October 24, 2018

Dear Gator Financial Partner:

We are pleased to provide you with Gator Financial Partners, LLC's (the "Fund" or "GFP") Q3 2018 investor letter. This letter briefly reviews the Fund's investment performance for the 3rd quarter of 2018, presents our investment thesis on Credit Suisse, and discusses the Fund's current net exposure and positioning by sub-sector.

Review of Q3 2018 Performance

For the 3rd quarter of 2018, we slightly lagged the Financials sector benchmark and the overall market. The Fund returned a positive 2.93%. NMI Holdings, Syncora, Blackstone, and KKR were top contributors to performance. The largest detractors were Financial ETF hedges, Zions Bancorp (stock and warrants), BBX Capital Corp, and Fannie Mae preferred stock.

	Q3 2018	2018 YTD	Total Return Since Inception[1]	Annualized Return Since GFP's Inception[1]
Gator Financial Partners, LLC[2]	2.93%	5.74%	771.46%	23.52%
S&P 500 Total Return Index[3]	7.71%	10.56%	183.71%	10.71%
S&P 1500 Financials Index[3]	3.89%	0.39%	116.64%	7.83%

Source: Gator Capital Management & Bloomberg

Credit Suisse Group AG

In Q3, we purchased positions in the two major Swiss banks, Credit Suisse and UBS. This adds to existing positions in the UK banks, Barclays and Lloyds. We continue to work on additional ideas we have in European banks because they have extremely low valuations, are starting to return capital to shareholders, have improved credit quality and cost structures, and their earnings could potentially benefit from higher interest rates in Europe. Currently, the European banking sector is providing what we believe to be our most compelling investment ideas. As David Herro, portfolio manager of the respected Oakmark International Fund said on Bloomberg Television a few days ago, "We think if you look around the globe, one of the last big pockets of equity value is in European financials."

Credit Suisse Investment Thesis

Our investment thesis in Credit Suisse includes improved capital allocation to higher margin businesses, conservative guidance on future returns, open-ended growth opportunity in wealth management,

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

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improved capital levels and potential capital return, improved cost structure, the reduction of legacy costs and litigation leading to improved returns, a low valuation, and the potential benefit of higher interest rates.

Tidjane Thiam was appointed CEO of Credit Suisse in 2015. We admired Thiam in his prior role as CEO of Prudential PLC, the UK based life insurer. We view him as an independent thinker who is willing to make correct but tough decisions that ultimately benefit his companies. Once Thiam arrived at Credit Suisse, he moved to reduce parts of Credit Suisse's investment bank that were more wholesale in nature such as fixed income, currency, and commodity trading. These parts of the investment bank required a disproportionate amount of capital compared to their risk, did not generate adequate returns, and had no natural cross-sell with private banking clients. Thiam has emphasized Credit Suisse's private banking and wealth management franchise and the parts of the investment bank that support wealth management such as equity capital markets and credit trading. This reallocation of capital is showing evidence of improved and more consistent results. Ultimately, we believe the new business mix will lead to a higher multiple for Credit Suisse's valuation.

We like Credit Suisse's improving returns and believe the bank's Return on Equity ("ROE") guidance for 2020 is too conservative. Credit Suisse is improving returns through several efforts:

1) Each business unit is improving returns with better capital deployment and cost reduction,

2) The previously mentioned shift in capital from lower return businesses, such as fixed income, currency, and commodity trading, to higher return businesses, such as private banking; and,

3) The bank is winding down bad derivatives contracts entered into before the Great Recession.

The bank's goal is to achieve an 11-12% ROE in 2020, which is up from 4% in 2017. We believe the bank will exceed this target based on the substantial progress it has already made on its cost structure and several high cost debt issues that the bank should be able to refinance. Another source of conservatism is the bank's guidance which gives no credit for improved returns from the business segments and no credit for potentially higher interest rates.

Credit Suisse has an open-ended growth opportunity in private banking and wealth management. As global income inequality continues to generate more ultra-high net worth people, Credit Suisse is well positioned to service these people. They have a brand and platform to attract assets. Until CEO Thiam arrived in 2015, Credit Suisse was distracted from the wealth management business to some extent and lagged peers in terms of net new assets from clients. Since 2016, Credit Suisse has topped its peers in gathering net new assets from clients. The growth of its wealth management segment is important for Credit Suisse because wealth management is a high return, low-risk business.

