypothetical, pro forma or predecessor performance.
- A Private Fund may trade in commodity interests, derivatives, and futures, both for hedging and speculative purposes, and may execute a substantial portion of trades on foreign exchanges, all of which could result in a substantial risk of loss. Commodities, derivatives, and futures prices may be highly volatile, may be difficult to accurately predict, carry specialized risks and can increase the risk of loss.
- A Private Fund's manager/advisor has total trading authority over a Private Fund. The death or disability of a key person, or their departure, may have a material adverse effect on a Private Fund.
- A Private Fund may use a single manager/advisor or employ a single strategy, which could mean a lack of diversification and higher risk. Alternatively, a Private Fund and its managers/advisors may

rely on the trading expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors, which may trade in a variety of different instruments and markets.

- A Private Fund may involve a complex tax structure, which should be reviewed carefully, and may involve structures or strategies that may cause delays in important financial and tax information being sent to investors.
- A Private Fund's fees and expenses, which may be substantial regardless of any positive return, will offset such Private Fund's trading profits. If a Private Fund's investments are not successful or are not sufficiently successful, these payments and expenses may, over a period of time, significantly reduce or deplete the net asset value of the Private Fund.
- A Private Fund and its managers/advisors and their affiliates may be subject to various potential and actual conflicts of interest.
- A Private Fund may employ investment techniques or measures aimed to reduce the risk of loss which may not be successful or fully successful.
- A Private Fund may employ leverage, including involving derivatives. Leverage presents specialized risks. The more leverage used, the more likely a substantial change in value may occur, either up or down.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in a Private Fund and is subject to the more complete disclosures in such Private Fund's offering documents, which must be reviewed carefully prior to making an investment.

MONTHLY PERFORMANCE, NET OF FEES

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | S&P Financials |
|------|----------|----------|----------|---------|---------|----------|---------|---------|----------|----------|---------|----------|----------|----------------|
| 2025 | 7.03% | (2.05%) | (5.15%) | 0.42% | 7.87% | 5.70% | | | | | | | 13.84% | 8.47% |
| 2024 | 1.51% | 3.54% | 5.34% | (2.36%) | 4.32% | (0.54%) | 11.56% | (1.62%) | 0.97% | 1.63% | 18.19% | (4.97%) | 41.88% | 29.78% |
| 2023 | 15.60% | 1.55% | (13.35%) | 7.00% | (1.06%) | 6.74% | 10.35% | (2.47%) | (0.17%) | (2.52%) | 9.25% | 9.63% | 44.18% | 11.66% |
| 2022 | 1.07% | 0.68% | (5.70%) | (3.99%) | 1.45% | (12.06%) | 8.13% | 3.44% | (13.40%) | 10.84% | 3.93% | (4.04%) | (11.99%) | (10.15%) |
| 2021 | 0.00% | 7.09% | 3.32% | 3.20% | 1.16% | (1.95%) | (0.01%) | 1.50% | 0.78% | 1.35% | (0.94%) | 6.52% | 23.86% | 34.55% |
| 2020 | (2.26%) | (11.02%) | (36.23%) | 22.38% | 7.75% | 10.71% | 5.46% | 7.01% | 0.29% | 6.24% | 15.61% | 5.17% | 18.39% | (1.91%) |
| 2019 | 17.76% | 4.44% | (2.60%) | 4.25% | (4.74%) | 4.58% | 1.05% | (4.86%) | 7.60% | 0.98% | 2.87% | 3.32% | 38.10% | 31.22% |
| 2018 | 8.59% | (2.36%) | (4.57%) | 1.20% | 0.44% | (0.12%) | 4.06% | 0.22% | (1.31%) | (7.37%) | (0.29%) | (14.01%) | (16.02%) | (13.03%) |
| 2017 | 1.19% | 5.58% | (3.54%) | 1.09% | (3.75%) | 3.02% | 4.78% | (3.21%) | 4.67% | (1.12%) | 3.50% | 5.14% | 17.98% | 20.89% |
| 2016 | (12.35%) | 2.02% | 8.77% | 4.68% | 3.00% | (9.79%) | 12.80% | 4.95% | (0.77%) | 1.72% | 23.95% | 5.67% | 48.08% | 24.28% |
| 2015 | (6.78%) | 3.56% | (2.34%) | 3.67% | 0.74% | (0.90%) | (3.78%) | (4.55%) | (5.96%) | 4.60% | 2.49% | (9.85%) | (18.55%) | (0.72%) |
| 2014 | 0.27% | 8.12% | (0.48%) | (2.69%) | (0.49%) | 0.88% | (2.27%) | 1.44% | (1.87%) | (2.89%) | (0.04%) | (0.52%) | (0.97%) | 14.89% |
| 2013 | 8.26% | 3.97% | 4.11% | 3.80% | 5.89% | (3.78%) | 2.70% | (3.51%) | (0.71%) | 5.06% | 4.73% | 2.68% | 37.76% | 34.20% |
| 2012 | 4.55% | 1.65% | 7.51% | (1.37%) | (0.67%) | 3.99% | 1.94% | (1.57%) | 2.40% | 7.61% | 1.72% | 3.01% | 34.87% | 26.90% |
| 2011 | 14.03% | 9.26% | (4.00%) | 1.20% | 6.43% | 1.32% | 0.36% | (5.00%) | (5.34%) | 2.76% | (0.41%) | (4.34%) | 15.34% | (15.01%) |
| 2010 | (2.97%) | 6.01% | 4.55% | 5.77% | (3.00%) | (17.98%) | 3.93% | (6.65%) | 7.03% | 7.73% | 5.61% | 5.13% | 12.39% | 13.31% |
| 2009 | 22.60% | 7.00% | 19.23% | 11.00% | 17.19% | 20.93% | 7.90% | 15.28% | (0.50%) | (12.63%) | (0.87%) | 8.65% | 186.31% | 15.46% |
| 2008 | | | | | | | (1.89%) | (7.24%) | (21.90%) | 16.63% | (7.93%) | 11.02% | (15.26%) | (33.48%) |

