

Profile

Thomas

F

Paolozzi III

First Name

Middle Initial

Last Name

160 Chilean Avenue

Home Address

Suite or Apt

Palm Beach

City

FL

State

33480

Postal Code

tfp@alexcapadv.com

Email Address

Mobile: (203) 536-1415

Primary Phone

Business: (203) 966-7707

Alternate Phone

Which Boards would you like to apply for?

Investment Advisory Committee: Submitted

Question applies to multiple boards

I am a resident of the Town of Palm Beach (Initial below)

tfp

Question applies to multiple boards

Please attach proof of Town of Palm Beach residency. Failure to attach proof of residency shall be grounds to reject your application. Proof of residency shall be either a copy of your Florida's Driver's License matching the address of your residence as shown on this application, a copy of a utility bill in your name at the residence address shown on this application, or by providing an original, fully executed and notarized Declaration of Domicile with this application.

Question applies to multiple boards

Please upload proof of residency

Occupation

In what area of town do you live?

None Selected

Interests/Experience

Question applies to Investment Advisory Committee

Why are you interested in serving on the Investment Advisory Committee?

I have owned a house in Palm Beach for 19 years and love the town and want to add to its financial independence going forward. I plan for the first time to also become a full time resident of Palm Beach this year.

Question applies to Investment Advisory Committee

How many meetings of the Investment Advisory Committee have you attended in the past two (2) years? *

☒ 0

Please indicate if there are any periods of time for which you will be unavailable for meetings.

None

Question applies to multiple boards

If you have served on any boards/commissions/committees in the Town of Palm Beach or elsewhere, please list them and include details such as length of service, attendance record, etc.

N/A

Question applies to Investment Advisory Committee

Please describe your current or prior investment experience, and describe any fixed investment experience you may have.

I have owned an RIA for 17 years and also am a portfolio manager for a US Small and Mid-Cap Value alternative fund with returns roughly twice the Russell 2000 and a downside capture of ~75%. I have been in the business for thirty years and enjoy managing portfolios. I love investing and managing funds with an eye to the downside and making people and institutions superior risk adjusted returns.

Are you a member of any of the following organizations? (Check all that apply)

None Selected

Present Occupation

RIA Owner & PM

Thomas F Paolozzi III

No. of years

17 years

Past occupation(s)

Investment Advisory with the major investment firms.

No. of years

30 in total including the 17 above.

Please provide details regarding your educational background:

BA in Mathematics from The College of William & Mary 1985 and a diploma from Phillips Academy Andover. Please see our website: www.alexcapadv.com. See website, LinkedIn, and the presentation attached for information on myself and accomplishments. I can also prepare a CV if needed.

Upload a Resume

Have you ever been convicted or pled guilty or nolo contendere to a crime other than minor traffic violations?

☐ Yes ☒ No

If you are currently serving on a Town board, commission, or committee, please identify in the space below and check the "I Agree" box indicating that you will resign from that position if you are appointed to the position you are seeking in this application.

I agree that I will resign from the board, commission, or committee if I am appointed to the position I am seeking in this application.

☒ I Agree

To enable Town Council to consider potential conflicts of interest, please list the family members who live and/or work in the Town of Palm Beach, including your spouse, parents, siblings or children.

My Spouse Lisa L Paolozzi but she currently does not have any positions in town.

Demographics

Some boards and commissions require membership to be racially, politically or geographically proportionate to the general public. The following information helps track our recruitment and diversity efforts.

Thomas F Paolozzi III

Ethnicity

☒ Caucasian/Non-Hispanic

Gender

☒ Male

Physically Disabled

☐ Yes ☒ No

I hereby certify that I have read the sections of the Town Code of Ordinances for the particular board/commission/committee that I have selected above and have noted the description of the board/commission/committee and its members' duties, and further I have read the regulations concerning absences and conflicts of interests. I certify the information given by me is true and complete to the best of my knowledge and belief. I understand that any falsification of material facts will be grounds for rejection of this application of dismissal after appointment.

☒ I Agree

Question applies to Investment Advisory Committee

Please attach proof of Town of Palm Beach residency (as listed on page 1) with this application.

