January 20, 2017

Dear Gator Financial Partner:

We are pleased to provide you with Gator Financial Partners, LLC's (the "Fund") Year End 2016 investor letter. This letter briefly reviews the Fund's investment performance for 2016, updates you on the Fund's positioning, discusses our investment thesis on Ally Financial, and discusses the Fund's current net exposure and positioning by sub-sector.

Review of 2016 Performance

Our 2016 performance ended up much better than how it started. As we discussed in our September letter, we knew our stocks had low valuations and our sector was out of favor, but we were pleasantly surprised that the election was the catalyst to realize the compelling values. I want to thank you for having the fortitude to stay invested in the Fund through the volatility of late 2015 and early 2016. I hope our discussion in previous letters about the low valuations of companies in the Fund's portfolio helped you stay invested.

For 2016, the Gator Financial portfolio has returned a positive 48.08%. Since Election Day, the massive rally in Financials sector stocks drove the Fund's performance. Sallie Mae, Fannie Mae preferred stock, SunTrust and Zions warrants, and Syncora were the top contributors to performance since the election. On the negative side of the portfolio, our positions in the private equity firms continue to lag, but we still believe that these companies offer some of the most attractive opportunities in the market.

	2016	Total Return Since Inception	Annualized Return Since GFP's Inception
Gator Financial Partners, LLC	48.08%	598.56%	25.70%
S&P 500 Total Return Index[1]	11.96%	110.62%	9.16%
S&P 1500 Financials Index	24.28%	78.47%	7.05%

The Fund's inception date was July 1, 2008. Past performance is not indicative of future results. Performance is presented net of fees and expenses. Please see Appendix A for additional disclaimers.

[1] The market index shown has been selected for purposes of comparing the performance of an investment in Gator Financial Partners, LLC 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 Gator Financial Partners, LLC (the "Fund"). The Fund is not restricted to investing in those securities which comprise this index, its performance may or may not correlate to this index, and it should not be considered a proxy for this index. 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 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 financial sector of the U.S. equity market. Gator Financial Partners, LLC 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.

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Update on Portfolio Positioning

We'd like to briefly update you on our portfolio positioning within the Fund. As we have been saying in our two most recent letters, we thought our stocks were trading at very attractive valuations. The move by market participants into the Financial sector was swift and in our opinion indiscriminate. Many investors used the major Financial sector exchange traded funds (or "ETFs"), such as the XLF or the KRE to get exposure to the Financial sector. In the 6 days following the election, investors made net purchases of $6.6 billion of these Financials ETFs. Especially within the Banking sub-sector, these ETF flows drove almost every bank up between 20% and 40% since the election without regard to the individual bank's fundamentals. While new money entering the sector helped our short-term performance, we think it also creates opportunities going forward for us to sort through the sector to purchase underperforming stocks or short other stocks that may be now overpriced. We still see many stocks with attractive values within the portfolio. Many of these stocks lagged the rest of the sector because they were not in the major Financials ETFs. We think other stocks within our portfolio have enough upside that a 20% move higher does not make them overpriced.

There are two changes to our positioning we wanted you to know about: 1) we think some of our positions in TARP bank warrants are not as attractive given the moves in the banks such as SunTrust and Zions, so we have begun to sell and hedge our positions and 2) we think small to medium sized regional banks are valued too highly, so we have initiated short positions in about a dozen small to medium sized banks. On the short side, we are most interested in shorting small banks that are not helped by higher interest rates because they have fixed rate assets (such as mortgage loans), trade at greater than 18x earnings, and have market capitalizations between $1 billion and $5 billion.

On the long side, we continue to see substantial upside to our positions in the Financial Guaranty (Ambac, Syncora and Fannie Mae preferred stock) and Private Equity sub-sectors (Blackstone, KKR and Carlyle). As we discussed in our September letter, we continue to have a meaningful position in the Consumer Finance sub-sector (Capital One, Sallie Mae, and OneMain Financial). We added to our Consumer Finance holdings with Ally Financial which we discuss in more detail below.

Ally Financial (NYSE: ALLY)

We purchased shares of Ally Financial because we think the stock can double over the next three years. We believe Ally's stock valuation is compelling, we expect earnings to grow about 15% per year, Ally's earnings growth is not dependent on higher interest rates, and the company has started to return excess capital to shareholders.

