JOHN W. ROSENTHAL CAPITAL MANAGEMENT, INC.

1st Quarter 2020 General Newsletter

Important Note: 2020 Annual Investor Meeting Postponed – See Chapter 6 for Details

Dear Friends and Family:

Where do we begin? So much to share. Let's start with a prayer. May you, your family, and friends be safe and healthy! And may God bless *all* those affected by this pandemic – especially those who have succumbed to the disease; those who've lost family/friends; as well as all health care providers, first responders and essential workers.

A friend recently wrote that "health is more important than wealth". Of course, that's true! But, somewhat shamefully, since our life's work, calling and passion is to shepherd portions of your wealth, it's a bit difficult for us to fully process that concept. Coach Holtz would occasionally quip that, "winning isn't a matter of life or death; it's way more important than that"! Investing on your behalf is like that for us. We have always taken our responsibility as financial stewards very seriously, and undertaken our duties with the highest gravity. Notwithstanding all our efforts, due to the pandemic and related issues, the value of your investment(s) has declined markedly this quarter. Intellectually, you already know this. But as you review your forthcoming statements from us (and others with whom you have investment accounts), it is likely to be somewhat unsettling all the same.

We've sent several *Interim Updates* by email since our *Annual Letter to Investors* was distributed in January – and we hope you've found them helpful. In the most recent update we wrote, "…we acknowledge that we are in uncertain times. None of us really know – for absolute sure – how this will turn out." That is still the case today. Even so, we're eager to share our thoughts and ideas regarding what we believe will unfold. Only time will tell how accurate our vision might be. (We're curious whether our predictions are similar to yours?)

In normal times, all of us are inundated with tons of information. Now, the flood of news and updates is beyond the pale. The trick is to sort through and digest which data is a priority. In an attempt to assist you in doing just that, we've dispensed with the usual format of this letter – which typically begins with "Headlines" – since virtually everything is a headline these days. Instead, we'll start with a Table of Contents. This will break our letter (maybe better described as a novelette) into chapters. That way, you can prioritize the chapters which may be most important and relevant to you.

Table of Contents

Chapter 1: First Quarter '20 Results vs. Benchmarks (with added commentary on broader market performance)

The table at the top of the next page presents the outcomes for our Funds this quarter following the 'Black Swan' event spurred by the Covid-19 pandemic. It is very little solace that we outperformed vis-à-vis the Nasdaq Bank Index (^BANK), as well as two prominent bank stock ETF's, i.e. KRE and KBE. Beating those bellwether marks was partly a function of the quality of the banks in all 3 Funds (although indiscriminate selling has run rampant in this bear market and "quality" made only a small difference to panicked sellers); and partly due to the hedges we implemented as outlined in our March 17th Interim Update, along with those protections intrinsic in our Fund's portfolios.

By virtue of the hedging strategy we executed in Q1, we preserved \$2.1 million or 3.5% of the value in Fund 1 (\$1.9 mm of **permanent realized gains** from closed positions and \$165 k of **unrealized gains** from open positions) and \$1.5 million or 3.3% of the value in Fund 2 (\$1.4 mm of **permanent realized gains** from closed positions and \$119 k of **unrealized gains** from open positions) Since the construct of the holdings in Fund 3 are themselves a natural downside hedge, we did not instigate any additional hedges in that Fund. In addition to "active hedges", we are maintaining more cash than usual as a "passive hedge" in our Funds. All of our Funds, but especially Fund 3's 5.0% – 17.7% range of positive variance from certain benchmarks, authenticates our stated objective of "providing some downside protection".

Q1 2020 Results

1st Quarter '20	Fund 1[1]	Fund 2[1]	Fund 3[1]	BANK[3]	KRE[3]	KBE[3]	Russell 2000[2]
January	-6.3%	-5.5%	-3.9%	-6.2%	-7.2%	-6.6%	-3.3%
February	-10.2%	-9.39%	-4.9%	-11.1%	-12.3%	-12.3%	-8.5%
March	-16.1%	-22.9%	-18.9%	-26.1%	-30.6%	-30.0%	-21.9%
Cumulative Q1	-29.4%	-34.0%	-25.9%	-38.5%	-43.6%	-42.6%	-30.9%

1. Average monthly net rate of return after fees/expenses
2. Russell 2000 is a small-cap stock market index
3. BANK is the Nasdaq Small Cap Bank Index, KRE and KBE are regional bank stock ETF's

