

CM LEGACY FUND

April, 2024

Dear

We were able to deliver a robust performance in the first quarter of this year. For the three months ending 3/31/24 your investment in CM Legacy Partners LLC had a net gain of +18.6%. During this period the DJIA advanced +5.6%, the S&P 500 +10.2% and Nasdaq +9.1%.

CM Legacy Partners LLC investment returns: One Year +42.0% Five Year annualized +12.8%

Our best performing equity investments during the first quarter were Novo-Nordisk (weight loss and diabetes), BWX Technologies (nuclear development), Diamondback Energy (oil and gas exploration and development), Eaton (electrical systems) and Ingersol-Rand (hydraulic machinery and flow systems). We have owned each of these superior and diversified businesses for at least a year. The three largest equity positions in the portfolio continue to be Blackstone, Costco Wholesalers and Microsoft.

The portfolio is highly concentrated and currently owns 15 stocks with total equity exposure of 95%. We have 2.5% invested in gold and 7.5% in bitcoin for a gross exposure of 105% with a margin of 5%.

Both gold and bitcoin reached all-time highs during March. They each offer a hedge or protection against fiat monetary inflation (money-printing) and a sovereign debt crisis. The U.S. debt is now over \$34 trillion (about \$100,000 per citizen) and growing about \$1 trillion every 3-4 months. There is no apparent effort to scale back government spending from either political party. What could go wrong?

Central banks throughout the world are accumulating gold for their reserves and some are even starting to acquire bitcoin. They are both a store of value outside of fiat monetary systems and they cannot be manipulated by politicians or bureaucrats. Bitcoin is a digitized monetary network that can be transferred securely without a bank or third party. It is essentially electronic gold with a finite supply. We consider gold and bitcoin to be complimentary assets. Gold is a "risk-off" investment and much less volatile. The U.S. dollar has depreciated 96% versus gold over the last 50 years and gold has outperformed the S&P 500 since the year 2000. Bitcoin performs best in a "risk-on" market environment. We reestablished a small bitcoin (GBTC) position in February 2023. It has appreciated 298% during the last 14 months.

CM Legacy Partners LLC remains a predominately equity focused portfolio, but our crypto and precious metals add an important dimension to enhance performance and add diversification.

All partners in the CM Legacy Fund should have received a K-1 statement by mid-March. You may have noticed that despite an attractive positive return last year we were able to report a capital loss deduction for your tax return. Tax efficiency for high-net-worth individuals is part of our investment philosophy. Our low portfolio turnover allows profitable investments to appreciate with long-term deferred taxes, while short-term losses are harvested quickly with stop loss disciplines.

If you have any questions, please do not hesitate to contact me at 917-225-6002 or cam@kcorba.com.

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