



# ARROWMARK FINANCIAL CORP.

FORMERLY STONECASTLE FINANCIAL CORP.

INVESTOR SUMMIT GROUP PRESENTATION  
NOVEMBER 14, 2022

## ArrowMark Financial Corp. (BANX)

**A closed end investment management company making investments  
in bank-related assets, including regulatory capital relief securities and community banks.**

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September 30, 2022

# Disclaimers & Disclosures

## Forward-Looking Statements

This presentation, and all oral statements made regarding the subject matter of this communication, contain forward-looking statements, including statements regarding the matters described in this presentation. Such forward-looking statements reflect current views with respect to future events and financial performance. Statements that include the words “should,” “would,” “expect,” “intend,” “plan,” “believe,” “project,” “anticipate,” “seek,” “will,” and similar statements of a future or forward-looking nature identify forward-looking statements in this material. All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in the statements. Actual future results may differ significantly from those stated in any forward-looking statement, depending on factors such as changes in securities or financial markets or general economic conditions, the volume of sales and purchases of shares of common stock, the continuation of investment advisory, administrative and service contracts, and other risks discussed from time to time in ArrowMark Financial Corp.’s filings with the SEC, which are available at the SEC’s website <http://www.sec.gov>. Any forward-looking statements speak only as of the date of this communication. ArrowMark Financial Corp. undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

## Disclosures

ArrowMark Asset Management, LLC (“ArrowMark”) is majority owned by ArrowMark Colorado Holdings LLC (“ArrowMark Partners”). ArrowMark Partners is a registered investment adviser. ArrowMark has entered into a staffing agreement (the “Staffing Agreement”) with its parent company, ArrowMark Partners and several of its affiliates. Under the Staffing Agreement, ArrowMark Partners provides experienced investment professionals to ArrowMark and also provides access to their senior investment personnel. ArrowMark capitalizes on the significant deal origination, credit underwriting, due diligence, investment structuring, execution, portfolio management and monitoring of ArrowMark Partners’ investment professionals.

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# Investment Highlights

- Consistent dividends with quarterly distributions
- Meaningful floating rate assets (~83%) position portfolio well for rising rate environment; potential inflation hedge
- Non correlated, value add, product portfolio of regulatory capital securities
- BANX advisor has strong historical track record
- Best in class investment and management team with institutional infrastructure
- Trading at a ~20% discount to NAV

# About ArrowMark Financial Corp.

- ArrowMark Financial Corp. (NASDAQ: BANX)
  - SEC registered non-diversified closed-end investment company
  - Non-BDC RIC<sup>1</sup>.
- The portfolio is managed by one of the leading advisors dedicated to the banking and financial services sector, **ArrowMark Asset Management, LLC**.
  - Market Cap: ~\$120mm
  - NAV \$20.74 ; ~20% discount to NAV
  - Dividend Yield: 9.0%
  - Annualized Q3 EPS Yield: ~10.7%

1. Non-Business Development Company Regulated Investment Company  
2. Source: Financial details as of 09.30.2022 ArrowMark Financial Corp. [ir.arrowmarkfinancialcorp.com](http://ir.arrowmarkfinancialcorp.com)

# About ArrowMark Financial Corp.

## **Investment Objective**

- Income generation
- Capital preservation
- Total risk-adjusted returns

## **Investment Strategy**

- Primarily focused on private investments, but will opportunistically make public investments
- Long-term, passive, non-control investments in bank related securities
- Regulatory capital relief securities, term loans, senior and subordinated debt, structured debt, convertible securities, preferred and common equity
- Asset growth
- Dividend growth

# BANX's Advisor is ArrowMark Asset Management, LLC, an Affiliate of ArrowMark Partners

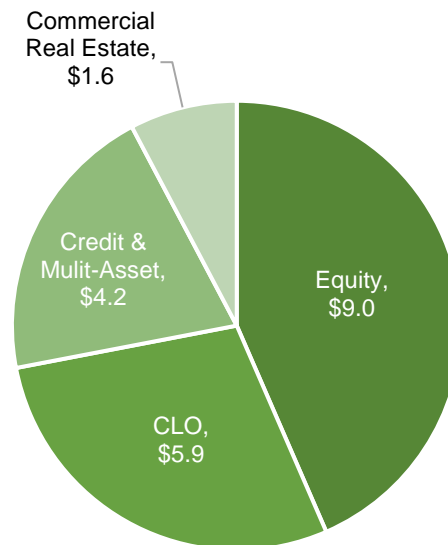
ArrowMark Partners, based in Denver, Colorado was founded in 2007 by investment professionals with a track record of delivering strong returns and preserving client capital