By any measure the results detailed in the table above are unprecedented. Breaking Down this Sell-off – among the most extreme and rare Wall Street has ever seen, authored by Michael Santoli, Senior Markets Commentator of CNBC captures it well. The Feb-Mar 2020 selloff of 30% was the fastest 30% drawdown in history and is a similarly stark review of what has occurred. The S&P 500 Index peaked on February 19th, and in only 6 weeks until the end of the quarter, it declined 23.7%. All sectors have been hurt badly. None moreso than energy. That sector dropped by 36.8% in March alone and at 3/31 was down 53.1% YTD, based primarily on the collapse in oil prices as the Saudi's and Russians flooded the market, while at the same time overall global demand for oil 'dropped off a cliff'. The spill-over effect from collapsing oil prices on the entire economy is not positive.

In these quarterly *General Newsletters*, we routinely make mention and encourage you to stay tuned for the quarterly *Bank Performance Newsletter*s – which follow this letter in about a month. (In Chapter 3, we'll comment more on what we anticipate for earnings – both in Q1 and going forward.) We emphasize how impactful and important earnings are to the stock prices of our companies over the long-run. But, this upcoming earnings season is likely to have a more muted effect on stock prices as the world remains focused on data pertaining to "flattening the curve" or stemming the tide of the coronavirus. Additionally, for the foreseeable future, macro-economic data (which we'll comment on in Chapter 4) is likely to trump Q1 core operating results from our banks as well. Nonetheless, Q1 results will still matter and we look forward to reviewing them with you soon. (Spoiler Alert: **core** performance is likely to be stronger than anticipated.)

Chapter 2: The CARES Act & Various Measures of Regulatory Relief: Their Positive Impact on Banks

On March 27th, Congress passed and the president signed into law a truly historic piece of legislation: the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The $2 Trillion spending bill is unprecedented in our history – but even so, it is unlikely to be the final installment of aid/help to Americans. It is sweeping in its scope and scale. Along with regulatory relief, its impact on the banking industry is broad and positive. So much so, that we now dedicate this entire chapter to updating you on how it will likely effect the financial services sector.

Designed to provide emergency economic assistance to businesses, families, and individuals, the CARES Act also recognizes the important role that community banks play in the U.S. economy and includes several provisions which will allow community banks to help facilitate the badly needed economic recovery. The following is a brief overview of how banks are being empowered to support and spur on the economy:

1. Troubled Debt Restructurings. Providing temporary relief from troubled debt restructurings (TDRs), Section 4013 of the CARES Act stipulates that a financial institution may elect not to apply GAAP requirements to loan modifications related to the COVID-19 pandemic that would otherwise be categorized as a TDR, and suspends the determination of loan modifications related to the COVID-19 pandemic from being treated as TDRs. On March 22nd Federal banking regulators released a joint statement assuring institutions that offering loan adjustments to individuals and businesses is seen as "positive and proactive" which will not be subject to higher capital charges as a result. But it is important to note that this relief applies only to those loan modifications made with respect to loans that were not more than 30 days past due on December 31, 2019.
2. Community Banking Leverage Ratio. Federal banking regulators have adjusted the calibration of the simplified capital framework for community banking institutions (the community bank leverage ratio framework, or CBLR) down from 9% leverage ratio to 8%. Additionally, banks that breach the ratio will be granted a "reasonable" grace period to come into compliance during the duration of the emergency situation. This temporary relief will allow community banking organizations to focus on supporting lending to creditworthy households and businesses given the recent strains on the U.S. economy caused by the coronavirus.
3. Suspended CECL Compliance. You may recall our *2019 Second Quarter Bank Performance Newsletter* where we detailed the new accounting standard applicable to banking institutions going into effect in 2020 and 2021. The CARES Act pushes back the date for most community banks from January 2021 to January 2023, giving bank management the opportunity to focus on operations critical to economic recovery.

