IRON BAY CAPITAL

Iron Bay Fund, LP

MONTHLY PERFORMANCE, ***NET OF FEES***

September 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	--	--	--	**(15.42)**
2021	3.12	13.97	10.66	1.51	5.78	(4.11)	(2.26)	1.65	3.13	3.81	(.81)	2.57	**44.90**
2020	(7.28)	(8.74)	(34.61)	8.27	(5.65)	.89	(8.00)	1.94	(4.89)	13.78	19.51	7.41	**(25.71)**
2019	8.16	4.01	(5.55)	3.79	(4.79)	4.89	2.52	(6.57)	5.10	2.97	4.57	3.10	**23.09**
2018	1.13	(1.62)	1.28	.22	3.73	(.22)	(1.36)	.61	(3.10)	(10.40)	1.26	(14.87)	**(22.36)**
2017	1.64	2.13	(.06)	.20	(2.50)	3.19	(.14)	(1.09)	6.06	.65	2.82	(1.88)	**11.26**
2016	(7.38)	(3.72)	4.99	4.91	1.37	(1.60)	3.82	3.93	(.19)	(.09)	12.18	7.51	**27.14**
2015	(6.42)	4.57	6.43	(.79)	.27	3.23	2.19	1.66	1.61	3.54	4.42	.39	**22.54**
2014	(.43)	1.34	1.31	(3.39)	.85	1.52	(3.59)	1.08	(2.75)	8.94	(.52)	5.22	**9.27**
2013	4.58	.74	1.62	(1.65)	1.62	2.45	5.99	(2.10)	2.30	1.38	4.20	1.12	**24.30**
2012	2.42	.57	3.09	(1.01)	(2.59)	2.59	.06	1.98	3.12	.37	(.91)	2.49	**12.67**
2011	--	--	--	--	--	--	--	--	(.64)	3.05	.91	1.66	**5.04**

OVERVIEW:

September was another challenging month for the broader markets as selling pressure continued. The market has been on a downward trend reflecting the Fed's efforts to tame inflation by tightening monetary policy. For the month, the S&P 500 was (9.34%), the Russell 2000 was (9.73%) and the Nasdaq Bank Index was down (5.49%). The Iron Bay Fund returned (3.56%) with short positions contributing positively and community banks outperforming the major money center banks and bigger regional banks.

As stated, the strong risk off sentiment was primarily in reaction to the relentless hawkish messaging from the Federal Reserve. Fed Chair Powell emphatically repeated his position that rates would keep going higher until inflation begins to moderate. Some of the latest data, including lower initial jobless claims and higher year over year core PCE, suggests inflationary pressures remain and are well above the Fed's target range. Employment strength has not given the committee the impression that there are enough signals that prices will weaken. Energy and geopolitical concerns also are at the forefront as policy makers consider next moves to stabilize the U.S. dollar.

Banks are undoubtably caught in the middle of the interest rate dilemma as the Fed is raising rates into a slowing economy. As rates rise, pressure will mount on loan originations and overall growth in many sectors of the economy. Also, as rates go higher the cost of deposits eventually will need to go up. To date, margins have remained healthy because there has not been significant pressure to re-price. Deposit betas have moved slightly but remain relatively low. Raymond James researchers reported that while deposit betas have remained low across the industry thus far, given low loan/deposit ratios and disciplined pricing initially across the industry, we are seeing migration within portfolios and more deposit outflows as rate sensitive deposits are looking for higher yields. With yield options out there, deposit betas could accelerate across the industry, and many banks will need to raise deposit rates to remain competitive. The key take away thus far has been that even the highest cost bank deposits are in line with, or better than, the rate the U.S. government pays on U.S. Treasuries, which is essentially a riskless return.