## ArrowMark Partners At-A-Glance

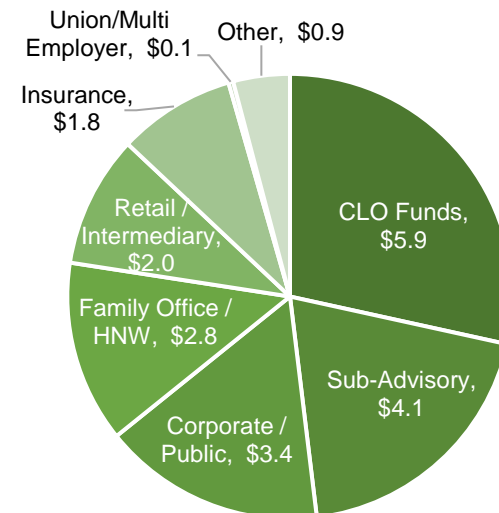
- Active investment process, driven by fundamental research and analysis
- Specialized expertise in niche credit and capacity constrained equity markets
- Manage alternative, traditional, and customized investment strategies in public and private vehicles
- 103 employees and growing
- 47 tenured investment professionals
- 100% employee-owned
- Headquartered in Denver, CO with presence in California, London, and New York

## \$20.8 billion in Assets Under Management

By Asset Type (\$B)



By Investor Type (\$B)



As of 9.30.2022. CRE AUM includes real estate related assets originated and/or currently managed or advised by ArrowMark or its affiliate. Other includes sovereign wealth, not-for-profit institutions, and internal capital.

# Experienced and Comprehensive Investment Team

## BANX INVESTMENT COMMITTEE

**Kaelyn Abrell**  
*Partner*  
22 Years of Experience

**Sanjai Bhonsle**  
*Partner*  
26 Years of Experience

**Karen Reidy**  
*Partner*  
32 Years of Experience

## INVESTMENT TEAM

Regulatory Capital Relief	Community Banking	Hedged Equity	Structured Credit
<p><b>Kaelyn Abrell</b> 22 Years of Experience</p> <p><b>Tim Beresford</b> 22 Years of Experience</p> <p><b>Heather Guttersohn</b> 15 Years of Experience</p> <p><b>Scott Brody</b> 12 Years of Experience</p> <p><b>Penny Tan</b> 8 Years of Experience</p>	<p><b>Dana Staggs</b> 19 Years of Experience</p> <p><b>AJ Somers</b> 15 Years of Experience</p> <p><b>Andrew Schott</b> 11 Years of Experience</p>	<p><b>Clay Freeman</b> 17 Years Experience</p>	<p><b>Hege Lepire</b> 9 Years of Experience</p> <p><b>Jack Stallone</b> 7 Years of Experience</p>

## RESTRUCTURINGS / WORKOUTS

<b>Sanjai Bhonsle</b>	<b>Dana Staggs</b>	<b>AJ Somers</b>
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Team as of 09/3/2022. There can be no assurance that any particular individual will be involved in the management of any particular portfolio for any given period of time, if at all.



# BANX's Portfolio Investments

ArrowMark Financial invests in banking related assets including regulatory capital securities Issued by money center banks and senior credit vehicles of community banks.