PERFORMANCE AND RISK ANALYSIS

| | Gator Financial | S&P 500 TR | S&P 1500 Financials TR |
|----------------------------|-----------------|------------|------------------------|
| Net Performance | | | |
| Annual Compound Return | 21.84% | 11.89% | 9.39% |
| Cumulative Return | 2,772.98% | 575.01% | 359.60% |
| % of Profitable Percentage | 62.25% | 67.65% | 57.84% |

Risk Analysis

| | | | |
|-----------------------|--------|--------|--------|
| Annualized Volatility | 25.95% | 15.74% | 22.18% |
| Sharpe Ratio (RFR) | 0.72 | 0.64 | 0.35 |
| Sortino Ratio (RFR) | 1.26 | 1.09 | 0.59 |
| Downside Deviation | 15.75% | 10.39% | 15.32% |

Top 5 Long Positions

| | % of NAV* |
|---------------------------|-----------|
| Société Générale S.A. | 8.51% |
| First Citizens Bancshares | 7.85% |
| Robinhood Markets Inc. | 6.57% |
| SLM Corp. | 5.59% |
| Axos Financial Inc. | 4.97% |

*Top 5 positions represent delta adjusted position values.

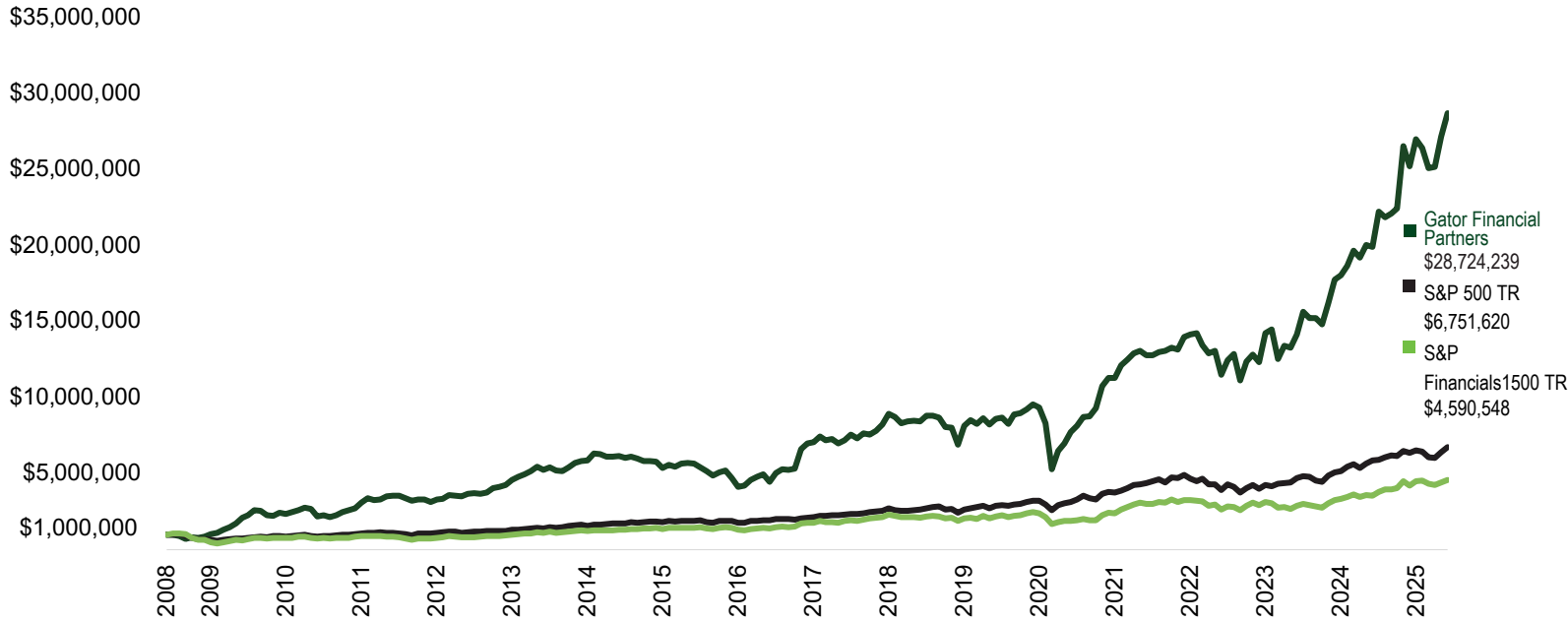
OVERVIEW

Gator Financial Partners, LLC (the "Fund") is a long/short equity hedge fund focused on the Financials sector. The portfolio is built by performing intensive bottom-up fundamental research on both long and short positions. It is concentrated on the portfolio manager's highest conviction ideas.

The Fund favors small and mid-cap companies and companies with less research coverage from the sell-side. The sector requires specialized knowledge to correctly analyze the companies. Therefore, the portfolio manager believes there are regular opportunities for sector specialists doing fundamental research.

The Fund's goal is to maximize total return while accepting short-term periods of volatility due to the portfolio's concentration.

GROWTH OF \$1,000,000¹



Performance is calculated net of fees and expenses

¹Fund figures include reinvestment of income. Indices are not available for direct investment.