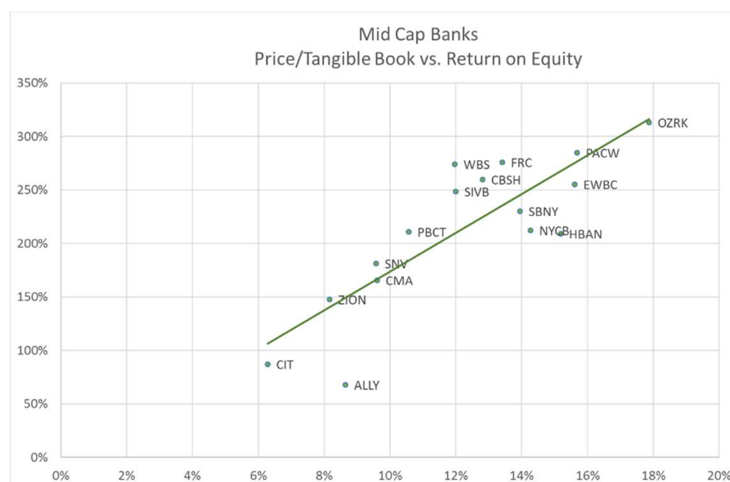
Ally Financial was formerly known as General Motors Acceptance Corporation ("GMAC"). As you know, GMAC provided auto loans to consumers at GM dealerships. Starting in 1985, GMAC expanded into mortgages and the company grew into one of the largest participants in the mortgage business. As GM started to run into financial difficulties in 2006, it sold a majority interest in GMAC to a private equity firm. Then, GMAC ran into trouble as the financial crisis hit and losses skyrocketed. GMAC's losses were especially high from the mortgage business, and the company was forced to ask for government capital infusions on three separate occasions. In 2009, the mortgage business was put into bankruptcy. In 2010, GMAC changed its name to Ally Financial, and the company focused on growing its online retail

bank to stabilize its funding. Ally had an initial public offering in 2014. Since then, the U.S. government has sold its stake through a series of secondary offerings.

Ally Financial is now an auto lender with an online bank. About 50% of Ally's assets are consumer auto loans, 30% are floorplan loans to dealers, and the remainder of the balance is split between first mortgage loans and corporate loans. Ally runs one of the leading online banks and has grown deposits greater than 20% annually since 2010. Ally is beginning to introduce additional products to its online bank customers such as credit cards, mortgages, and online stock brokerage.

Ally Financial has a compelling valuation. Ally Financial trades for less than 8x 2017 estimated earnings per share and 75% of tangible book value. This low valuation persists despite an increasing return on equity and earnings growth of around 15%. We believe the current opportunity exists in Ally's stock due to overblown concerns about auto credit. Specifically, the investment community has concerns about how Ally will grow when the auto cycle turns, the effect of losing GM and Chrysler relationships, and Ally's risk to declining used auto prices. Without being dismissive of these concerns, we have become comfortable that Ally will be able to manage through a potential change in the credit cycle by focusing a greater portion of its originations on the used car segment. There is evidence that Ally has been able to replace lost originations at GM and Chrysler dealers by growing originations at non-GM and non-Chrysler dealers and in the used car segment. We also believe that Ally is becoming less sensitive to used car prices as lease financing becomes a lower percentage of its business. We think sometime during the next couple of years the market will place less emphasis on these issues and will revalue Ally to be comparable to a regional bank.

In the graph below, we show all the medium capitalization (mid cap) banks with market capitalization between $5 billion and $15 billion. We plot these mid cap banks based on their price-to-tangible book valuations compared to their projected return on equity in 2017. As you can see, Ally is an outlier. We believe there is meaningful upside to Ally if it just approaches the same valuation as its peers.



We believe one reason Ally trades at such a large discount to the mid cap banks is it is not included in the major stock market indices. Ally is not yet included in the S&P 500 Index, so it is not included in the major mutual funds and ETFs that track the S&P 500 Index. We estimate if Ally were added to the S&P

500 that index funds would have to buy 60 million shares. Ally is the 4th largest financial stock eligible for inclusion that is not in the S&P 500, so we believe it will be added within the next few years. In addition, many investment managers who benchmark their portfolio to the S&P 500 don't consider Ally for investment because of its exclusion from the index. Also, Ally is not included in the major bank ETFs such as the KRE or the KBE because it is not included in S&P Bank indices either. We believe this will change as well.