## Regulatory Capital Securities

- Issued by Global Money Center Banks
- Corporate Borrowers, corporate credit lines
- Reference portfolios weighted avg risk rating of BB/BBB
- Diversified by borrower, geography, industry

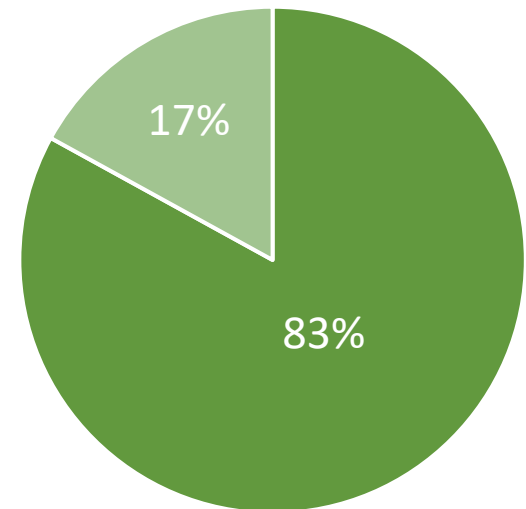
## Community Bank Securities

- Issued by Community Banks/Priority Securities
- Senior and Subordinated Loans/Trust Preferred/Preferred
- Economic engines of local communities
- Diversified by C&I, Construction, Multi-Family RE

## Investment Characteristics

- Outsized return profile – reg cap coupons 10-14%
- Consistent income generation
- Short duration for reg cap

## Product Mix of BANX Portfolio Investments



- Regulatory Capital Securities
- Community Bank Securities

# BANX Q3 2022 Financial Performance

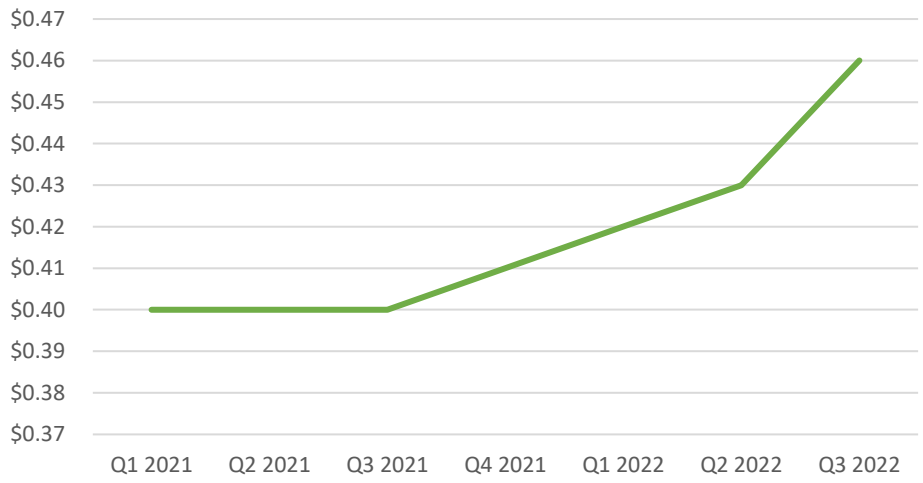
## BANX Q3 2022

- Total assets: \$212.3mm
- Total investment income: \$5.3mm (\$0.75 per share), up 6% from Q2
- Net investment income: \$3.3mm (\$0.46 per share), up 7% from Q2
- New investments: \$17.9mm in four reg caps
  - Average weighted coupon: ~13.7%
  - YTM: ~14.9%
- Outstanding credit facility: ~\$62.3mm (~29% of total assets)
- Estimated annualized portfolio yield: 11.85%, up 174 bps from prior quarter