Please note that Board/Commission applications will expire on December 15 of each year.

INVESTMENT ADVISORY COMMITTEE

The Investment Advisory Committee consists of five members serving two year terms, appointed by the Town Council. Members of the Committee shall be residents of the Town and shall have prior fixed income investment experience. The Committee acts in an advisory capacity and shall make recommendations to the Town Council on matters relating to Town's investment policy and the investment of the Town's surplus funds. The Committee shall hold at least four meetings per year and more if it is deemed necessary. The Town of Palm Beach will not do business directly or indirectly with a Committee member or a Committee member's employer or business while they are serving on the Committee and for at least two years after the member's term has expired.

The Plato Fund

4Q 2023



Alexander Capital Advisors, LLC

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Legal Notice

This document is not intended and should not be used or construed as an offer to sell, or a solicitation of an offer to purchase, interests in The Plato Fund LP (the “Fund”). Such offer may only be made pursuant to the Fund’s confidential private offering memorandum. The information contained herein is provided for informational purposes only, is not complete, and does not contain certain material information about the Fund, including important disclosures relating to the risks, fees, expenses, liquidity restrictions and other terms of investing in the Fund, and is subject to change without notice. The information contained herein does not take into account the particular investment objective or financial or other circumstances of any individual investor.

As with any investment vehicle, past performance cannot assure any level of future results. There is no assurance that the Fund will necessarily achieve its investment objective or that it will or is likely to achieve results comparable to those shown herein, or will make any profit, or will be able to avoid incurring losses. An investment in the Fund will be subject to a variety of risks which are described in the Fund’s offering memorandum.

The performance information referred to herein has been prepared by or on behalf of the Fund’s investment adviser, and has not been independently audited, except with respect to certain audited year-end data. Performance information is shown net of the Fund’s expenses, management fees and incentive allocation. Performance information includes the reinvestment of all dividends and other income derived from, and gains from the sale of, the Fund’s portfolio positions.

This document is provided to you on a confidential basis and is intended solely for the information of the person to whom it has been delivered. Accordingly, this document may not be reproduced in whole or in part, and may not be delivered to any other person without prior written consent of Alexander Capital Advisors, LLC.

The performance information herein has been prepared by the general partner, and has not been independently audited. Such information is believed to be accurate but is not guaranteed. Performance information is shown net of the Fund’s management fees (1% per annum), but not net (i.e., is shown gross) of the general partner’s special allocation (20% of net profits). As such, the actual performance experienced by an investor was less than the returns shown in this document (and any attached performance reports) if and to the extent that a special allocation was made for the applicable period(s) with respect to the investor’s capital account. The actual net performance of an investor’s investment in the Fund (with accrual for the special allocation) is reflected in the quarterly account statements issued by the Fund’s administrator. Performance information includes the reinvestment of all dividends and other income derived from, and gains from the sale of, the Fund’s portfolio positions. Market index information shown herein is included to show relative market performance for the periods indicated and not as standards of comparison, since indices are unmanaged, broadly based and differ in numerous respects from the Fund. Market index information was compiled from sources that the Fund’s general partner believes to be reliable. However, the general partner does not guarantee the accuracy or completeness of such data.

As with any investment vehicle, past performance cannot assure any level of future results. There is no assurance that the Fund will necessarily achieve its investment objective or that it will or is likely to achieve results comparable to those shown herein, or will make any profit, or will be able to avoid incurring losses.