ASSETS UNDER MANAGEMENT

Fund AUM \$176.1 M

Strategy AUM \$255.1 M

Firm AUM \$271.0 M

"Strategy AUM" is defined as AUM (both in pooled vehicles and in SMAs) that invest predominantly in securities in the Financials sector. "Firm AUM" is defined as all AUM.

ABOUT GATOR

Gator Capital Management, LLC was founded in 2008 by Derek Pilecki and is located in Tampa, Florida. Gator Capital Management is registered with the SEC as a Registered Investment Advisor. Registration of an investment advisor does not imply any level of skill or training.

Gator manages Financials sector long/short portfolios for private partnerships, mutual funds, and separately managed accounts.

INVESTMENT TERMS

Management Fee 1.0% of assets annually

Incentive Allocation 20% of profits

High-Water Mark Yes

Redemption Policy Monthly, 10 business days notice, no lock-up

Minimum Investment \$250,000

SERVICE PROVIDERS

Administrator Ultimus LeverPoint

Prime Brokers Interactive Brokers and Jefferies

Legal Counsel Kilpatrick Townsend & Stockton

Auditor Kaufman, Rossin & Co

DEREK PILECKI, CFA

Derek Pilecki is the founder of Gator Capital Management and Portfolio Manager for Gator Financial Partners.

Prior to Gator, Derek worked at Goldman Sachs Asset Management (GSAM) covering Financials for the Growth Team. Prior to GSAM, Derek was an equity analyst at Clover Capital Management and Burrige Growth Partners. Derek has an MBA from the University of Chicago and a BA from Duke University.

DISCLAIMER

This is not an offering or the solicitation of an offer to purchase an interest in Gator Financial Partners, LLC (the "Fund"). Any such offer or solicitation will only be made to qualified purchasers by means of a Confidential Private Placement Memorandum and only in those jurisdictions where permitted by law. An investment in the Fund is speculative and involves a high degree of risk. Investing involves the risk of loss, including possible loss of principal invested. The Fund may employ leverage, including derivatives. Leverage presents specialized risks. The more leverage used, the more likely a substantial change in value may occur, either up or down.

Opportunities for withdrawal, redemption, and transferability of interests are restricted, so investors may not have access to capital when it is needed. There is no secondary market for the interests, and none is expected to develop.

The fees and expenses charged in connection with this investment may be higher than the fees and expenses of other investment alternatives and may offset profits. No assurance can be given that the investment objective will be achieved or that an investor will receive a return of all or part of his or her investment. Investment results may vary substantially over any given time period. Past performance is not a guarantee of future results or returns.

The market indices shown have been selected for purposes of comparing the performance of an investment in the Fund with certain well-known equity benchmarks. The indices are not subject to any of the fees or expenses to which the Fund is subject and may involve significantly less risk than the Fund. The Fund is not restricted to investing in those securities which comprise any of these indices, their performance may or may not correlate to any of these indices and it should not be considered a proxy for any of these indices. The S&P 500 Total Return Index is a market cap weighted index of 500 widely held stocks often used as a proxy for the overall U.S. equity market. An investment cannot be made directly in an index. The S&P 1500 Financials Total Return Index is a market cap weighted index of financials companies in the S&P 1500 Index. The Fund consists of securities which vary significantly from those in the benchmark indexes listed above. Accordingly, comparing results shown to those of such indices may be of limited use.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in a Private Fund and is subject to the more complete disclosures in such Private Fund's offering documents, which must be reviewed carefully prior to making an investment.



Gator Capital Management, LLC

2502 N. Rocky Point Dr., Suite 665

Tampa, FL 33607

(813) 282-7870

investorrelations@gatorcapital.com



May 5, 2025

Dear Gator Financial Partners:

We are pleased to provide you with Gator Financial Partners, LLC's (the "Fund" or "GFP") 2025 1st quarter investor letter. This letter reviews the Fund's 2025 Q1, discusses how we are thinking about tariffs, and shares our investment thesis on Virtus Investment Partners ("Virtus" or "VRTS").

Review of 2025 Q1 Performance

During the 1st quarter of 2025, the Fund had mixed performance. We outperformed the broader market but lagged the Financials sector benchmark. The large banks and the large insurers had a strong Q1, and we have not owned these companies in several years. We believe both the valuations and the growth rates of the largest financial companies are unattractive. We much prefer the faster growing and less expensive small- and mid-cap financial companies. But, in Q1, the stock market didn't agree with our view. Our long positions in Societe Generale, Robinhood Markets, BNP Paribas, Barclays PLC, and Sallie Mae were the top contributors to the Fund's performance. The largest detractors were long positions in First Citizens Bancshares, PayPal, Virtus Investment Partners, Global Payments, and UMB Financial.

| | <u>2025 Q1</u> | <u>Total Return Since Inception¹</u> | <u>Annualized Return Since Inception¹</u> |
|---|-----------------------|--|---|
| Gator Financial Partners, LLC² | -0.57% | 2,409.30% | 21.21% |
| S&P 500 Total Return Index³ | -4.27% | 508.44% | 11.38% |
| S&P 1500 Financials Index³ | 2.86% | 335.81% | 9.19% |

Source: Gator Capital Management & Bloomberg

Tariffs: A Risky Gambit, But Likely to Fade

We view the recent sweeping tariff proposals as an unforced policy error. While improving America's trade positioning is a legitimate long-term objective, imposing broad-based tariffs on nearly all global imports with limited warning is an unnecessarily reckless approach.

The idea that tariffs will bring back large-scale manufacturing employment to the U.S. is misguided. American factory workers themselves do not aspire for their children or grandchildren to work in factories. Reshoring manufacturing at scale is a political talking point, not an economic reality.

That said, we believe these tariffs will ultimately be short-lived. While we have no special insight into the Trump administration's strategy, we are relying on the stock market's interpretation of unfolding

¹ The Fund's inception date was July 1, 2008.