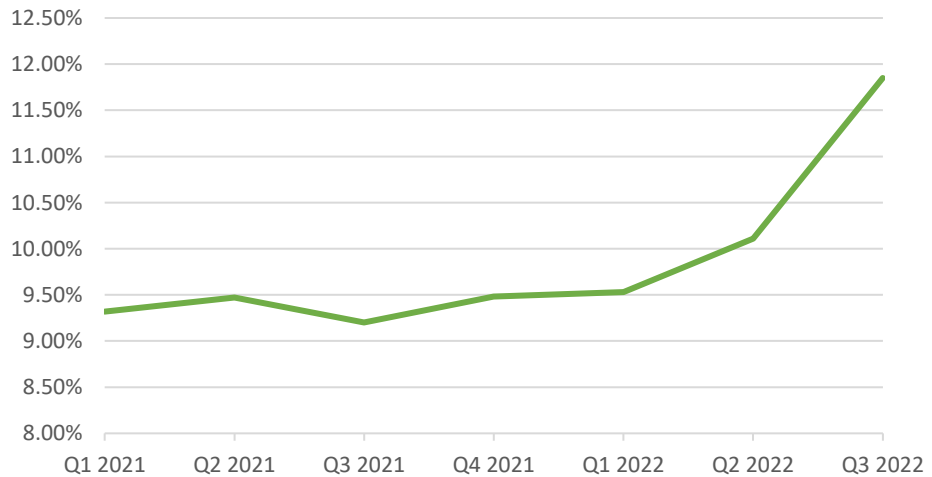
# BANX's Financial Trends are Positive

- Five consecutive quarters of increasing net income
- Benefits from rising interest rate environment
- ~25 bps increase in base rates approximates to \$0.005 to \$0.01 of incremental NII per quarter
  
- Portfolio yield has risen over the last six quarters

**BANX's Net Investment Income**



**BANX's Estimated Annualized Portfolio Yield**



Source: As of 09.30.2022 ArrowMark Financial Corp. [ir.arrowmarkfinancialcorp.com](http://ir.arrowmarkfinancialcorp.com)

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# About Regulatory Capital Securities

## Regulatory Capital Security

- Issuing banks are primarily Globally Systemically Important Banks (“GSIB”)
- Value add, non commoditized product which improves regulated bank capital ratios  
Frees balance sheet capacity to service more bank clients across more higher margin products
- Small group of financial institutions are regulatory capital investors
  - Expertise to structure
  - Trusted relationships
- Our advisor affiliate, ArrowMark Partners has a 12-year track record investing over \$6B in 84 transactions, with an average loss rate of 3 bps per annum<sup>1</sup>
- We believe ArrowMark Partners is the 2<sup>nd</sup> largest investor in the regulatory capital securities market<sup>1</sup>

# About Regulatory Capital Securities

- ArrowMark Financial invests in the regulatory capital securities of Globally Systemic Important Banks (GSIBs)
  - Often referred to as “too big to fail” banks and as a result, are frequently subjected to more regulatory scrutiny and oversight restrictions than their smaller counterparts

## Examples of Globally System Important Banks

- Bank of America
- BNY Mellon
- BNP Paribas
- Citigroup
- Credit Agricole
- Credit Suisse
- Goldman Sachs
- HSBC
- JP Morgan
- Mizuho
- Morgan Stanley
- MUFG
- RBC
- Societe General
- UBS
- Wells Fargo

# About Regulatory Capital Securities

## Lower margin banking businesses

- Loans vs other bank products (treasury management, equity and debt underwriting, M&A, corporate credit card lines, wealth management, etc.)
  - Loans are table stakes and don't provide material bottom line profitability
  - However, loans provide for a land and expand strategy
  - Regulatory capital securities enable banks to pursue additional higher margin business

## Higher margin banking business

- M&A advisory
- Debt underwriting
- Equity underwriting
- Corporate credit cards
- Interest rate hedging
- Foreign exchange
- 401K administration
- Pension administration
- Trade solutions
- Credit card acquisition and processing
- Mutual funds and ETFs
- Treasury management
- Receivable solutions
- Payable solutions
- Liquidity management

# About Regulatory Capital Securities

## Capital relief from Regulatory Capital Investments

- In its simplest form, money lent is derived from
  - Equity capital: Common equity, preferred equity, retained earnings, etc.
  - Debt capital: Depositor money, capital market issued debt, etc.
- The amount of loans a bank can hold is regulated by four key capital ratios
  - Three of these ratios limit the amount of risk weighted assets a bank holds
- Post the Great Financial Crisis, these ratios have become more restrictive
  - *“Accordingly, effective October 1, 2022, Citi is required to maintain an 11.5% effective minimum Common Equity Tier 1 (CET1) Capital ratio.” Citigroup Press Release June 27, 2022*

	<u>9/30/2022</u>	<u>10/1/2022</u>
Common Equity Tier 1	\$1,000	\$1,000
CET1 Capital Ratio Requirement	10.50%	11.50%
Max Risk Weighted Average	\$9,524	\$8,696
Difference		(\$828)

1% change in CET 1 / RWA for \$1bn common equity reduces leverage capacity by ~\$800mm