Credit Suisse's ongoing restructuring since 2015 has positioned the bank to return 50% of future earnings to shareholders through buybacks. Credit Suisse has resolved the major pieces of litigation that have been pending since the Great Recession. Credit Suisse has achieved its targeted capital levels and Credit Suisse's future growth in wealth management will require less capital than past growth in the

investment bank. Credit Suisse's cost structure has declined as well from 21.2 billion Swiss Francs in 2015 to an estimated 17.0 billion Swiss Francs in 2018.

We believe Credit Suisse's business most closely resembles Morgan Stanley among US-based companies, but since Thiam became CEO in 2015, Credit Suisse's stock has underperformed Morgan Stanley's stock. During the first 9 months of his tenure as CEO, the global markets experienced a correction sparked by declining oil prices and issues the high yield market had large amounts of bonds issued by energy companies. During this time, Credit Suisse's stock performed poorly but in line with Morgan Stanley's stock. However, during the back-half of 2016, Credit Suisse's stock did not recover like Morgan Stanley's for three reasons:

1) Credit Suisse announced accelerating its investment bank restructuring in March 2016 due to trading losses,

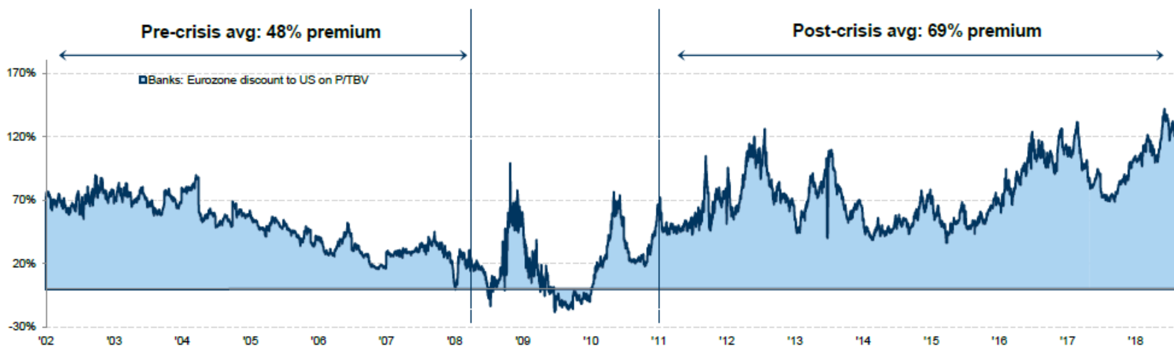
2) European banks underperformed US-based peers in the aftermath of the June 2016 Brexit referendum; and,

3) US-based banks rallied significantly after the 2016 Presidential election.

Since the end of 2016, Credit Suisse's stock has performed in line with Morgan Stanley's stock, but it has not recovered the significant underperformance of 2016. At the end of September, Credit Suisse's stock traded for 90% of tangible book value versus Morgan Stanley's stock which traded at 140% of tangible book value. We believe the stocks of both these companies can trade at 2x tangible book value based on their strong wealth management franchises.

We believe this low valuation is partly attributable to low valuations across all major European banks and partly due to investor concerns around certain business challenges facing Credit Suisse. For at least 15 years, European banks have traded at a discount to US banks. See the chart below from Goldman Sachs research:

Exhibit 7: US banks trade at a c.150% premium to EUR banks on P/TBV, one of the largest premiums in years
Premium on trailing P/TBV of US banks (BKX) vs. EUR peers (SX7E). Pre-crisis is Jan-02 to Aug-08, post-crisis is Jul-10 to present



Source: Bloomberg, Goldman Sachs Global Investment Research

Before the Great Recession, US banks traded at an average 48% premium on a Price-to-Tangible Book Value ("PTBV") basis versus the European banks. During the financial crisis from 2008 to 2011, there were brief periods of time when European banks actually traded at a premium to US banks. Since 2011,

as the fiscal problems of countries in the European Union became more widely known, the US banks have again traded at a premium to the European banks. This time the premium is larger at an average of 69%. However, this premium has become even larger during 2018 as European bank shares have underperformed. Today, US banks trade at a 150% premium to European banks. That is, the US bank index (the KBW Bank Index) trades at 2.0x PTBV while the European bank index (the EURO STOXX Banks Index) trades at 0.8x PTBV. We believe this extreme difference in the US bank versus European bank valuations will not persist.