² Performance presented assumes reinvestment of dividends, is net of fees, brokerage and other commissions, and other expenses an investor in the Fund would have paid. Past performance is not indicative of future results. Please see General Disclaimer on page 7.

³ Performance presented assumes reinvestment of dividends. No fees or other expenses have been deducted.

events. The sharp sell-off on the morning of April 7th marked a peak in capitulation, in our view. The strong equity market performance over the last three weeks of April suggests investors are pricing in a less extreme path forward and may be signaling that equities have found a near-term bottom.

We continue to believe that public markets, in aggregate, often do a better job forecasting outcomes than any individual analyst or investor—particularly during periods of heightened uncertainty. Market action may be reflecting expectations for a political reversal, potentially influenced by surprising recent electoral wins by liberal parties in Canada and Australia. Some investors could be extrapolating these outcomes to project Democratic gains in the 2026 U.S. midterm elections, which could lead to a reversal of Trump-era tariffs.

As investors, we do not need to predict the precise political pathway to lower tariffs. What matters for our positioning is the judgment call: will these tariffs persist at harmful levels, or will they be rolled back? For now, our base case is that tariffs will be reduced to more sustainable levels. We will continue to challenge this assumption and remain open to new information.

In the meantime, we continue to find compelling investment opportunities within the Financials sector, where we believe valuations already discount a significant amount of macroeconomic uncertainty. One industry that presents a near-term opportunity continues to be Regional Banks. Regional Banks were one of the industries hardest hit by the Trump Liberation Day announcement. We believe top-down macro investors continue to wrongly use shorts against Regional Banks as a way to express their view of increased recession risk. There is a disconnect between the reality of the credit quality in the regional banking system and these investors' perception of the risk. As we got into bank earnings season during late April, the bank management teams discussed the strong credit quality of the sector and the banks' stocks price have largely recovered.

Investment Thesis on Virtus Investment Partners

We believe Virtus Investment Partners offers a compelling investment from current levels. Virtus Investment Partners is a multi-boutique traditional investment manager. The company has several investment affiliates with their own investment teams and strategies. Virtus provides centralized sales, middle- and back-office services to support these teams. Virtus has grown by using cash flow to acquire additional investment firms. It keeps the investment teams of the acquisitions in place and centralizes sales and operations. We successfully owned Virtus for the Fund several years ago.

Our investment thesis is below:

- 1. High-Quality Business Due to Recurring Revenue and High Free Cash Flow** - Virtus Investment Partners boasts a high-quality business model underpinned by recurring revenue streams and elevated free cash flow. The firm's strategic focus on asset management ensures steady income through management fees, which are largely predictable and stable. This recurring revenue is a testament to the company's robust client relationships and consistent performance, providing a strong foundation for continued growth. Furthermore, high free cash flow enables Virtus to reinvest in its business, pursue acquisitions, and return capital to shareholders, enhancing overall value.
- 2. Low Valuation on Price to Earnings and EV/EBITDA Basis** - VRTS has an attractive valuation. It trades for 6.5x price-to-earnings (P/E) and a shockingly low 3.0x on Enterprise Value to Earnings Before Interest, Taxes, Depreciation, and Amortization (EV/EBITDA) basis. VRTS has a strong balance

sheet that matches the strong cash flow profile of the business. The company only has \$100 million of net debt, which is about 0.3x EBITDA. In addition, VRTS carries a portfolio of seed investments in start-up funds and products valued at \$140M. It recycles this seed capital into incubating new funds and products as existing seed investments payoff or fail. Virtus also has about \$140M in CLO equity investments. These investments are made as its advisors form new CLOs. We subtract the seed investments and the CLO equity investments from Enterprise Value when we quote the 3.0x EV/EBITDA multiple. One could argue that seed investments and CLO equity investments are necessary to run the business. If we excluded these two items from Enterprise Value because they are necessary to run the business, we still calculate a very low 4.0x EV/EBITDA multiple. Virtus trades at a lower multiple compared to its peers

3. **Low Debt Levels Provide Management Flexibility** - The firm's prudent approach to debt management further strengthens its investment appeal. Virtus Investment Partners maintains low debt levels, which afford management significant flexibility to act on M&A or share repurchase opportunities. This conservative financial stance mitigates risk and enhances the firm's ability to sustain operations during economic downturns.
4. **Potential for Earnings Accretive Acquisition** - Virtus Investment Partners is well-positioned to pursue earnings accretive acquisitions. The firm's strong balance sheet and free cash flow provide the necessary capital to acquire additional investment management capabilities. Multiples for privately held investment management businesses are inexpensive. Virtus has a strong platform and history of integrating acquisitions to realize synergies and create value.
5. **Consistent Dividends and Stock Repurchases** - VRTS management has been consistent in returning capital to shareholders through dividends and stock repurchases. VRTS stock currently yields 5.6%. Stock repurchases further enhance shareholder value by reducing outstanding shares and increasing earnings per share (EPS). In Q1, VRTS management repurchased about 2% of the stock and signaled that they would be more aggressive given the stock price decline from early March. We would encourage management to consider increasing leverage by 1.0x EBITDA and repurchase 30% of the shares.

