



PELICAN BAY

CAPITAL MANAGEMENT

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NEW INVESTMENT MANAGEMENT FIRM LAUNCHES IN NAPLES, FLORIDA

NAPLES, FL. -- Pelican Bay Capital Management, LLC announced today the launch of a new Investment Management Firm headquartered in Naples, FL serving Individual and Institutional Investors. Pelican Bay Capital Management offers three distinct investment portfolios available in separately managed accounts; the Concentrated Value Portfolio; the Dynamic Income Allocation Portfolio; and Phoenix Portfolio. At the core of each portfolio lies a disciplined value investment philosophy. Mr. Tyler Hardt, CFA serves as the Portfolio Manager for the firm. Mr. Hardt is also the Founder of Pelican Bay Capital Management.

“After nearly a decade of researching companies and selecting stocks for highly regarded Mutual Funds at Artisan Partners, I am very excited to launch my own investment firm and have the opportunity to create and manage the firm’s portfolios and also working closely with my clients to help them achieve their investing objectives. My investing mentors have all started their own investment management firms and I’m looking forward to following in their footsteps.” said Mr. Hardt. “When I was selecting cities to start my firm, I could think of no better location than Naples, my home town. I look forward to contributing to our vibrant community and giving my children a chance to experience the wonderful childhood that I enjoyed growing up here.”

Pelican Bay Capital Management provides its clients the opportunity to invest in three distinct portfolios. These investment products include a traditional value fund that operates with a higher degree of concentration than most peers; a unique low-cost multi-asset income fund for those investors seeking stable income; and finally, a distressed value-investment strategy that takes advantage of structural market inefficiencies created by biases against institutional ownership of financially levered companies with low-stock prices.

More detailed information on each of the portfolios can be found below.

Concentrated Value

At Pelican Bay Capital Management we believe there are three keys to generating market-beating equity returns in the long-run. These attributes are: operating with a value philosophy; a preference for above market dividend yields; and maintaining a concentrated portfolio. We utilize these core beliefs to manage investments in our Concentrated Value Portfolio. This Portfolio utilizes a value investment philosophy that focused on holding a limited number of long equity positions with higher than average dividend yields.

Generally, our value investment strategy seeks out companies for investment that the Portfolio Manager deems to be high quality companies as defined by possessing business operations with durable competitive advantages that allow for high returns and growing cash flows streams. We want these high-quality companies to also have solid balance sheets, preferably with a net cash position. We also prefer that their management teams make decisions with an emphasis on maximizing shareholder returns.

Once we find these high-quality companies we generally only invest in their stock if they trade at a steep discount to our estimate of their intrinsic value. This is necessary to provide our investors the opportunity to generate an above-market return and protect capital. This discipline creates a wide margin of safety in the event an undesirable scenario plays out in the future. Pelican Bay Capital Management believes that identifying a significant difference between the daily market value of a security and the intrinsic value of that security is what defines an investment opportunity.

Pelican Bay Capital Management employs a largely unconstrained approach that seeks to maximize long-term total returns for our clients. For example, the firm is not constrained by market capitalization, industry, sector or geography in seeking investment opportunities for clients. The Concentrated Value Portfolio invests primarily in common stock positions and depositary receipts (e.g., ADRs), but is permitted to invest in preferred stock, convertible bonds, exchange traded funds, mutual funds, REITs, foreign securities, and cash in order to execute its investment strategy for clients. The Concentrated Value Portfolio emphasizes long-term holding periods for its investments and our goal is to have relatively low portfolio turnover.

Dynamic Income Allocation

As Value Investors, we believe that the core foundation of an individual investor's portfolio strategy should emphasize income and the protection of principle. We believe these goals represent the fundamental keys to preserving the wealth built over a lifetime of saving and investing.

At Pelican Bay Capital Management our Dynamic Income Allocation Portfolio is designed to function as the core foundation of an investor's portfolio.