# Effective Tool for Banks's Balance Sheet Management

	Under Basel II (\$mm)	Under Basel III (\$mm)	Under Basel III with a Regulatory Capital Relief Transaction (\$mm)
Reference Portfolio	\$1,000	\$1,000	\$1,000
Risk-Weighted Assets	\$1,000	\$1,000	\$500
Portfolio Yield to the Bank <i>(assumes 5% weighted average coupon)</i>	\$50	\$50	\$50
Coupon Paid to Investors	n/a	n/a	-\$9
Bank Cost of Capital	-\$34.8	-\$42.6	-\$36.3
Net Interest Margin	\$15.2	\$7.4	\$4.7
Tier 1 Capital Ratio	4.0%	10.5%	10.5%
Required Tier 1 Capital	\$40	\$105	\$52.5
<b>Return on Tier 1 Capital</b>	<b>38.0%</b>	<b>7.0%</b>	<b>9.0%</b>

Reduced by 50%

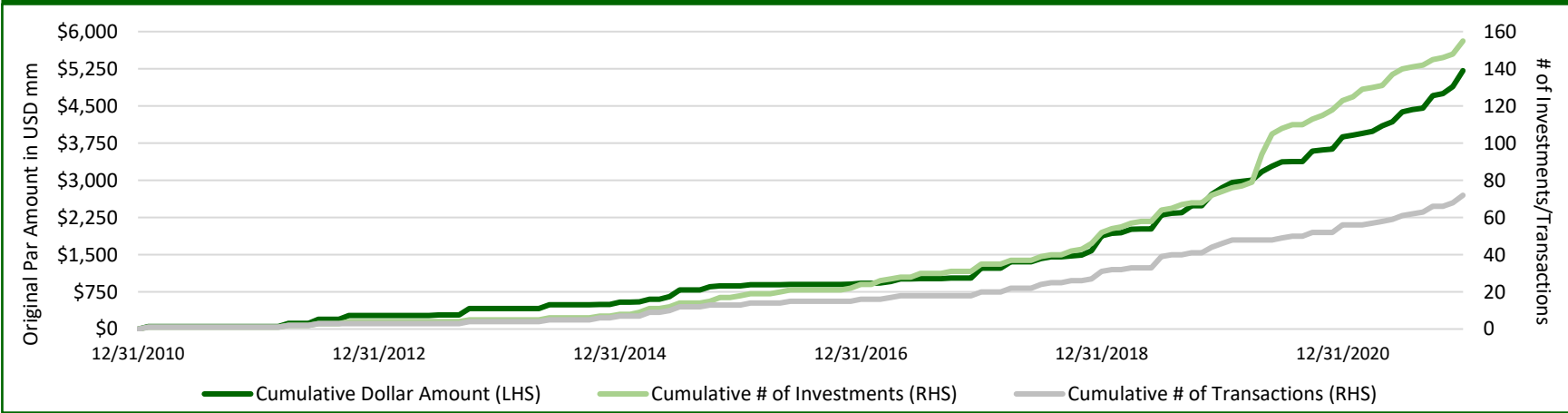
160%+ increase in required Tier 1 Capital negatively impacts a bank's return on capital

- Return on Tier 1 Capital increases +27% from 7.0% to 9.0%
- \$52.5mm of Tier 1 Capital can be redeployed

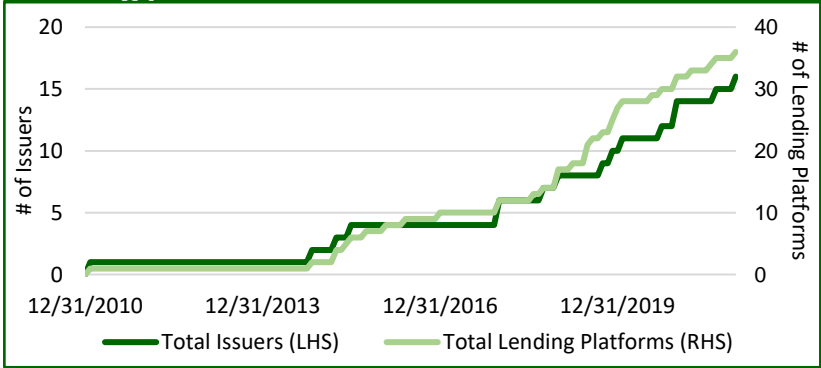
The above example is hypothetical and does not represent the economics of a particular bank. Small changes to any of the assumptions incorporated in the example may lead to a significant change in outputs. Assumptions in the example include: 1) 100% risk weighting for exposures to corporate credit; 2) 50% reduction in risk weighted assets for the bank through the issuance of a regulatory capital relief security with a \$90mm equity tranche and 10% coupon; 3) 5% weighted average coupon for the reference portfolio; 4) 3% debt cost of capital and 15% equity cost of capital.