Investment Thesis



- Superior historical risk adjusted returns with a low correlation and downside capture compared to the major indices
- Consistent process and portfolio management team with a twelve-year track record
- Emphasis on transparency and safeguards throughout the process
- Low-cost fee structure that provides liquidity and clarity for investors (1% management fee and 60 day written notice). Closed to new capital at \$400mm
- Disciplined, consistent leadership byway of a 25-year industry veteran as the portfolio manager since the fund's inception
- Proprietarily trained analysts, either enrolled in or having completed the CFA program, undertaking granular security and market analysis

Fund Strategy



Target Sector Independent

Goal of creating diversification and returns uncorrelated with the major indices



Small and Mid Cap Domestic Equities

Concentrated portfolio: 9-12 names with a target market cap range of \$400mm-\$4B



Long Term Value Creation

Disciplined stock selection designed to produce superior, long term, uncorrelated returns



No Leverage

Utilizing the process itself to generate returns rather than taking on additional risk



Hedging & Options

Careful use of options to reduce risk and to take advantage of market inefficiencies

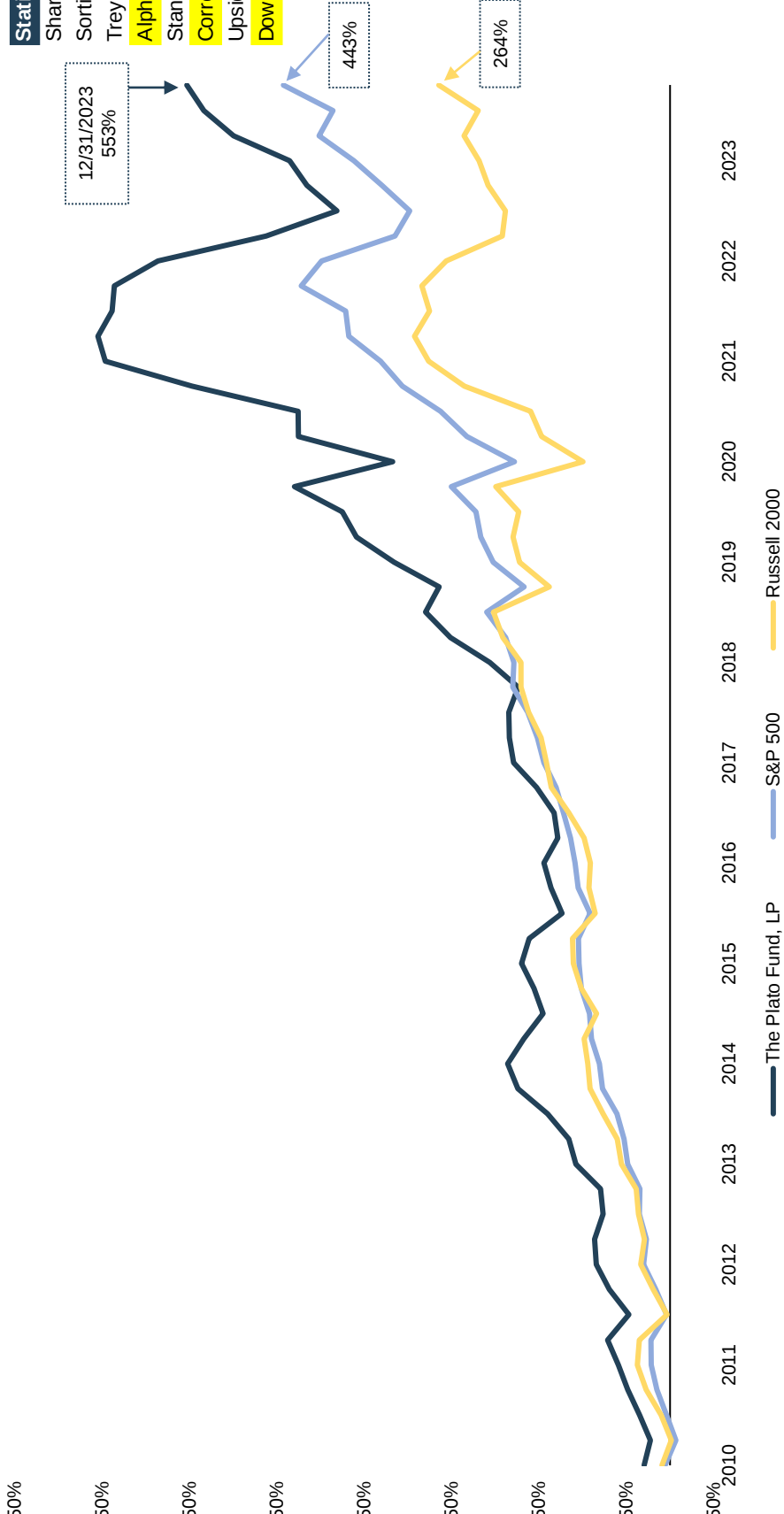


Tiered Sell Strategy

Disciplined sell process with the goal of minimizing risk and downside capture

Historical Performance

Approximate Total Return Since 1/1/2010



Statistical Analysis

Statistical Analysis*	3-Year	5-Year	7-Year	10-Year	1/1/2010
Sharpe Ratio	0.13	0.62	0.68	0.49	0.72
Sortino Ratio	0.01	0.86	1.05	0.72	1.24
Treynor Ratio	0.12%	15.61%	17.65%	11.00%	17.98%
Alpha (Annualized)	-1.42%	4.56%	8.30%	3.40%	6.22%
Standard Deviation	21.99%	23.57%	22.75%	20.98%	21.26%
Correlation Coefficient	0.85	0.85	0.79	0.79	0.75
Upside Capture	84%	92%	108%	94%	94%
Downside Capture	91%	80%	84%	85%	75%