4. Lending Limits. As most are aware, a bank is typically limited in the amount of credit that it may extend to one borrower. The OCC has been authorized to exempt any transaction or series of transactions from the national bank lending limits for loans to nonbank financial companies (Section 4011 of the CARES Act) providing more liquidity to the rebounding economy when it needs it most. This authorization will expire on December 31, 2020.
5. Bank Debt Guarantee Program. The FDIC has been authorized to recreate the liquidity guarantee program that was in place during the Great Recession. The re-formed BDGP allows the FDIC to guarantee bank and bank holding company debt and all noninterest bearing transaction accounts that exceed the $250,000 FDIC insurance limit (Section 4008 of the CARES Act) fostering continued confidence in the nation's banking system.
6. Small Business Administration Paycheck Protection Program. Along with the direct payments to most taxpayers, the Paycheck Protection Program (PPP) has been dominating headlines since it was finalized as part of the CARES Act. The program provides banks a zero risk-weighting to the risk-adjusted capital calculation for virus-related Small Business Administration loans. The legislative package will initially provide around $350 billion of business continuity funding for small businesses. The banks participating in the program will benefit from the zero-risk weighting on this asset and additional interest and fee income.

As we'll further detail in Chapter 5, the timing of the re-opening of the economy, and the preparedness of the nation's businesses will greatly affect the shape of the upturn. It is our opinion that the legislation summarized above will not only help to provide the best-possible footing for businesses as the shutdown gradually ends, but positions community banks across the country to take an active role in the recovery process.

Chapter 3: The State of the Banking Industry Pre- and Post-Coronavirus

Building on the important information presented in the previous chapter, we now reiterate and supplement key points from our previous communications, highlighting the strength of the banking industry "pre-coronavirus", and our fervent contention that this current market crisis has not been induced by any inherent weaknesses in the financial system; but rather, by Covid-19 and its profound effect on the overall economy (predominantly from "sheltering-in-place"). This is NOT a repeat of the Great Recession caused by a perfect storm of events in the early 2000's which resulted in a real crisis in the banking system. Mike Mayo, a renowned and outspoken bank analyst, recently highlighted during an interview on CNBC that the U.S. banking industry as a whole has $1 Trillion more capital on its balance sheet and $4 Trillion more liquidity (deposits and other funding) than it did before the start of the '08-09 calamity. In fact, many sophisticated investors like Mayo believe that, this time around, banks will end up being a major part of the **solution** to this crisis – not a **problem** causing it. Nonetheless, at this writing, it's not perfectly clear (but wouldn't be surprising) if some banks may use the 1st quarter as an opportunity to "throw everything but the kitchen sink" at this situation. Excepting any one-time, non-cash, catch-all expense provisions/accruals, we anticipate Q1 core earnings at our banks to be very solid.

Let's briefly recap where things stood in the banking industry "pre-coronavirus": tangible capital was at all-time highs, asset quality was exceedingly strong, profits were exceptionally robust, core funding was excellent, and banks were able to demonstrate extraordinary resilience when subjected to regulatory stress tests. Our Interim Update from March 5th provided a "top ten" list of why banks are so sturdy. While all that is well and good, what matters most is how banks will fare during the current crisis and what they'll likely look like "post-coronavirus"?

As you might expect, there will be positive and negative impacts on banks due to the outbreak. Let's start with some pluses: increasing loan balances (over time) and the corresponding interest income and fees derived from increased lending activity will boost net interest income and improve the bottom line – even if it doesn't necessarily expand net interest margins. Data from the Federal Reserve suggests annualized loan growth at smaller banks was 14% in Q1 '20, double what it was in Q4 '19 and quadruple Q1 '19. Most of the loan growth occurred in commercial business loans. Margins will be under some pressure – but wider 30-day LIBOR spreads vs. Fed Funds could provide some margin protection for commercial lenders.

Going forward, various lending programs arising from the CARES Act, especially the Payroll Protection Program under the SBA, will likely prove to be a boon for our community banks who are SBA lenders. The loans made under this program will be very safe and most of the balances will eventually be "forgiven" by the government as employers use these funds to support payrolls for their employees. Beyond CARES-related lending activity, in time, funding on previously unused, secured working capital lines of credit, is likely to grow meaningfully. This too will generate more interest income for banks. Next, with low interest rates, mortgage loan origination activity – both refi's and new production – will be a source of increased revenue for banks. As noted in Chapter 2 above, loan loss reserve requirements have been amended and will help partially preserve earnings. Finally, the Treasury and the Fed are "pumping liquidity into the system" in a manner and amount exceeding the levels used during the Great Recession. So, given the incredibly strong "starting point" for banks, plus many new benefits being implemented now, banks are very likely to be a nice "port in the storm" for investors – eventually.

Of course, there are some of the minuses too: certain fee income categories will be under short-term pressure at all banks. As 'good corporate citizens', banks are likely to moderate overdraft charges and may reduce or waive certain ATM fees.