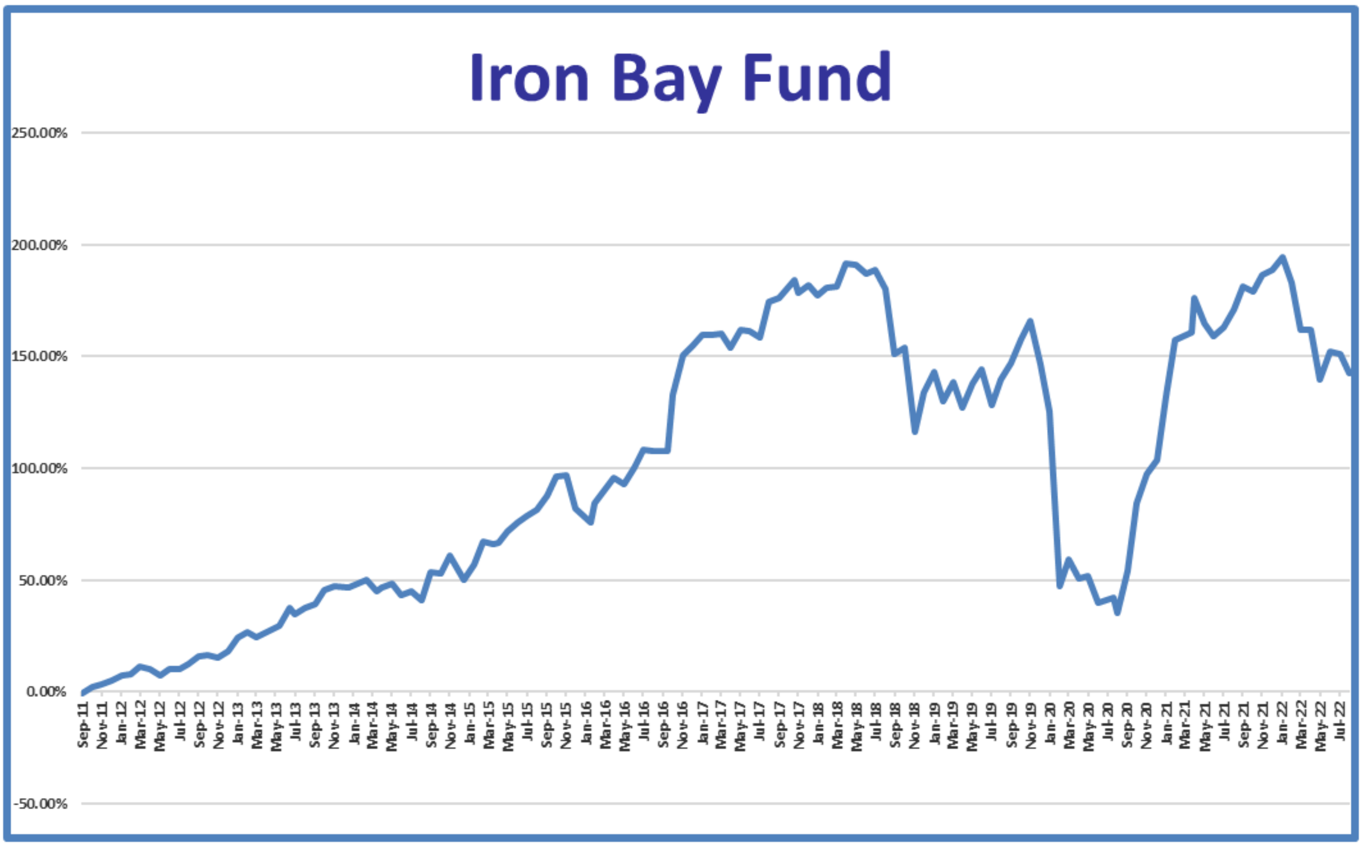
(continued)

We expect net interest margins to be strong for third quarter earnings. Fee income and investment banking income is expected to be lower quarter over quarter and in some cases, materially lower. We potentially may see higher provisioning as banks prepare for pressure on both consumers and businesses should we go into a protracted recession.

Year to date there has been considerably fewer M&A transactions with 123 whole bank deals reported. In addition to weaker currencies (share prices), acquirers have noted a slowdown in regulatory approvals and heightened oversight on deal activity. As the economy stabilizes against the backdrop of rising rates, we would expect consolidation activity to resume across the board. The stronger banks will continue to take advantage of the opportunity to capture market share and build on technology enhancements through strategic acquisitions.

If you would like to learn more about the Iron Bay Fund and our outlook for the 4th quarter and beyond, please let us know. Thank you for your continued interest and support.

HISTORICAL GRAPH:



Iron Bay Fund, LP

RETURN DATA:

Total Return Since Inception	+142.74%
Annualized Return from Inception	+8.33%
Average Monthly Return	+.84%
Std. Deviation of Monthly Return	+5.62%
Sharpe Ratio Since Inception	.40
Beta Since Inception vs. S&P 500	.59

	IRON BAY FUND, LP	NASDAQ BANK INDEX	RUSSELL 2000
September 2022	(3.56%)	(5.49%)	(9.73%)
Year-to-Date	(15.42%)	(19.43%)	(25.86%)
Last 12 Months	(10.68%)	(15.37%)	(24.48%)
Last 3Y (Annualized)	+.36%	+3.26%	+2.92%
Last 5Y (Annualized)	(2.45%)	+.39%	+2.23%
Inception (Annualized)	+8.32%	+8.98%	+7.77%

** Iron Bay Fund, LP returns are reported net of all fees.*

SERVICE PROVIDERS & INVESTMENT TERMS	
Fund Manager	Robert Bolton
Management Fee	1.75%
Performance Fee	20%
Lock Up	None
Redemptions	Quarterly with 60 Days Notice
Administrator	Virtus Partners
Auditor	KPMG
Prime / Custodian	TD Securities
Legal	Woods Oviatt Gilman, LLP

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Partnership Overview: Iron Bay Fund, LP is a limited partnership that focuses on investing in the securities of U.S. domiciled, publicly traded financial services companies, particularly community banks. The Partnership has the ability to sell short securities and may utilize moderate leverage in an effort to enhance returns. Iron Bay Fund, LP seeks to invest in companies that have attractive valuations based on fundamentals, merger and acquisition opportunities, increasing dividend payouts and above average capital deployment opportunities. Investments are selected using in-depth fundamental research, supported by robust trading discipline and risk management techniques.