

## The Gladiator Fund

A disciplined, high-conviction, long-only equity portfolio in which holdings are selected using strict rules and fundamentally driven screening criteria. The Gladiator Fund's investment objective is consistent and meaningful out-performance of the broader equity market as defined by the S&P 500.

**Mid/Large Cap | Core | Fundamentally Driven | Unleveraged | Concentrated**

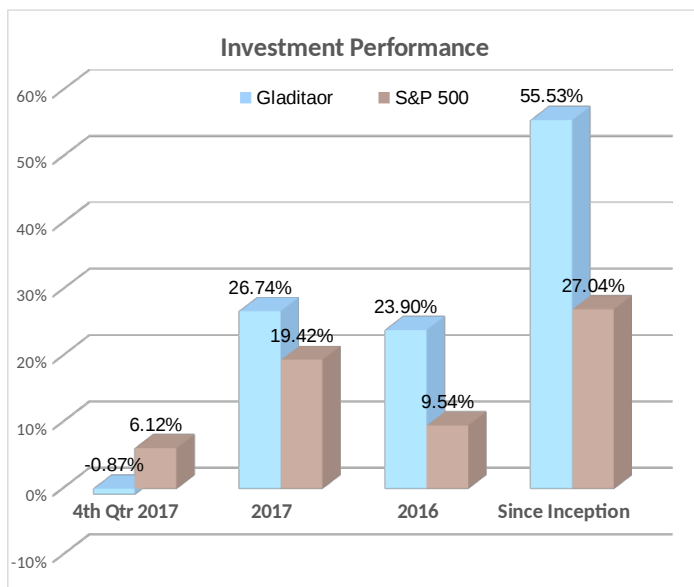
### Fund Performance & Comparison Data (as of December 31, 2017)

	4 <sup>th</sup> Qtr 2017	2017	2016	2015 (from 8/1/2015)	Since Inception
<b>The Gladiator Fund</b>	<b>-0.87%</b>	<b>26.74%</b>	<b>23.90%</b>	<b>-0.96%</b>	<b>56.89%</b>
<b>S&amp;P 500</b>	<b>6.12%</b>	<b>19.42%</b>	<b>9.54%</b>	<b>-2.88%</b>	<b>19.71%</b>

### The Gladiator Investment Perspective

At Gladiator Capital we believe high-conviction portfolio management will add significant value over passive and most actively-managed strategies. We assert that superior long-term performance is primarily the result of effective active management through superior stock selection rather than sector rotation.

The Gladiator investment philosophy was born out of leading-edge industry research in behavioral finance. Our process capitalizes on the well-documented chronic underperformance active investment managers experience due to biases inherent in human decision making. We have identified a common set of pitfalls that are the cause of the majority of active managers' underperformance and have designed our investment process to capitalize on these issues.

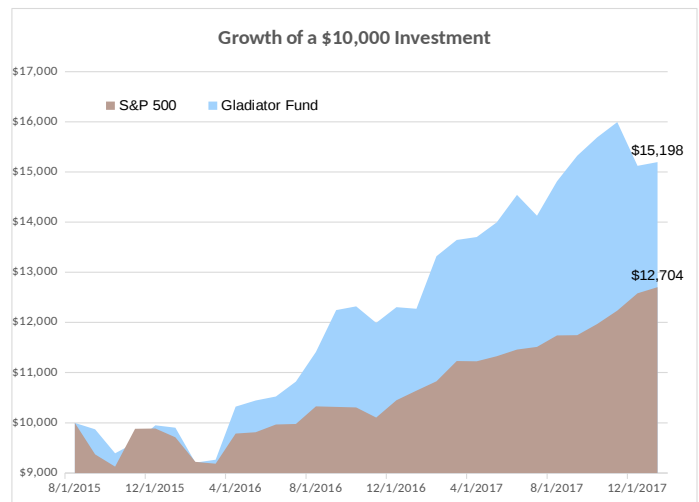


Our methodology starts by screening exclusively on components of the S&P 500. From there, Gladiator selects only companies which

pay reasonable dividends, have attractive valuation ratios, display superior top and bottom line growth, and positively utilize leverage. We find these stocks are the ones with the highest likelihood of delivering market-beating returns.

### Recent Performance

In the 4<sup>th</sup> quarter of 2017 The Gladiator Fund earned a total return of -0.87%, comparing unfavorably to the S&P 500 which advanced 6.12% for a 4<sup>th</sup> quarter underperformance total of 6.99%. For the full year, The Fund appreciated 26.74% year-to-date, 7.32% ahead of the S&P 500's 19.42%. Looking back over a longer time horizon, the Gladiator Fund has generated strong returns since its inception of 55.53%, outpacing the S&P 500's 27.04% by 28.49%.