There are risks to our investment thesis on Virtus:

1. **Challenged Flows Due to Active Management Out of Favor** - Despite its strengths, Virtus Investment Partners faces challenges in asset flows, primarily due to the growing trend towards passive management. Active management has fallen out of favor with some investors, who prefer the lower fees and perceived simplicity of passive strategies. This shift poses a headwind for Virtus, potentially impacting on its ability to attract and retain assets. The firm must navigate this evolving landscape by demonstrating the value of active management and differentiating its offerings through superior performance and client service.
2. **Some Past Acquisitions May Not Have Paid Off** - Virtus's acquisition strategy, while generally successful, has not been without its missteps. Some past acquisitions have not delivered the anticipated returns. These underperforming acquisitions can weigh on financial results and erode investor confidence.
3. **Waiting for Flows to Improve or Management to Take Action** - Virtus Investment Partners is at a crossroads, awaiting improvement in asset flows or action from management to make an acquisition or materially increase share repurchases. This state of waiting creates uncertainty and requires patience from investors.

In summary, Virtus Investment Partners presents a compelling investment case with a robust business model, attractive valuation, low debt levels, and a clear commitment to shareholder returns. However, the firm must navigate challenges related to asset flows and past acquisitions. Investors should weigh these strengths and weaknesses carefully, considering Virtus's potential for growth and the strategic actions needed to address its current hurdles. With prudent management and strategic execution, Virtus Investment Partners could deliver substantial value to its shareholders over the long term.

Portfolio Analysis

Largest Positions

Below are the Fund's five largest common equity long positions. All data is as of March 31, 2025.

Long

Robinhood Markets Inc.
First Citizens Bancshares
SLM Corp
Virtus Investment Partners
UMB Financial Corp.

Sub-sector Weightings

Below is a table showing the Fund's positioning within the Financials sector⁵ as of March 31, 2025.

| | Long | Short | Net |
|---------------------------|----------------|----------------|---------------|
| Alt Asset Managers | 3.60% | -0.68% | 2.92% |
| Capital Markets | 27.66% | 0.00% | 27.66% |
| Banks (large) | 10.62% | -10.37% | 0.25% |
| Banks (mid) | 26.96% | -13.29% | 13.67% |
| Banks (small) | 24.04% | -6.15% | 17.89% |
| P&C Insurance | 3.26% | -10.02% | -6.76% |
| Life Insurance | 9.13% | 0.00% | 9.13% |
| Non-bank Lenders | 8.39% | 0.00% | 8.39% |
| Processors | 8.66% | 0.00% | 8.66% |
| Real Estate | 5.50% | -6.40% | -0.90% |
| Exchanges | 0.00% | 0.00% | 0.00% |
| Index Hedges | 0.00% | -23.31% | -23.31% |
| Non-Financials | 0.00% | 0.00% | 0.00% |
| Total | 127.83% | -70.22% | 57.61% |

The Fund's gross exposure is 198.05%, and its net exposure is 57.61%. From this table, we exclude fixed-income instruments such as preferred stock. Preferred stock positions account for an additional 15.12% of the portfolio.

⁵ 'Financials sector' is defined as companies included in the Global Industry Classification System ("GICS") sectors 40 and 60, which contains financial and real estate companies.

Conclusion

Thank you for entrusting us with a portion of your wealth. We are grateful to you, our investors, who believe in and trust our strategy. On a personal level, Derek Pilecki, the Fund's Portfolio Manager, continues to invest more than 80% of his liquid net worth in the Fund.

As always, we welcome the opportunity to speak with you and discuss the Fund.

Sincerely,

A handwritten signature in dark ink that reads "Gator Capital Management, LLC". The script is cursive and fluid, with the letters "G", "C", and "M" being particularly prominent.

Gator Capital Management, LLC

Gator Capital Management, LLC prepared this letter. Ultimus LeverPoint Fund Solutions, LLC, our administrator, is responsible for the distribution of this information and not its content.

General Disclaimer

By accepting this investment letter, you agree that you will not divulge any information contained herein to any other party. This letter and its contents are confidential and proprietary information of the Fund, and any reproduction of this information, in whole or in part, without the prior written consent of the Fund is prohibited.

The information contained in this letter reflects the opinions and projections of Gator Capital Management, LLC (the "General Partner") and its affiliates as of the date of publication, which are subject to change without notice at any time subsequent to the date of issue. All information provided is for informational purposes only and should not be deemed as investment advice or a recommendation to purchase or sell any specific security.

All performance results are based on the net asset value of the Fund. Net performance results are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, as indicated, and include the reinvestment of all dividends, interest, and capital gains. The performance results represent Fund-level returns and are not an estimate of any specific investor's actual performance, which may be materially different from such performance depending on numerous factors.

The market indices appearing in this letter have been selected for the purpose of comparing the performance of an investment in the Fund with certain well-known equity benchmarks. The statistical data regarding the indices has been obtained from Bloomberg and the returns are calculated assuming all dividends are reinvested. The indices are not subject to any of the fees or expenses to which the funds are subject and may involve significantly less risk than the Fund. The Fund is not restricted to investing in those securities which comprise these indices, its performance may or may not correlate to these indices, and it should not be considered a proxy for these indices. The S&P 500 Total Return Index is a market cap weighted index of 500 widely held stocks often used as a proxy for the overall U.S. equity market. The S&P 1500 Financials Index is a market cap weighted index of financial stocks within the S&P 1500 Super Composite Index we used as a proxy for the Financials sector of the U.S. equity market. An investment cannot be made directly in either index. The Fund consists of securities which vary significantly from those in the benchmark indices listed above. Accordingly, comparing results shown to those of such indices may be of limited use.

Statements herein that reflect projections or expectations of future financial or economic performance of the Fund are forward-looking statements. Such "forward-looking" statements are based on various assumptions, which assumptions may not prove to be correct. Accordingly, there can be no assurance that such assumptions and statements will accurately predict future events or the Fund's actual performance. No representation or warranty can be given that the estimates, opinions, or assumptions made herein will prove to be accurate. Any projections and forward-looking statements included herein should be considered speculative and are qualified in their entirety by the information and risks disclosed in the Fund's Private Placement Memorandum. Actual results for any period may or may not approximate such forward-looking statements. You are advised to consult with your own independent tax and business advisors concerning the validity and reasonableness of any factual, accounting and tax assumptions. No representations or warranties whatsoever are made by the Fund, the General Partner, or any other person or entity as to the future profitability of the Fund or the results of making an investment in the Fund. Past performance is not a guarantee of future results.