Despite its low valuation, we expect Ally Financial will have earnings growth around 15% over the next three years with slower growth in 2017 and accelerating growth in 2018 and 2019. First, we expect Ally to have 5% to 8% loan growth over the intermediate term. Then, we expect Ally's net interest margin will expand. The company will increase the rate earned on auto loans as it optimizes its loan mix. The company will decrease the rate paid on funding as it replaces unsecured debt with bank deposits. Ally should also see operating leverage due to spending $200 million to rebuild its technology core for its auto loan platform. We expect Ally's core expenses to remain flat for the next couple of years even as the loan portfolio grows 5% to 8% annually. The combination of solid loan growth with expanding net interest margin and flat expenses should produce attractive earnings growth.

To go into more detail about the expected expansion of Ally's net interest margin, Ally is improving both the yield earned on loans and the rate paid on funding. Ally should be able to increase its earnings yield on the asset side of the balance sheet as it optimizes asset mix. Ally's loan origination mix has shifted toward prime and near-prime loans from super-prime as they present a better risk-adjusted returns. Plus, Ally has focused on the used car loan segment to replace the lost originations at GM and Chrysler dealers. Used car loans have higher yields than new car loans. These shifts will improve Ally's net interest margin through 2019 as the new loan originations with their higher yields are added to the loan portfolio and replace lower yielding loans. Ally is also improving the funding side of the net interest margin by increasing the percentage of low cost bank deposits in their funding mix. 51% of Ally's funding comes from bank deposits costing 1.1% versus unsecured debt costing 4.9%. We think Ally will continue to increase the mix of bank deposits in their funding by 8% to 10% per year.

Ally is beginning to return capital to shareholders. Ally has spent the last five years cleaning up its capital structure which was burdened with high cost preferred stock due to its multiple government bailouts. As Ally has generated capital through retained earnings, it has received permission to retire this high cost preferred stock with lower cost debt funding. During the 2016 Federal Reserve stress test process, Ally received permission to repurchase $775 million of common stock or 8% of its current market cap. Ally has also received permission and started to pay a nominal dividend. We expect Ally will generate an additional $1 billion of regulatory capital over the next three years from its deferred tax asset. Due to operating losses from its mortgage operations, Ally has a large deferred tax asset (or "DTA"). Although the DTA is recognized on the GAAP balance sheet, it is excluded from regulatory capital. This means Ally has to hold more capital for regulatory purposes. However, as Ally continues to generate income each quarter, the company will not pay cash taxes as the DTA offsets any tax due. The cash that would have gone to paying taxes turns into additional regulatory capital generated beyond net income. We believe Ally will use most of its DTA over the next three years which will result in an additional $1 billion of regulatory capital or 10% of its market cap.

The number one pushback we get on Ally is: How can you own an auto lender when we are at peak auto sales? Since Ally is an auto lender and not a manufacturer, they are not directly impacted by lower sales, but we can see some legitimate concerns if the auto cycle slows: 1) used car prices could drop so Ally could have higher losses on cars it repossesses, 2) it could be harder for Ally to grow its loan portfolio, or 3) the dealers who Ally lends to might experience financial stress. Ally's exposure to used car prices is declining as its auto lease portfolio declines. Ally would likely experience higher loan losses if used car prices declined but we see two mitigating factors: Ally takes this normal cyclicality into account in its pricing and used car prices tend to rise when new car sales dip because car buyers are substituting used cars for new cars. Ally's loan portfolio can still grow with lower auto sales because loan payoffs will be less and a large percentage of Ally's loans are on used cars. We think losses on car dealer floorplan loans will be minimal in a downturn because auto dealers rarely default. We think other investors are holding Ally to too high of a standard for where we are in the auto cycle. We don't see them penalizing other lenders for similar positioning, so this is part of the opportunity we see with Ally.