In addition to Credit Suisse's stock being attractive compared to Morgan Stanley's on a relative basis, we believe Credit Suisse's valuation is attractive on an absolute basis. Credit Suisse trades at a valuation of 8.9x 2019 estimated earnings and 90% of tangible book value.

There are three obvious risks present with European banks:

1) Italy's change in government and potential budget problems,

2) Turkey's turmoil; and,

3) A potential hard Brexit from the European Union for the United Kingdom.

We believe these issues are the main reasons why European banks trade at such extreme discounts to US banks. When looking at the risks in Italy and Turkey, there are several degrees of risks. The primary risk is from operations in the country. A secondary risk is if the bank owns securities issued by the country or denominated in the currency. The tertiary risk is the risk that these countries drag down overall GDP in Europe. Neither Credit Suisse nor UBS has significant operations in Italy or Turkey. In addition, we think the Italian government will ultimately cede to the desires of the European Union.

The prospects of a hard Brexit are more difficult to shrug off because both UBS and Credit Suisse have significant operations in the UK, and the UK is such a large market. We think of Brexit as a Year 2000 type risk. There will be much hand wringing over the prospects of a hard Brexit, but we believe a deal will be made that will not result in the United Kingdom or Europe entering a recession.

One favorable aspect of owning the European bank stocks is the potential benefit from higher interest rates in Europe. As you may know, European interest rates have been negative for several years. The European Central Bank ("ECB") has kept deposit rates at negative values. The ECB has also had a massive quantitative easing program where they have doubled the size of the ECB's balance sheet from €2.2 trillion in 2014 to €4.5 trillion in 2017. The majority of the increase has come from bonds issued by various European governments and corporations. As European interest rates rise, banks will generate higher revenues mostly due to earning higher amounts on their large non-interest-bearing deposits and their equity accounts. Goldman Sachs estimates that a 50 bps rise in rates will increase earnings at CS by 12%, UBS by 17%, BCS by 12% and LYG by 9%. Given that European interests rates are so low, we expect any increase in rates to likely be greater than 50 bps.

Portfolio Analysis

Largest Positions

Below are the Fund's five largest common equity long and short positions. All data is as of September 30, 2018.

Long	Short
Zions Bancorporation (stock & warrants)	Northwest Bancshares, Inc.
Syncora Holdings	Webster Financial
Ambac Financial Group	Heritage Financial Corporation
SunTrust Bank	Community Bank System
KKR & Co. Inc.	Berkshire Hills Bancorp

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[4] as of September 30th:

	Long	Short	Net
Alt Asset Managers	20.97%	0.00%	20.97%
Capital Markets	4.36%	-0.88%	3.48%
Banks (large)	41.99%	-7.04%	34.95%
Banks (small)	7.78%	-8.31%	-0.53%
P&C Insurance	4.92%	0.00%	4.92%
Life Insurance	0.00%	-1.02%	-1.02%
Non-bank Lenders	26.29%	-0.49%	25.80%
Processors	0.00%	0.00%	0.00%
Real Estate	3.48%	0.00%	3.48%
Exchanges	0.00%	0.00%	0.00%
Index Hedges	0.00%	-1.56%	-1.56%
Non-Financials	0.00%	0.00%	0.00%
Total	109.80%	-19.30%	90.50%

The Fund's gross exposure is 109.8%, and its net exposure is 90.5%. From this table, we exclude fixed income instruments such as preferred stock. Preferred stock positions account for an additional 4.5% of the portfolio.

[4] "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. On a personal level, I continue to have more than 80% 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,

Gator Capital Management, LLC

Gator Capital Management, LLC prepared this letter. ALPS Alternative Investment Services, LLC, our administrator, is responsible for the distribution of this information and not its content.

General Disclaimer

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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 purposes 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.