The funds described herein are unregistered private investment funds commonly called "hedge funds" (each, a "Private Fund"). Private Funds, depending upon their investment objectives and strategies, may invest and trade in a variety of different markets, strategies and instruments (including securities, non-securities and derivatives) and are NOT subject to the same regulatory requirements as mutual funds, including requirements to provide certain periodic and standardized pricing and valuation information to investors. There are substantial risks in investing in a Private Fund (which also are applicable to the underlying Private Funds, if any, in which a Private Fund may invest). Prospective investors should note that:

- A Private Fund represents a speculative investment and involves a high degree of risk. Investors must have the financial ability, sophistication/experience, and willingness to bear the risks of an investment in a Private Fund. An investor could lose all or a substantial portion of his/her/its investment.
- An investment in a Private Fund is not suitable for all investors and should be discretionary capital set aside strictly for speculative purposes. Only qualified eligible investors may invest in a Private Fund.
- A Private Fund's prospectus or offering documents are not reviewed or approved by federal or state regulators and its privately placed interests are not federally, or state registered.
- An investment in a Private Fund may be illiquid and there are significant restrictions on transferring or redeeming interests in a Private Fund. There is no recognized secondary market for an investor's interest in a Private Fund and none is expected to develop. Substantial redemptions within a limited period of time could adversely affect the Private Fund.
- Certain portfolio assets of a Private Fund may be illiquid and without a readily ascertainable market value. The manager's/advisor's involvement in the valuation process creates a potential conflict of interest. Instances of mispriced portfolios, due to fraud or negligence, have occurred in the industry.
- A Private Fund may have little or no operating history or performance and may use performance information which may not reflect actual trading of the Private Fund and should be reviewed carefully. Investors should not place undue reliance on hypothetical, pro forma or predecessor performance.
- A Private Fund may trade in commodity interests, derivatives, and futures, both for hedging and speculative purposes, and may execute a substantial portion of trades on foreign exchanges, all of which could result in a substantial risk of loss. Commodities, derivatives, and futures prices may be highly volatile, may be difficult to accurately predict, carry specialized risks and can increase the risk of loss.
- A Private Fund's manager/advisor has total trading authority over a Private Fund. The death or disability of a key person, or their departure, may have a material adverse effect on a Private Fund.
- A Private Fund may use a single manager/advisor or employ a single strategy, which could mean a lack of diversification and higher risk. Alternatively, a Private Fund and its managers/advisors may rely on the trading expertise and experience of third-party managers or advisors, the identity of

which may not be disclosed to investors, which may trade in a variety of different instruments and markets.

- A Private Fund may involve a complex tax structure, which should be reviewed carefully, and may involve structures or strategies that may cause delays in important financial and tax information being sent to investors.
- A Private Fund's fees and expenses, which may be substantial regardless of any positive return, will offset such Private Fund's trading profits. If a Private Fund's investments are not successful or are not sufficiently successful, these payments and expenses may, over a period of time, significantly reduce or deplete the net asset value of the Private Fund.
- A Private Fund and its managers/advisors and their affiliates may be subject to various potential and actual conflicts of interest.
- A Private Fund may employ investment techniques or measures aimed to reduce the risk of loss which may not be successful or fully successful.
- A Private Fund may employ leverage, including involving derivatives. Leverage presents specialized risks. The more leverage used, the more likely a substantial change in value may occur, either up or down.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in a Private Fund and is subject to the more complete disclosures in such Private Fund's offering documents, which must be reviewed carefully prior to making an investment.