Another question we get when discussing Ally: Why bother with investing in Ally if it needed multiple government bailouts during the last recession? And, don't those bailouts show that the underlying business is weak? Our response is: Ally has made three fundamental changes to its business that should make it stable going forward. The first major change is it no longer has a mortgage business on the scale of its old ResCap mortgage subsidiary. The ResCap business took an incredible amount of housing risk and had unstable funding. The second major change to Ally's business is the growth of Ally Bank. Ally Bank provides Ally with a stable source of low cost funding, so it will not be dependent on the unsecured debt markets nor the auto loan securitization markets going forward. The third major change to Ally's business has been to become a bank-holding company and to operate with lower leverage than before 2008. In late 2008, Ally became a bank-holding company, which makes the Federal Reserve its regulator. As a result, Ally's leverage has declined from 20:1 to 10:1 from 2007 to 2015. These three changes greatly reduce the possibility of Ally needing a restructuring or experiencing financial distress going forward. In fact, we expect Ally's credit rating to be upgraded to investment grade over the next 24 months. Lastly, Ally's underwriting is much improved from what it was before the Great Financial Crisis. As a subsidiary of GM, Ally (then known as GMAC) had a conflicted relationship because its owner, GM, wanted aggressive loan underwriting to support car sales. Now as an independent company, Ally no longer has this conflict to reduce its underwriting standards to grow car sales. With these important changes to its business model, we think Ally will weather the next recession in fine shape.

We think Ally's stock can double over the next three years. From a current price of below $20 per share, we think Ally can trade at $40 by late 2019. To achieve this target price, Ally would have to trade at 12x 2020 estimated earnings or 1.25 estimated 2019 Q2 tangible book value. These multiples are still discounted with current multiples of its regional bank group, even though we would argue that Ally may be able to trade at a higher multiple because it has the ability to organically grow its assets and liabilities faster than its regional bank peers. While we chose to highlight the opportunity that exists in Ally, this should also serve to highlight the types of opportunities we believe still exist in the portfolio, even after the recent run up in the financial sector. We believe that increased regulation has depressed valuations across the sector. As conditions and the regulatory environment improve, we believe that companies across the sector will continue to benefit.

Portfolio Analysis

Largest Positions

Below are the Fund's largest common equity long and short positions. All data is as of December 31, 2016.

Long	Short
Ambac Financial Group, Inc.	Old National Bancorp
Syncora Holdings Ltd.	People's United Financial Inc.
Voya Financial, Inc.	Community Bank System
Colony Capital	Webster Financial
Blackstone Group	Western Union

From this list, we exclude ETFs and fixed income instruments such as preferred stock.

Sub-sector Weightings

Below is a table showing the Fund's positioning within the Financials sector as of December 31st:

	Long	Short	Net
Alt Asset Managers	20.70%	-2.72%	17.98%
Asset Managers	4.01%	-1.59%	2.42%
Broker Dealers	4.92%	-0.53%	4.40%
Banks (large)	29.74%	-42.06%	-12.32%
Banks (small)	4.31%	-9.44%	-5.13%
P&C Insurance	3.65%	-1.21%	2.44%
Life Insurance	4.56%	0.00%	4.56%
Non-bank Lenders	25.68%	-0.29%	25.40%
Processors	0.00%	-2.07%	-2.07%
Real Estate	3.38%	-1.93%	1.46%
Exchanges	0.00%	0.00%	0.00%
Index Hedges	1.61%	-31.30%	-29.68%
Non-Financials	0.00%	0.00%	0.00%
Total	102.58%	-93.12%	9.45%

The Fund's gross exposure is 195% and its net exposure is 9.5%. From this table, we exclude fixed income instruments such as preferred stock. Preferred stock positions account for an additional 6.9% of the portfolio. We want to point out that due to the TARP warrants held by the Fund, the net exposure of 9% understates the effective net exposure. Also, the reason there is such a large short position in the Banks (large) is due to hedging a portion of the Fund's TARP warrants.

Organizational Changes

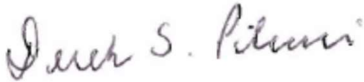
We did not have any organizational changes since our September letter.

Conclusion

We had a strong end to 2016. Even though stocks of companies in the Financials sector just made a large move, we continue to see opportunities on both the long and short side to capture value. Thank you for entrusting us with a portion of your wealth. On a personal level, I continue to have significantly more than 50% of my liquid net worth invested in the Fund.

As always, we are available by phone whenever you want to discuss the Fund or investing in general.