Portfolio Characteristics

Weighted Market Cap: \$1.40B

Equity Positions: 11

Cash & Other: 12.0%

Benchmark: Russell 2000 with Dividends

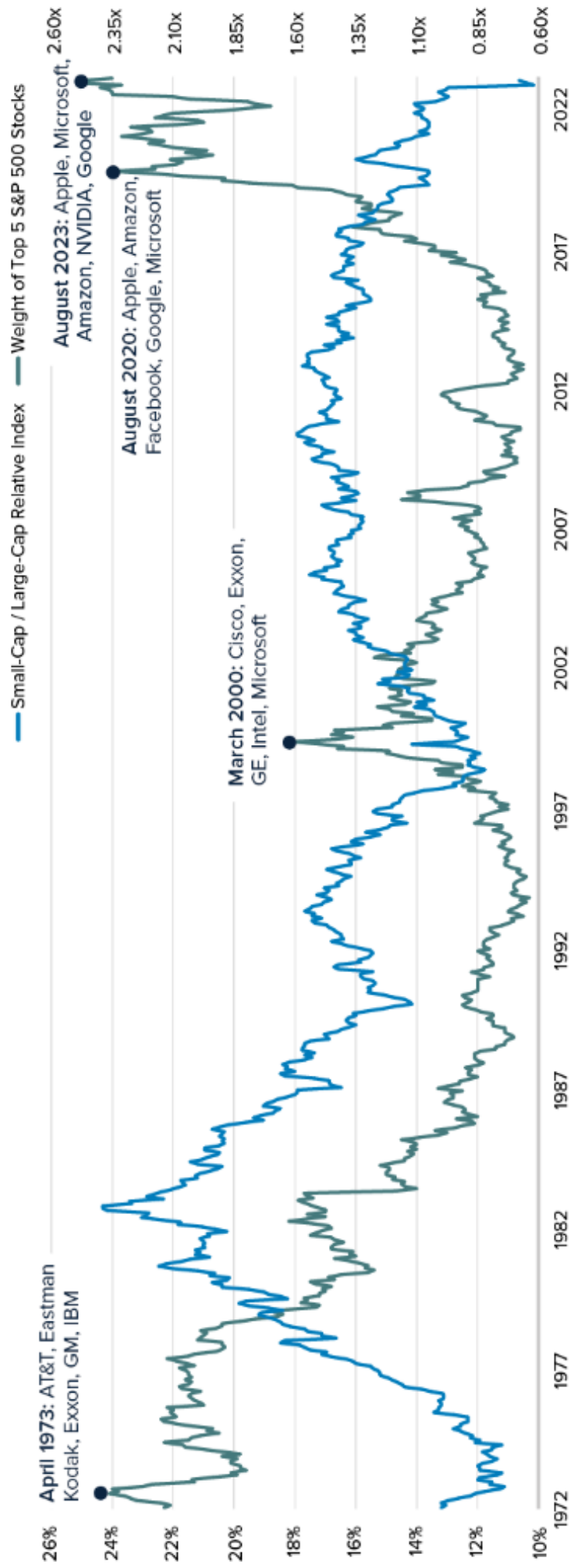
Risk Free Index: U.S. 3 Month T-Bills

*Performance & related metrics as of 12/31/23

Large-Cap Cycles Peak at Market Tops Crowded with Mega-Caps