MONTHLY PERFORMANCE, NET OF FEES

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | S&P Financials |
|-------------|----------|----------|----------|---------|---------|----------|---------|---------|----------|----------|---------|----------|-----------------|----------------|
| 2025 | 7.03% | (2.05%) | (5.15%) | | | | | | | | | | (0.57%) | 2.86% |
| 2024 | 1.51% | 3.54% | 5.34% | (2.36%) | 4.32% | (0.54%) | 11.56% | (1.62%) | 0.97% | 1.63% | 18.19% | (4.97%) | 41.88% | 29.78% |
| 2023 | 15.60% | 1.55% | (13.35%) | 7.00% | (1.06%) | 6.74% | 10.35% | (2.47%) | (0.17%) | (2.52%) | 9.25% | 9.63% | 44.18% | 11.66% |
| 2022 | 1.07% | 0.68% | (5.70%) | (3.99%) | 1.45% | (12.06%) | 8.13% | 3.44% | (13.40%) | 10.84% | 3.93% | (4.04%) | (11.99%) | (10.15%) |
| 2021 | 0.00% | 7.09% | 3.32% | 3.20% | 1.16% | (1.95%) | (0.01%) | 1.50% | 0.78% | 1.35% | (0.94%) | 6.52% | 23.86% | 34.55% |
| 2020 | (2.26%) | (11.02%) | (36.23%) | 22.38% | 7.75% | 10.71% | 5.46% | 7.01% | 0.29% | 6.24% | 15.61% | 5.17% | 18.39% | (1.91%) |
| 2019 | 17.76% | 4.44% | (2.60%) | 4.25% | (4.74%) | 4.58% | 1.05% | (4.86%) | 7.60% | 0.98% | 2.87% | 3.32% | 38.10% | 31.22% |
| 2018 | 8.59% | (2.36%) | (4.57%) | 1.20% | 0.44% | (0.12%) | 4.06% | 0.22% | (1.31%) | (7.37%) | (0.29%) | (14.01%) | (16.02%) | (13.03%) |
| 2017 | 1.19% | 5.58% | (3.54%) | 1.09% | (3.75%) | 3.02% | 4.78% | (3.21%) | 4.67% | (1.12%) | 3.50% | 5.14% | 17.98% | 20.89% |
| 2016 | (12.35%) | 2.02% | 8.77% | 4.68% | 3.00% | (9.79%) | 12.80% | 4.95% | (0.77%) | 1.72% | 23.95% | 5.67% | 48.08% | 24.28% |
| 2015 | (6.78%) | 3.56% | (2.34%) | 3.67% | 0.74% | (0.90%) | (3.78%) | (4.55%) | (5.96%) | 4.60% | 2.49% | (9.85%) | (18.55%) | (0.72%) |
| 2014 | 0.27% | 8.12% | (0.48%) | (2.69%) | (0.49%) | 0.88% | (2.27%) | 1.44% | (1.87%) | (2.89%) | (0.04%) | (0.52%) | (0.97%) | 14.89% |
| 2013 | 8.26% | 3.97% | 4.11% | 3.80% | 5.89% | (3.78%) | 2.70% | (3.51%) | (0.71%) | 5.06% | 4.73% | 2.68% | 37.76% | 34.20% |
| 2012 | 4.55% | 1.65% | 7.51% | (1.37%) | (0.67%) | 3.99% | 1.94% | (1.57%) | 2.40% | 7.61% | 1.72% | 3.01% | 34.87% | 26.90% |
| 2011 | 14.03% | 9.26% | (4.00%) | 1.20% | 6.43% | 1.32% | 0.36% | (5.00%) | (5.34%) | 2.76% | (0.41%) | (4.34%) | 15.34% | (15.01%) |
| 2010 | (2.97%) | 6.01% | 4.55% | 5.77% | (3.00%) | (17.98%) | 3.93% | (6.65%) | 7.03% | 7.73% | 5.61% | 5.13% | 12.39% | 13.31% |
| 2009 | 22.60% | 7.00% | 19.23% | 11.00% | 17.19% | 20.93% | 7.90% | 15.28% | (0.50%) | (12.63%) | (0.87%) | 8.65% | 186.31% | 15.46% |
| 2008 | | | | | | | (1.89%) | (7.24%) | (21.90%) | 16.63% | (7.93%) | 11.02% | (15.26%) | (33.48%) |

PERFORMANCE AND RISK ANALYSIS

| | Gator Financial | S&P 500 TR | S&P 1500 Financials TR | Top 5 Long Positions | % of NAV* |
|----------------------------|-----------------|------------|------------------------|--|-----------|
| Net Performance | | | | Robinhood Markets Inc. | 9.13% |
| Annual Compound Return | 21.21% | 11.38% | 9.19% | First Citizens Bancshares | 8.96% |
| Cumulative Return | 2,409.30% | 508.44% | 335.81% | SLM Corp. | 5.88% |
| % of Profitable Percentage | 61.69 | 67.66% | 57.71% | Virtus Investment Partners | 5.34% |
| | | | | UMB Financial Corp. | 5.06% |
| Risk Analysis | | | | *Top 5 positions represent delta adjusted position values. | |
| Annualized Volatility | 26.09% | 15.77% | 22.30% | | |
| Sharpe Ratio (RFR) | 0.70 | 0.61 | 0.34 | | |
| Sortino Ratio (RFR) | 1.22 | 1.03 | 0.57 | | |
| Downside Deviation | 1,586.72% | 1,046.45% | 1,542.78% | | |