Sincerely,



Derek S. Pilecki
Managing Member of Gator Capital Management, LLC, which is the
Managing Member of Gator Financial Partners, LLC

This report was prepared by Gator Capital Management, LLC. ALPS Fund Services, Inc., our administrator, is responsible for the distribution of this information and not its content.

Appendix A
Additional Disclaimers and Notes on Performance Results
The performance results shown on the first page of this letter are presented on a net-of-fees basis and reflect the deduction of, among other things: management fees, brokerage commissions, administrative expenses, and accrued performance allocation, if any. Net performance includes the reinvestment of all dividends, interest, and capital gains; it assumes an investor has been in the fund since their respective inception dates and participated in any “new issues”. Depending on the timing of a specific investment and participation in “new issues”, net performance for an individual investor may vary from the net performance as stated herein. Performance data for 2014 is estimated and unaudited.

The inception date for Gator Financial Partners, LLC was July 1, 2008. The performance data presented on the first page of this letter for the market indices under “since inception” is calculated from July 1, 2008. The returns represented encompass a market and economic period of extreme volatility which may not repeat itself.

The market indices shown on the first page of this letter have been selected for purposes of comparing the performance of an investment in Gator Financial Partners 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. The funds are 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.

Past performance is not necessarily indicative of future results. All investments involve risk, including the loss of principal. This letter is confidential and may not be distributed without the express written consent of Gator Capital Management, LLC. It does not constitute a recommendation, an offer to sell, or a solicitation of an offer to purchase any security or investment product. Any such offer or solicitation may only be made by means of delivery of an approved confidential private offering memorandum.

This letter contains information and analyses relating to some of Gator Financial Partners’ positions during the period reflected on the first page. Gator Capital may currently or in the future buy, sell, cover or otherwise change the form of its investment in the companies discussed in this letter for any reason. Gator Capital hereby disclaims any duty to provide any updates or changes to the information contained herein including, without limitation, the manner or type of any Gator Capital investment.

GATOR
CAPITAL MANAGEMENT

Gator Financial Partners, LLC

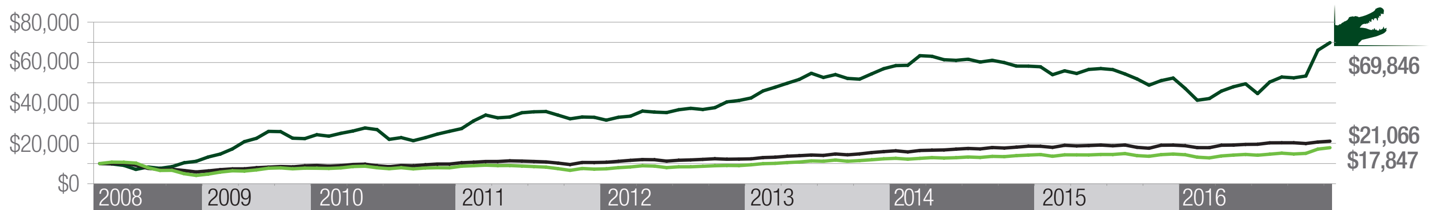
Derek Pilecki, CFA
Portfolio Manager

December 2016

Monthly Performance, Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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%**
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%)**
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%)**
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%**
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%**
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%**
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%**
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%**
2008							(1.89%)	(7.24%)	(21.90%)	16.63%	(7.93%)	11.02%	**(15.26%)**

Growth of $10,000



Overview

Gator Financial Partners, LLC (the "Fund") is a long/short equity hedge fund focused on the Financials sector. The Fund is run with variable net common exposure in an attempt to produce investment returns that are independent of the market direction of the Financial sector.

The Fund's portfolio is built by performing intensive bottom-up fundamental research on both long and short positions. The Fund's portfolio is concentrated on the portfolio manager's highest conviction ideas. The Fund never sells options but will purchase warrants and LEAPs as stock replacements.

The Fund favors small companies and companies with less research coverage from the sell-side. There are 1,600-plus publicly traded companies in the Financials sector. In addition, the sector requires specialized knowledge to correctly analyze the companies. Therefore, the portfolio manager believes there are regular opportunities for specialized investors doing fundamental research in the sector.

The Fund's goal is to maximize total return without using leverage while accepting short-term periods of volatility due to the portfolio's concentration.