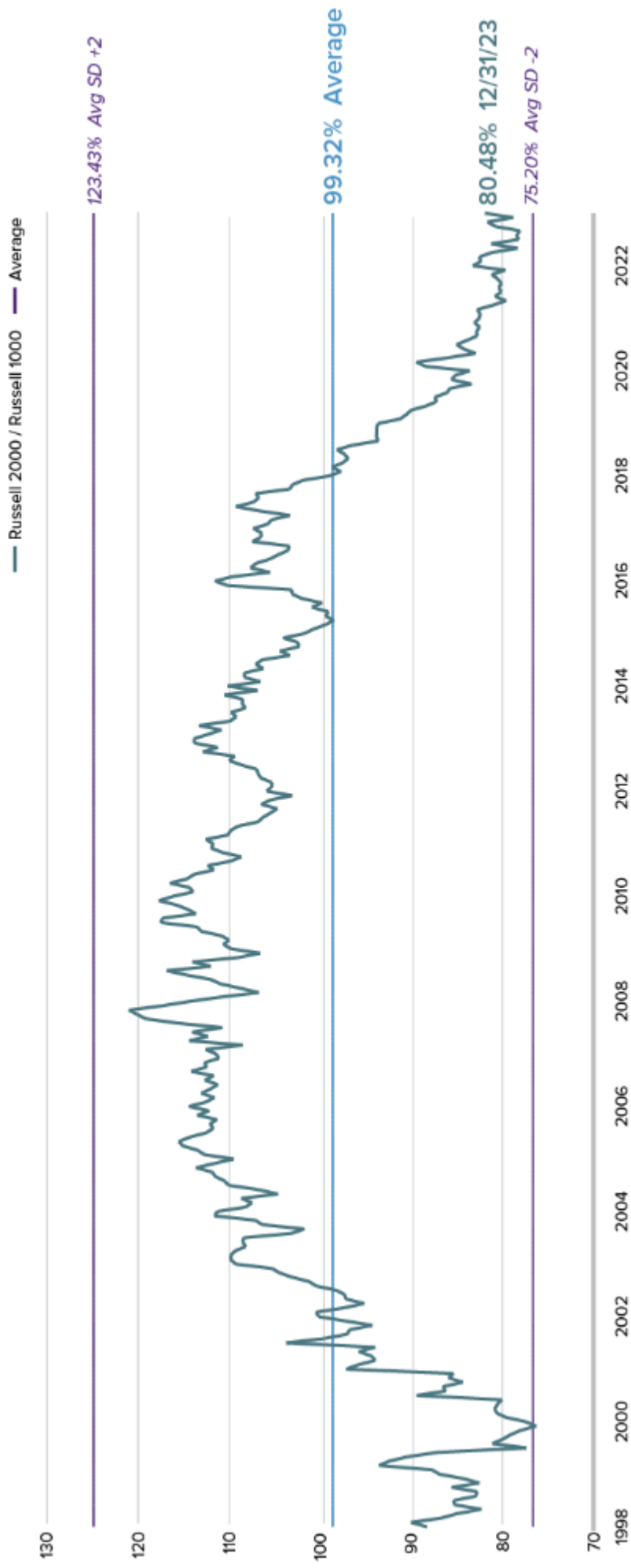
Weight of Top 5 S&P 500 Stocks vs. Small-Cap Relative Performance

From 9/29/72 through 12/31/23



Small-Cap Valuations: A Distinguished Value Opportunity

Russell 2000 vs. Russell 1000 Median LTM EV/EBIT (ex. Negative EBIT Companies)