During the 4<sup>th</sup> quarter the Fund's performance was in line with the benchmark in both October and December. November's underperformance was the result of the fund's overweight technology names and the market experiencing a strong sector rotation away from this sector.

## Investment Objective

### Long Term Capital Appreciation & Returns Superior to the Overall Equity Market

- Consistently & meaningfully outperform the broader equity market as defined by the S&P 500
- Concentrated equity positions (historically under 15 holdings)
- Traditional long-only structure
- Non-Leveraged

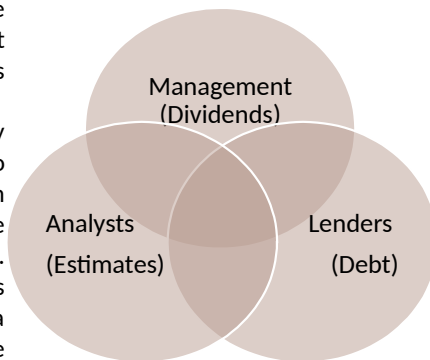
## Investment Approach/Methodology

Our investment process starts by focusing on information signals provided by company management, research analysts, & debt providers. We examine the career critical actions they take to indicate their true opinions.

**Dividends** - Clear signal of management's confidence in the long-term prospects of the business. Management avoids dividend cuts as much as possible.

**Debt** - Lenders typically have superior access to company information during their due diligence process. Providing large amounts of their own capital is a key indicator of the company's financial strength.

**Estimates** - The Fund puts absolutely no faith in sell side analyst's recommendations. However, analysts' estimates of revenue and



EPS growth, both current estimates & revision trends, provide investable information.

When all screens are combined we are left with a pool of potential holdings of roughly 5 - 15 stocks.

## Top Holdings

- Halliburton (HAL)
- Microchip Technology Inc. (MCHP)
- Western Digital (WDC)

## Portfolio Manager

Merlin Tolstyk, CFA, is the Gladiator Fund's primary investment manager with over 10 years of experience managing investment portfolios. Prior to Gladiator, Mr. Tolstyk managed the San Blas Investment Fund, an equity long/short fund he was instrumental in creating. Prior to San Blas Merlin spent eight-years with Trusco Capital Management as a sector portfolio manager and analyst covering global equities and managing a fund of several hundred million dollars in equity investments across multiple geographic regions, currencies, industry sectors, and market capitalizations. Merlin is primarily a generalist covering multiple sectors with a particular emphasis on the technology, telecommunications, and pharmaceutical spaces. Merlin is a CFA charterholder and a member of the CFA Institute as well as the Atlanta Society of Finance and Investment Professionals. He received his undergraduate degree in finance and economics from Loyola Marymount University in Los Angeles and an MBA from Arizona State University's W. P. Carey School of Business.

## Additional Information Contact

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The information provided herein should not be construed as a recommendation to purchase or sell any particular security or investment strategy. An investment in the Gladiator Fund is speculative and involves a high degree of risk. There is no guarantee that the investment objective of the Gladiator Fund will be achieved. Moreover, any reference to past performance should not be construed as an indicator of future performance. The indices referenced in this presentation are well-known market indices which are included merely to show the general trend in the markets in the periods indicated and are not intended to imply that the Gladiator Fund's returns were comparable to the indices either in composition or element of risk. The inclusion of these index comparisons and/or references is for informational purposes only and should not be used as the basis for making an investment decision. There are significant differences between the Gladiator Fund's strategy and the indices herein included, but not limited to, risk profile, liquidity, volatility, and asset composition. A potential client must carefully evaluate all potential risk factors and should not make an investment unless it is able to bear the economic risks associated with such investment and is prepared to lose all or a substantial portion of its investment. An investment in the Gladiator Fund may only be made in accordance with the Limited Partnership Agreement and Private Placement Memorandum. 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. Please refer to the Gladiator Fund's Limited Partnership Agreement and Private Placement Memorandum for more information regarding the Gladiator Fund's fees, charges, and expenses, which will reduce the Gladiator Fund's gains. The Gladiator Fund may modify its investment approach and any portfolio parameters set forth herein at any time and in any manner which it believes is consistent with its overall investment objective without notice to investors as allowed by the terms of the Limited Partnership Agreement and Private Placement Memorandum. Additional information is available upon request.