The Dynamic Income Allocation Portfolio utilizes a top-down approach that seeks to maximize diversification and reduce correlated returns by investing in a portfolio of low-cost ETF's that track the indices of several different asset classes, including but not limited to: Domestic

Equities; International Equities; Emerging Market Equities; Sector Specific Indices; Master Limited Partnerships; Preferred Stock; Investment-Grade Corporate Bonds; High-Yield Corporate Bonds; U.S. Treasury Securities; Developed Country Sovereign-Issued Debt; Emerging-Market Sovereign-Issued Debt; Securitized Loans; and Money Market Funds.

In the process of achieving the desired diversification, the Portfolio Manager applies our value investing principals to actively select a target allocation among ETF's that we believe are undervalued. Our objective is to boost returns beyond the benefits of simple diversification by having larger portfolio weightings in asset classes that we believe are undervalued with better upside return potential. Similarly, we will shy away from owning overvalued asset classes.

In addition to tactically allocating between multiple asset classes, we also strive to construct a portfolio that has a current dividend yield that is greater than the dividend yield of the S&P 500 or ten-year U.S. Treasuries. In our view, elevated income can add stability to a portfolio and maximize the benefits of compounding through reinvestment.

Pelican Bay Capital Management has formed a partnership with Regal Investment Advisors who will have the exclusive use of the Dynamic Income Allocation Portfolio for their community of Investment Professionals.

Phoenix Fund

The Phoenix Portfolio utilizes a long equity portfolio that employs a distressed value-investment strategy. The fund takes advantage of structural biases against institutional ownership of financially levered companies with low-stock prices.

We seek companies that have had their stock prices fall 70% or more in the last two years and are often priced below \$10 dollars per share. This outcome typically leads to forced selling from their institutional shareholders, creating the opportunity to make outstanding investments for less constrained investors. Generally, these companies are under distress from poor performance caused by temporary factors. These companies generally have elevated levels of debt, and any prolonged period of business stress could cause stockholders to endure substantial losses. The Phoenix Portfolio is a high-risk high-return investment strategy. Please see the Risk of Loss Section of Part 2A of Form ADV referenced below.

The Phoenix Portfolio employs a largely unconstrained approach that seeks to maximize long-term total returns for clients. For example, the firm is not constrained by market capitalization, industry, sector or geography in seeking investment opportunities for clients. The Phoenix Portfolio invests primarily in common stock positions and depositary receipts (e.g., ADRs), but is permitted to invest in preferred stock, convertible bonds, corporate debt, exchange traded funds, REITs, foreign securities, and cash in order to execute its investment strategy for clients. The Phoenix Fund investment strategy will generally have high levels of cash as opportunities to deploy capital in new investments can be limited during times of strong market performance. General we desire to hold stocks for enough time to generate long-term gain treatment for tax purposes. However, the Phoenix Fund will generally sell positions and generate a short-term gain if returns during the short-term period meet our return criteria.

The Phoenix Portfolio is only available to “Qualified Clients” pursuant to section 205(e) of the Investment Advisers Act of 1940 and section 418 of the Dodd-Frank Act.

About Pelican Bay Capital Management, LLC: Pelican Bay Capital Management, LLC is a Registered Investment Advisor headquartered in Naples, Florida. Our firm provides discretionary portfolio management services to individual and institutional investors through separately managed accounts. Mr. Tyler Hardt, CFA serves as the Portfolio Manager for the firm’s Investment Strategies.

About Tyler Hardt: Tyler Hardt, CFA is the Founder, Portfolio Manager, and Managing Member of Pelican Bay Capital Management, LLC. Mr. Hardt has 10 years of investment management experience and is the lead Portfolio Manager for all three of Pelican Bay Capital Management’s portfolios. Prior to founding Pelican Bay Capital Management, Mr. Hardt spent 9 years as an Equity Analyst on the Domestic Value Team at Artisan Partners Asset Management. Mr. Hardt has also held Corporate Mergers & Acquisitions and Corporate Strategy roles at AT&T and American Tire Distributors. Mr. Hardt received his MBA with Honors from the Wharton School at the University of Pennsylvania. He graduated Cum Laude from the University of Maryland with a Bachelor of Science in Finance. Mr. Hardt lives in Naples, Florida.

For more information please see Part 2A of our Form ADV available on the SEC’s website at www.adviserinfo.sec.gov. You may also request a copy from Pelican Bay Capital Management by e-mailing us at info@pelicanbaycap.com.

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