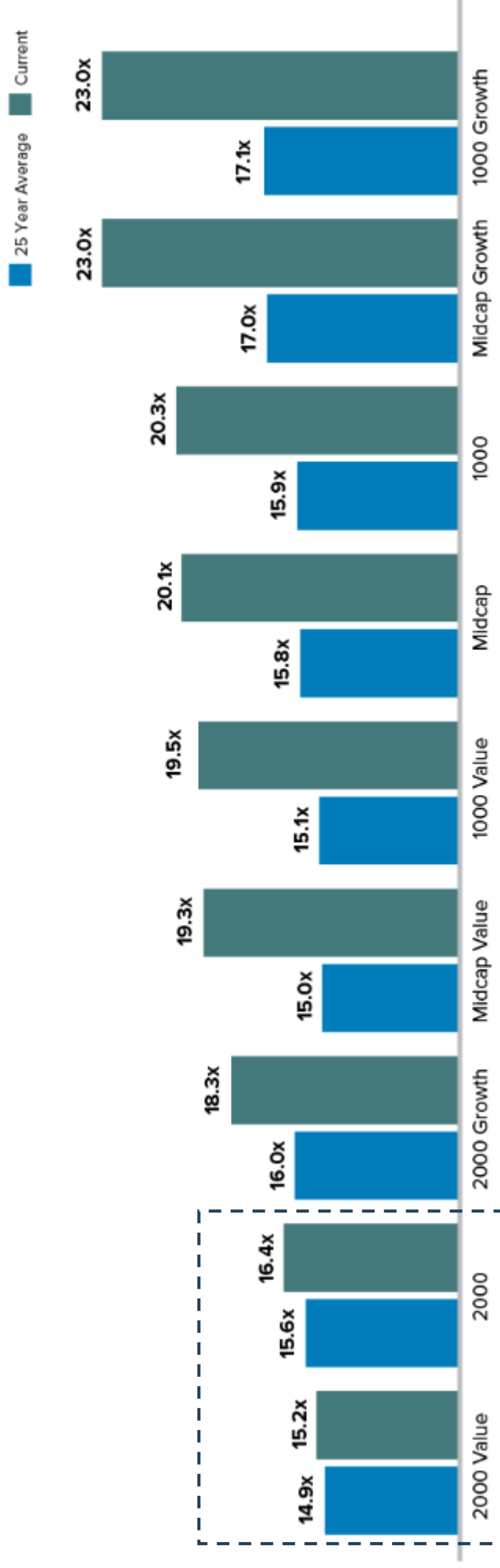
At the end of December 2023, the Russell 2000 was still extremely undervalued compared to its relative valuation range over the past 25 years.

Small-Cap Valuations: A Distinguished Value Opportunity

Current and 25-Year Average Median EV/EBIT (ex-Negative EBIT) Levels for Russell Indexes

Small-Cap Value and Small-Cap are the Only Indexes Near Their Historical Average

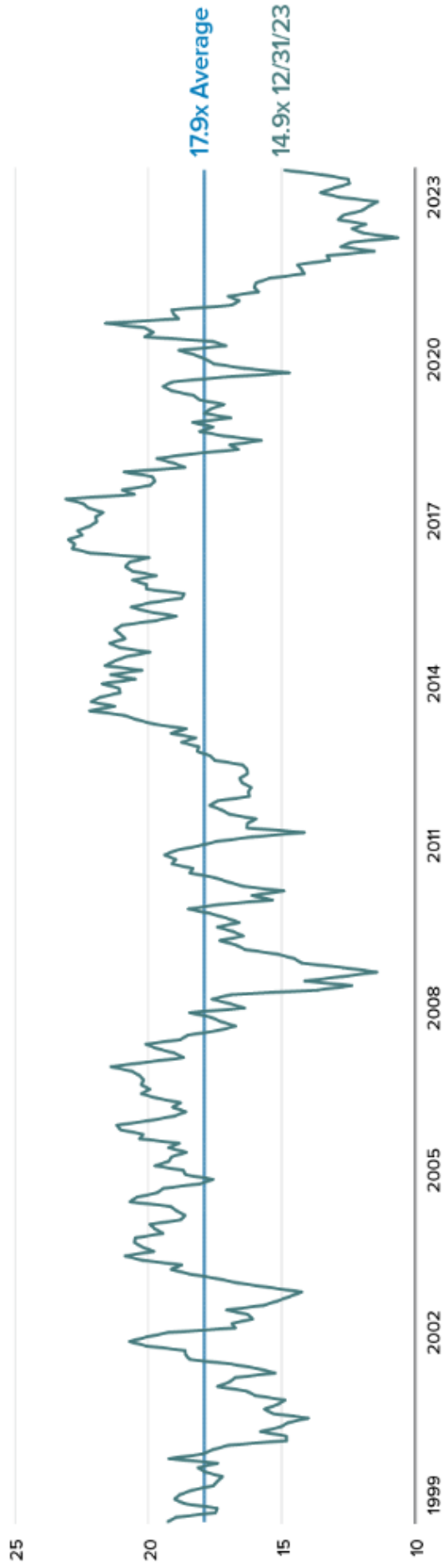
Current and 25-Year Average Median EV/EBIT¹ (ex Negative EBIT) Levels for Russell Indexes as of 12/31/23