Also, wealth management fees tied to asset values will decrease. But, the single biggest wildcard in all this will be the potential for defaults, bankruptcies, and restructured loans and the corresponding outcome on loan quality. In truth, no one knows what will happen here. That's part of the reason **all** banks, regardless of their historical asset quality experience, have been "marked down" – as the depth and impact of the medical crisis unfolded. It's simply too early to make any realistic projections around this matter.

However, in an earlier message we asked the rhetorical question: "is past prologue"? Let's assume that median loan charge-offs during this crisis equal the worst year of the Great Recession, which was the highest level of loan charge-offs in the history of the banking industry. That loss ratio was 42 basis points. Now, consider that the median pre-tax, pre-provision earnings produced by banks for the last two years averaged 1.365%. The "math" shows that most banks will sustain substantial profitability IF history repeats itself and median loan charge-offs match the worst levels in roughly 100 years. Earnings "coverage" of roughly 3X for this estimated level of loan losses appears to be significant. Furthermore, tangible book values wouldn't be depleted at all. In fact, using this example, TBV would continue to grow, albeit at a slower rate than recent years.

The point or key takeaway from this "what-if" scenario is that, using fairly bleak assumptions, tangible book value might be undiminished from current levels; and therefore, many banks which are currently selling for **below** book value may enjoy a nice "pop" in their stock prices, even if they only return to "book" value. That uptick could be substantially greater if more typical Price/Earnings or Price/Book multiples reappear over time.

We continue to rely on our bankers' "good judgments" in managing credit. Boards, managements and lending teams of our banks have proven track records in this area. And, while there may be unexpected losses, the collective cautiousness of banks in our portfolios, are likely to produce better-than-peer results. Since the inception of our venture, we've harped on the importance of tried-and-true, unadventurous loan underwriting standards. We believe that now, more than any time in modern history, conservative banks with the best asset quality will be recognized and rewarded for their safe approach toward extending credit. Since this is the main attribute and hallmark of our banks, we anticipate the best possible outcome for loan loss expenses. Given its importance, we repeat what we mentioned in Chapter 2 regarding the status of the suspension of the implementation of accounting rules related to "CECL" (current expected credit losses). We truly believe that this action is in the best interest of banks, bank stock investors and all citizens.

Finally, a word about stock buy-back programs and dividends. The major banks jointly announced the suspension of their stock buy-back programs prior to the passage of the CARES Act. We believe this was done more as a goodwill/PR gesture than to preserve capital. "Stock buy-backs" have become a dirty concept on Capitol Hill. Our belief is that discontinuing stock buy-backs was appropriate and necessary from a political expediency standpoint – not so much from a balance sheet strength position. Some big European banks have also canceled their dividends. Those banks are far weaker than their American counterparts. So, those cuts may have been "spun" as them behaving responsibly and being good corporate citizens, but might, in truth, have been done more out of necessity to preserve capital. As it relates to **our** community banks, capital remains abundant and our forecast is that dividends will continue as normal.

Given all of the above, our overall conclusion is that "post-coronavirus" our community banks will show themselves for what we they are: the cream-of-the-crop and great long term investments.

Chapter 4: Economic Data and What to Make of It

First of all, we must emphasize that most economic data provides a "backwards look" at what has happened. The information lags what's occurring "live time". So, as bad as the economic news has been, it'll get worse before it gets better. Unemployment, GDP, and everything that flows from those major measures, will be the worst since the Great Depression. Speaking of depressions, a key question is: will our current situation become one? The definition of a depression includes various factors including: prolonged high levels of unemployment, unavailability of credit, reduced economic output, increased bankruptcies, reduction in trade/commerce, price deflation, etc. Some of these factors have already been triggered due to the pandemic – while others do not seem likely to occur at all. Key among the conditions for a depression is the lack of available credit; but given the aggressive actions taken so far by our central bank and government, credit is still flowing. Bank failures are another characteristic of a depression – none on the horizon! But, we could and may experience other distinguishing elements of a depression; specifically – deflation and extraordinary unemployment – especially with the radical decline in oil prices and the inescapable stay-at-home orders resulting in massive job losses and contraction of overall economic activity. Ultimately, a "depression" is defined by the length of time economic activity remains contracted. Some say we are already in a depression – or that one is inevitable. Our feeling is that it is too early to make a definitive call on that. (See Chapter 5 for comments on "The Recovery".)