Private Funds AUM	$37.0M
Strategy AUM	$60.4M
Firm AUM	$84.6M

"PRIVATE FUNDS AUM" IS DEFINED AS ASSETS UNDER MANAGEMENT ("AUM") IN GATOR FINANCIAL PARTNERS, LLC, GATOR FINANCIAL PARTNERS QP, LLC AND GATOR FINANCIAL PARTNERS OFFSHORE, LTD. "STRATEGY AUM" IS DEFINED AS AUM (BOTH IN FUNDS AND IN SMAS) USING THE SAME INVESTMENT STRATEGY AS GATOR FINANCIAL PARTNERS, LLC. "FIRM AUM" IS DEFINED AS ALL AUM BY GATOR CAPITAL MANAGEMENT, LLC.

Performance and Risk Analysis

	Gator Financial	S&P 500 TR	S&P 1500 Financials TR
Average Monthly Return	2.21%	0.83%	0.82%
Monthly Compound Return	1.92%	0.73%	0.57%
Annual Compound Return	25.70%	9.16%	7.05%
Cumulative Return	598.56%	110.62%	78.47%
Profitable Percentage	60.78%	65.69%	58.82%
Max Drawdown	(34.79%)	(42.62%)	(61.55%)
Risk Analysis			
Annualized Volatility	26.35%	15.52%	24.12%
Sharpe Ratio (RFR)	0.88	0.57	0.28
Sortino Ratio (RFR)	1.61	0.82	0.40
Downside Deviation	14.38%	10.69%	17.22%
Regression Analysis (Trailing 36 months)			
Annualized Alpha	—	(3.21%)	(7.55%)
Beta	—	1.28	1.37
R^2	—	0.36	0.67

THIS IS NOT AN OFFERING OR THE SOLICITATION OF AN OFFER TO PURCHASE AN INTEREST IN GATOR FINANCIAL PARTNERS, LLC ("FUND"). COMPARISONS TO INDICES ARE FOR INFORMATIONAL PURPOSES ONLY AND DO NOT INFER OUTPERFORMANCE. **PAST PERFORMANCE IS NO INDICATION OF FUTURE RESULTS.**

Gator Capital Management, LLC 100 S. Ashley Dr., Suite 895 Tampa, FL 33602 Phone: 813-282-7870 derek.pilecki@gatorcapital.com

Risk Management

Initial Position Size – L/S	2% to 4% / 1% to 2%
Maximum Position Size	10% at cost
Gross Exposure Target	Less than 200%
# of Positions – L/S	30-50 / 30-50

About Gator Capital Management LLC

Gator Capital Management, LLC was founded in 2008 by Derek Pilecki and is located in Tampa, Florida. Gator Capital Management manages small cap portfolios, separately managed accounts, and sector specific private investment partnerships for private and institutional clients and mutual fund investors. Gator Capital Management is registered with the SEC as a Registered Investment Advisor[1].

Derek Pilecki, CFA

Managing Member and Portfolio Manager

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

Prior to Gator, Derek was a member of the Goldman Sachs Asset Management (GSAM) Growth Equity Team. While at GSAM, Derek provided primary coverage of the Financials for the Growth Team. Prior to GSAM, Derek was an equity analyst at Clover Capital Management and Burridge Growth Partners.

Derek holds an MBA with honors in Finance and Accounting from the University of Chicago and a BA in Economics from Duke University.

Derek's largest personal asset is his investment in the Fund and comprises more than 50% of his liquid net worth.

1. Registration of an investment advisor does not imply any level of skill or training.

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Investment Terms

Management Fee	1.0% of assets annually
Incentive Allocation	20% of profits
High-Water Mark	Yes
Lock-up	None
Redemption Policy	Monthly, 10 business days
Minimum Investment	$100,000

Service Providers

Administrator	ALPS Fund Services, Inc.
Prime Brokers	Interactive Brokers, LLC and Jefferies, LLC
Legal Counsel	Kilpatrick Townsend & Stockton LLP
Auditor	Kaufman, Rossin & Co.

Disclaimer

THIS IS NOT AN OFFERING OR THE SOLICITATION OF AN OFFER TO PURCHASE AN INTEREST IN GATOR FINANCIAL PARTNERS, LLC ("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. 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.