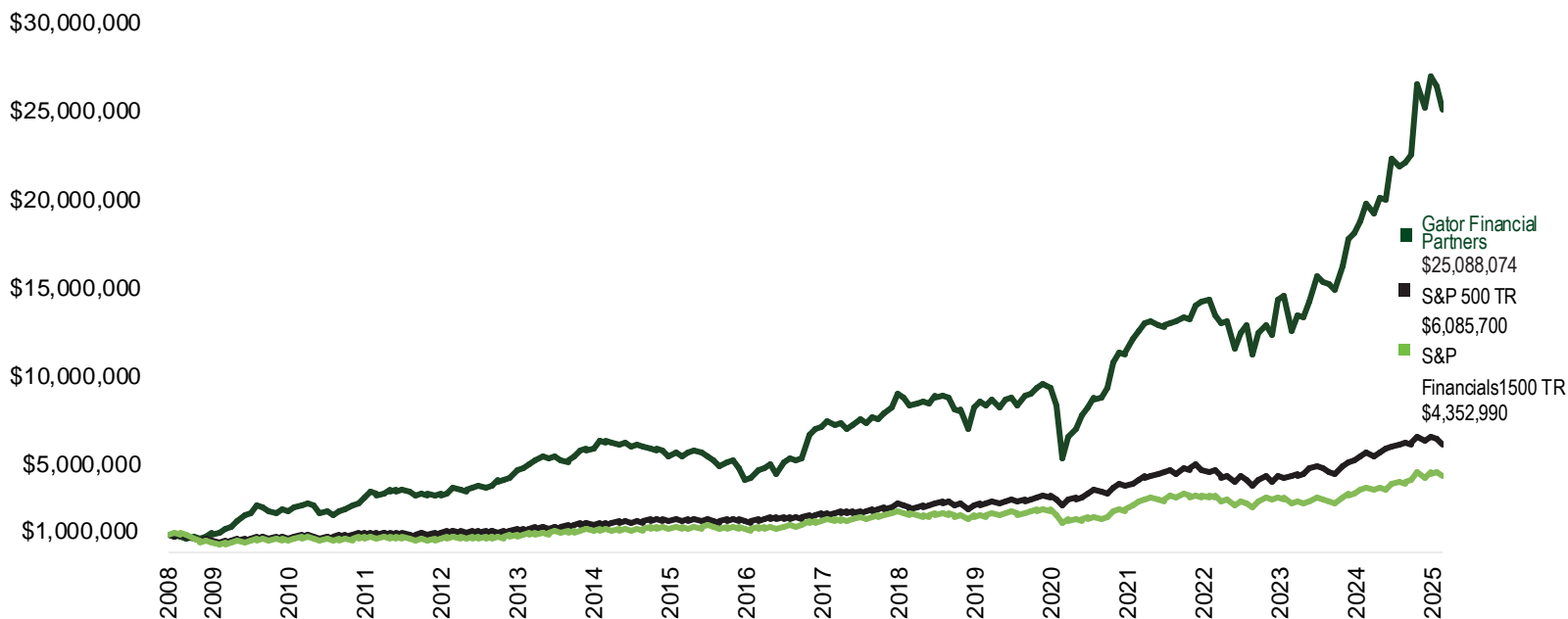
OVERVIEW

Gator Financial Partners, LLC (the "Fund") is a long/short equity hedge fund focused on the Financials sector. The portfolio is built by performing intensive bottom-up fundamental research on both long and short positions. It is concentrated on the portfolio manager's highest conviction ideas.

The Fund favors small and mid-cap companies and companies with less research coverage from the sell-side. The sector requires specialized knowledge to correctly analyze the companies. Therefore, the portfolio manager believes there are regular opportunities for sector specialists doing fundamental research.

The Fund's goal is to maximize total return while accepting short-term periods of volatility due to the portfolio's concentration.

GROWTH OF \$1,000,000¹



Performance is calculated net of fees and expenses

ASSETS UNDER MANAGEMENT

Fund AUM \$149.8 M

Strategy AUM \$215.3 M

Firm AUM \$230.1 M

"Strategy AUM" is defined as AUM (both in pooled vehicles and in SMAs) that invest predominantly in securities in the Financials sector. "Firm AUM" is defined as all AUM.

¹Fund figures include reinvestment of income. Indices are not available for direct investment.

ABOUT GATOR

Gator Capital Management, LLC was founded in 2008 by Derek Pilecki and is located in Tampa, Florida. Gator Capital Management is registered with the SEC as a Registered Investment Advisor. Registration of an investment advisor does not imply any level of skill or training.

Gator manages Financials sector long/short portfolios for private partnerships, mutual funds, and separately managed accounts.

INVESTMENT TERMS

Management Fee 1.0% of assets annually

Incentive Allocation 20% of profits

High-Water Mark Yes

Redemption Policy Monthly, 10 business days notice, no lock-up

Minimum Investment \$250,000

SERVICE PROVIDERS

Administrator Ultimus LeverPoint

Prime Brokers Interactive Brokers and Jefferies

Legal Counsel Kilpatrick Townsend & Stockton

Auditor Kaufman, Rossin & Co

DEREK PILECKI, CFA

Derek Pilecki is the founder of Gator Capital Management and Portfolio Manager for Gator Financial Partners.

Prior to Gator, Derek worked at Goldman Sachs Asset Management (GSAM) covering Financials for the Growth Team. Prior to GSAM, Derek was an equity analyst at Clover Capital Management and Burrige Growth Partners. Derek has an MBA from the University of Chicago and a BA from Duke University.

DISCLAIMER

This is not an offering or the solicitation of an offer to purchase an interest in Gator Financial Partners, LLC (the "Fund"). Any such offer or solicitation will only be made to qualified purchasers by means of a Confidential Private Placement Memorandum and only in those jurisdictions where permitted by law. An investment in the Fund is speculative and involves a high degree of risk. Investing involves the risk of loss, including possible loss of principal invested. The Fund may employ leverage, including derivatives. Leverage presents specialized risks. The more leverage used, the more likely a substantial change in value may occur, either up or down.

Opportunities for withdrawal, redemption, and transferability of interests are restricted, so investors may not have access to capital when it is needed. There is no secondary market for the interests, and none is expected to develop.

The fees and expenses charged in connection with this investment may be higher than the fees and expenses of other investment alternatives and may offset profits. No assurance can be given that the investment objective will be achieved or that an investor will receive a return of all or part of his or her investment. Investment results may vary substantially over any given time period. Past performance is not a guarantee of future results or returns.

The market indices shown have been selected for purposes of comparing the performance of an investment in the Fund with certain well-known equity benchmarks. The indices are not subject to any of the fees or expenses to which the Fund is subject and may involve significantly less risk than the Fund. The Fund is not restricted to investing in those securities which comprise any of these indices, their performance may or may not correlate to any of these indices and it should not be considered a proxy for any of these indices. The S&P 500 Total Return Index is a market cap weighted index of 500 widely held stocks often used as a proxy for the overall U.S. equity market. An investment cannot be made directly in an index. The S&P 1500 Financials Total Return Index is a market cap weighted index of financials companies in the S&P 1500 Index. The Fund consists of securities which vary significantly from those in the benchmark indexes listed above. Accordingly, comparing results shown to those of such indices may be of limited use.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in a Private Fund and is subject to the more complete disclosures in such Private Fund's offering documents, which must be reviewed carefully prior to making an investment.



Gator Capital Management, LLC

2502 N. Rocky Point Dr., Suite 665

Tampa, FL 33607

(813) 282-7870

investorrelations@gatorcapital.com