Since you are regular readers of our materials, you know how closely we follow interest rates and the shape of the yield curve. Bank stock prices and the spread between short and long term rates are highly correlated. That's the key reason we follow rates and curves so closely. But the degree of interconnectedness between rates/curves and bank stock prices may have evaporated for the time being. Many of you follow yields on debt closely. As the virus intensified, yields on

U.S. bonds moved radically. First, there was a glut of buyers of UST's as a "safe haven". This drove bond prices much higher and yields much lower. The 10 year UST hit an all-time low of 31.8 basis points in March. Shortly thereafter, as panic selling of any and all assets (including UST's) took hold, bond prices dropped and yields "skyrocketed" back to 1.12%. At this writing, the yield on the 10 year UST is 0.729%. The spread between 10's and 2's was all over the place in March as well – but has settled down and been fairly steady around 0.50%. All markets began to break down during this period and that caused the Fed to spring into action. Thank God they did. Panic subsided; but fear still exists. So, what can you conclude from all this? Not as much as we would in ordinary times. We've previously shared that community banks are not immune from margin pressures in a low rate environment. But they manage it very well compared to their big bank brethren. Accordingly, we hope you might take economic data and rates/curves with several more grains of salt than normal. Profoundly negative headlines and journalistic sensationalism will proliferate for the foreseeable future. Continue to think long-term, please!

In our roles as investment advisors, we are lucky to receive some great publications. The following link to TIFF Insights – CIO Quarterly Commentary is one of the best, most balanced and astute pieces we've come across recently. While it contains useful "economic data" (the subject of this chapter) what it really encompasses is excellent "perspective" about the current environment. We urge you to click this link and digest the commentary as it mirrors our thoughts and feelings – not only about the economy – but about how we think and behave as an investment advisor.

Chapter 5: The "Recovery" – How, When, What, Where and Why

"What has so often excited wonder, is the great rapidity with which countries recover from a state of devastation, the disappearance in a short time, of all traces of mischief done by earthquakes, floods, hurricanes, and the ravages of war. An enemy lays waste a country by fire and sword, and destroys or carries away nearly all the moveable wealth existing in it: all the inhabitants are ruined, and yet in a few years after, everything is much as it was before."
-John Stuart Mill, Principles of Political Economy, 1848

Depending on to whom you listen, the economic recovery from this sudden global shutdown will either be quick (says mega investor Bill Ackman) or "a long, hard road" (according to the Fed's Neel Kashkari). And we hear a lot of alphabetical letters being used to describe what the recovery could look like if you think of it as a line graph: a V, a U or, worst of all, an L (sharp sudden drop and long gradual climb). But what does that mean? Fortunately, some economic projections are starting to emerge, and research analysts at Raymond James recently provided the following prognosis:

Bullish
Scenario 1 – V-shaped recovery (10% probability)
Scenario 2 – "Short-based" U-shaped recovery (40% probability)
Bearish
Scenario 3 – "Long-based" U-shaped recovery (40% probability)
Scenario 4 – W or L-shaped recovery (10% probability).
(Scenarios are based on projections of 2020 and 2021 cumulative losses, median tangible common equity at YE2021, 2022 earnings and median net charge-offs)

As more information gradually becomes available each day, we agree with the analysts at Raymond James and believe that a U-shaped recovery looks most probable. Right now, it appears there are simply too many significant conditions that must be met for the V-shaped recovery to happen (i.e. the pandemic ends fairly quickly and at about the same time across the country, businesses rehire most workers and start investing right away, etc.). Too much structural damage has been done; jobs and businesses lost that may never come back. Supply chains have been broken and need to be rebuilt. This all reinforces that additional time will be required to rev up the economic engine – making the V-shaped recovery less likely than initially thought.

The U-shaped recovery means that the rebound will take more than a couple quarters. We predict that the easing of lockdown measures will be gradual, social distancing will continue and industries such as tourism and hospitality will likely continue to suffer. Even with the massive government interventions, businesses will take some time to recover. Companies will have to find their footing in the post-pandemic "new normal", limiting their ability to plan, react to market changes, hire employees, and re-establish customer relationships.

Right now, every economist is struggling to predict the recovery timeline. But the most common variables in all their equations are clearly the timing and depth regarding when and how fully the re-start will happen. Those factors will have the greatest effect on the shape of the upturn. And the strength of the expansion will also depend upon business and consumer behavior, government finances, and a global (not just the U.S.) recovery.