THE MARKET INDICES SHOWN HAVE BEEN SELECTED FOR PURPOSES OF COMPARING THE PERFORMANCE OF AN INVESTMENT IN THE GATOR FINANCIAL PARTNERS, LLC 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 GATOR FINANCIAL PARTNERS, LLC. THE FUNDS ARE 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. GATOR FINANCIAL PARTNERS, LLC 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 SOURCE OF THE S&P 500 TOTAL RETURN AND S&P 1500 FINANCIALS TOTAL RETURN INDEX DATA IS BLOOMBERG.

Appendix C
Review of the Gator Financial Partners Strategy and Goals

The Fund is a long/short equity fund focused on the Financials sector. We use a bottom-up fundamental analysis to make investments and build the portfolio, one stock at a time. We attempt to own (or go long) undervalued securities and sell short securities that are overvalued. We generally keep the Fund close to market neutral because we believe returns from stock selection may be more consistent than returns from over-weighting or under-weighting the sector at the appropriate time.

One competitive advantage of the Fund is the deep focus on the Financials sector. The Financials sector has many sub-industries: money center banks, regional banks, trust banks, community banks, thrifts, broker-dealers, non-bank financials, REITs (commercial, apartment, industrial, retail, mortgage, etc.), P&C insurance, life insurance, insurance brokers, asset managers, exchanges, and financial technology companies. While many of the major hedge funds are positive on the Financials sector, they generally express their view in the liquid, large-cap banks. While these may be fine positions over time and we own some of these same banks, we add most of our value by going several layers deeper to find attractive values among the less popular or well-known companies in the sector.

Seventy-five percent of the Fund's positions must be in companies in the Financials sector or in companies with a significant stake (33% of revenues, profits or allocated capital) in financial services operations. Historically, 90 to 95% of the fund's positions have qualified as a member of the Financials sector or financial services related. The non-financial services positions tend to be special situations such as spin-offs, initial public offerings, or short positions in former fad or concept stocks.

There are two other distinguishing characteristics of the Fund: a concentrated portfolio and a focus on opportunities with asymmetrical risk/reward (this is code for: "We swing for the fences when we believe the odds are in our favor."). We run the Fund with a concentrated portfolio for several reasons. We believe a concentrated portfolio creates discipline in weeding out bad ideas. Another benefit of a concentrated portfolio is a focus on the best ideas. One of my mentors from GSAM taught me that any stock worth buying is worth buying in size. Positions with asymmetrical risk/reward are important because markets often price in average moves and do not anticipate how frequently extreme price moves can occur. We find these asymmetrical opportunities in beaten down stocks, long-term warrants and/or LEAPs, and companies with significant operating leverage. One day when the Fund is of the appropriate size, we may also find opportunities in purchasing credit default swaps on companies we want to short. In the brief history of the Fund, these characteristics (a concentrated portfolio and positions with asymmetrical risk/reward) explain the large volatility in the Fund's monthly returns. Most of this volatility has been to the positive, but there have been, and will be, times when the fund will be out of sync with the market. Please do not expect the Fund to produce steady returns; instead, we hope the Fund will produce a superior total return over the long-run.

Appendix D
Gator Financial Partners Operational Characteristics

Given the events of 2008 and the common criticisms of hedge funds (limited liquidity, opaque portfolios and self-administration), we have structured the Fund to be more investor-friendly than a typical hedge fund. The Fund does not employ lock-ups, there is monthly liquidity, and only 10 business days' notice is required to redeem investments at month-end. We disclose the entire portfolio to current investors upon request and to prospective investors prior to investment. The Fund has hired an independent auditor, Kaufman Rossin based in Miami, who specializes in hedge funds, to perform the Fund's annual audit. The Fund has also hired an independent third-party administrator, ALPS Fund Services, for fund accounting. As an additional financial control, we cannot authorize a release of money from the Fund's checking account at Wells Fargo unless ALPS also approves the withdrawal. We want to continue to improve the Fund's structure and terms to remain investor-friendly. If you have suggestions, please contact us.

We do offer separate accounts with a $5 million minimum. While we prefer investors to invest directly in the Fund, we will invest separate accounts *pari passu* with the Fund. The trade-off is that a separate account imposes a greater accounting and tax reporting burden on the client. Whether our investors come through the Fund or through a separate account, we feel strongly that the money is the investor's money, the investor has given us the privilege of managing their money, the investor has the right to know how their money is invested, and they have the right to access their money.