Weighted Harmonic Average Price-to Earnings Ratio (Excluding Non-Earners) for the Russell 2000

Weighted Harmonic Average Price-to Earnings Ratio (Excluding Non-Earners) for the Russell 2000

From 12/31/98 through 12/31/23



At the end of December 2023, the Russell 2000 had a Price-Earnings multiple of 14.9x, compared to the average of 17.9x over the last quarter-century. While returns have just started to rebound, multiples have remained compressed, creating a considerable number of buying opportunities.

Operating Model

The Plato Fund seeks investment opportunities in US listed companies, drawing exhaustive research, disciplined risk management, and strict adherence to our unique strategy to build wealth for our clients

- The Plato Fund's small and mandated limited size of \$400mm facilitates analysis of securities that are typically ignored by major funds and Wall Street analysts
- As the bias toward multibillion dollar funds continues to grow, the opportunity for smaller research driven funds becomes more significant
- The firm's mission is to have a positive impact on the lives of our clients that will extend to future generations. This is reflected in our stakeholder mentality, unwavering dedication to high standards and our emphasis on developing long-term relationships



Single Point System Executor

We believe the consistency of the process and the single point investment selection leadership over the past thirteen years increases the probability that future returns will be similar to prior returns



Analyst Compensation Incentives

Fund holdings are not disclosed to analysts in order to eliminate inherent bias and incentivize objectivity



Disciplined Buy and Sell Parameters

New positions are carefully selected for downside capture and upside potential. Closing of each position is done with a consistent and disciplined approach



True 1% Management Fee with Highwater Mark

All administrator, auditing, and attorney fees are paid by the General Partner. No gates, hold backs, or side letters



Independent Custodian & Prime Broker, Administrator, and Auditor

Northern Trust Securities, LLC, Ultimus Leverpoint Private Fund Solutions, LLC, The Mercadian Group - PCOAB Auditor

Sample Investments

Air Methods



Ticker: AIRM

Market Cap: \$1.6B

Sector: Medical Services

Outcome: Exceeded Goals

Gibraltar Industries



Ticker: ROCK

Market Cap: \$2.4B

Sector: Manufacturing

Outcome: Achieving Goals

Badger Meter



Ticker: BMI

Market Cap: \$4.5B

Sector: Public Infrastructure

Outcome: Achieved Goals

NAPCO Security Technologies



Ticker: NSSC

Market Cap: \$1.3B

Sector: Security & Protection

Outcome: Exceeded Goals

Cubic Corporation



Ticker: CUB

Market Cap: \$2.4B

Sector: Transportation & Defense

Outcome: Did Not Achieve Goals

US Ecology



Ticker: ECOL

Market Cap: \$1.5B

Sector: Waste Services

Outcome: Exceeded Goals

*Market capitalizations as of 12/31/23
AIRM, ECOL, CUB are no longer publicly traded companies



ALEXANDER CAPITAL ADVISORS

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