One more very important point should be emphasized. In this letter and elsewhere, folks are talking about "the recovery". Sometimes they will be referring to the rebound of the economy as a whole and other times about the uptick in the stock market. They are two different things. Which will occur first? Will the market bounce once it becomes clear the economy is open for business; or will the market lag and wait for definitive proof that things are better? Our belief is that there may be a decent, but not complete, upswing off the bottom initially, and then maybe some "wait and see" before things gradually resume some semblance of normalcy. Both Morgan Stanley and Goldman Sachs are advising clients that "we've seen the bottom"/"it's time to pile into stocks." Others remain bearish. Regardless of all the opinions out there, several things remain true: there are lots of variables, but not a lot of certainty. That is why we will continue to heed the old saying, 'hope for the best but always prepare for the worst'.

Chapter 6: Logistics: Annual Investor Meeting Postponed; Questions to us for Next *Interim Update*

We view the Annual Investor Meeting as the highlight of our corporate year. We truly love hosting it and seeing so many of you there. Not surprisingly, like all other group gatherings, we've no choice but to postpone it. We hope to reschedule it – but it's too early to commit to a new date. In the meantime, we are eager to receive your questions and/or comments. We'll amalgamate the questions and send you another *Interim Update* in which we'll answer your queries.

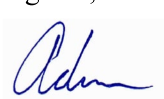
We believe we provide quite a bit of information to you. But, we want to ensure that we haven't missed anything that's on your mind. So, by all means, **please** take just a few moments and email us a question (or several). We realize this isn't nearly as fun as gathering for a nice meal and huddling together as a group; but, for now, it's the safest alternative.

Epilogue: For us, Q1 2020 will go down as the most unbelievable in our careers. We're certain we are not alone. In talking/emailing/texting with folks, we find that a common theme emerges. It seems that many of us are trying to imagine what our ancestors were feeling during the onset of a World War or the Great Depression. While not precisely the same, some of the "sacrifices" all of us are enduring, as well as our collective sense of uncertainty, must bear some resemblance to what our forbearers felt. Let us draw on the examples of their perseverance and courage to face our current crisis.

Closing: Importantly, as you review your statements forthcoming in the next few days, please don't lose heart! We have not participated in panic selling and we continue to look for opportunities to add to our portfolios by selectively seizing some bargains present in the market today. Price/Earnings multiples have "gone out the window". Supply and demand always influences stock prices – but much more so than usual during this pandemic-induced market selloff. Since there've been many more sellers than buyers of late, some of our banks are now selling at or below book (liquidation) value. That's crazy! And using the most trustworthy and old-fashioned method of determining "value", i.e. discounted cash flow – virtually all of our banks are selling at inappropriate valuations when compared to DCF modeling. We reiterate our positive long-term views outlined in this letter. Again, if you are holding higher proportions of cash than usual, we invite you to consider adding to your investment with us during what may be a once-in-a-decade buying opportunity.

As always, you may reach us by replying to this email or by calling the office at 574-243-6501, John's cell at 574-276-1128, or Adam's cell at 440-667-5974.

With warmest personal regards,



P.S. We've found the following materials to be very informative, useful and enlightening and we warmly encourage you to click the links to both of them.

Morgan Stanley: On the Markets – April 2020
Jamie Dimon, CEO JP Morgan: Annual Shareholder Letter - 2020

Given the length, breadth and depth of this letter, the Appendices with various charts which we normally include will be added to our website and we invite you to peruse them there. The website is www.rosenthalpartners.net and the password/login to the Investor ONLY section of the site is: banksrus

Additional Investment Form

I wish to *increase* my investment by:_________________________________

(Fill in any dollar amount ≥ $10,000)

Fund 1 Fund 2 Fund 3

(Circle the one(s) that you wish to increase your investment)

Name:____

Email:____

Best Phone #:____

I understand you will forward additional paperwork for me to execute which will indicate that I continue to accept ***all*** the terms and conditions of the Limited Partnership Agreement.

Please return this form using any of the following options:

Scan and email to: john@rosenthalpartners.net

or

Fax to: 574-243-4377

or

Mail to:

John W. Rosenthal Capital Management, Inc.
4220 Edison Lakes Parkway
Ste. 310
Mishawaka, Indiana 46545

THERE IS NO NEED TO SEND CASH NOW

We will Invoice You at the Proper Time

Questions Please Call 574-243-6501