# BANX Advisor Affiliate, ArrowMark Partners has a 12- Year Track Record Investing in Capital Regulatory Transactions

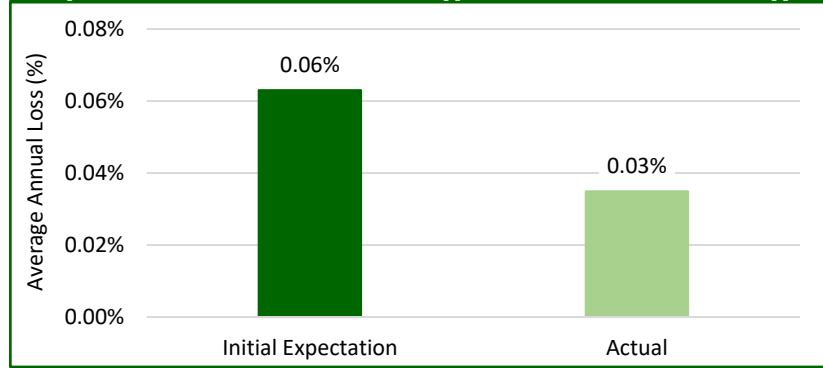
Over \$6bn invested through +160 investments in 84 distinct transactions since 2010<sup>1</sup>



Investments with 16 issuing partners across 36 lending platforms



Fundamental performance inline with expectations formed through initial underwriting<sup>2</sup>



As of 09/30/2022. Past performance is no guarantee of future results. <sup>1</sup>Based on original par amount in USD at the time of each investment. Number of investments includes primary and secondary market investments. <sup>2</sup> Transaction data as of 09/30/2022. Realized loss data as of 09/30/2022. Reflects average per annum collateral-level loss (ArrowMark Partners initial expectation, actual loss to-date divided by expected security life) taking into account credit enhancement features of each security.

# BANX Advisory Affiliate, ArrowMark Partners, has a 12- Year Track Record Investing In Capital Regulatory Transactions

ArrowMark Partners Regulatory Capital Relief Investments		
Transaction	Investment Date(s)	Realized Loss (per annum)
84	2022	0.00%
83	2022	0.00%
82a	2022	0.00%
82	2022	0.00%
81	2022	0.00%
80	2022	0.00%
79	2022	0.00%
78	2022	0.00%
77	2022	0.00%
76	2022	0.00%
75	2022	0.00%
74	2022	0.02%
73	2022	0.00%
72	2021	0.00%
71	2021	0.00%
70	2021	0.00%
69	2021, 2022	0.00%
68	2021	0.00%
67	2021	0.05%
66	2021	0.00%
65	2021	0.00%
64	2021 & 2022	0.00%
63	2021	0.00%
62	2021	0.00%
61	2021	0.00%
60	2021	0.00%
59	2021 & 2022	0.00%
58	2021	0.01%
57	2021	0.00%
56	2020	0.00%
55	2020	0.00%

As of 09.30.2022. **Past performance is no guarantee of future results.** (m) Asset matured. (s) Asset was sold. <sup>1</sup>Realized loss as of 6/30/2022. Reflects average per annum collateral-level loss (actual loss to-date divided by expected security life) taking into account credit enhancement features of each security. Prior to 8/31/2020, "Actual" represented actual loss to-date divided by time elapsed since security issuance

# Track Record Demonstrates the Strength of the Firm's Sourcing, Structuring, Fundamental Research, and Risk Management Efforts

ArrowMark Partners Regulatory Capital Relief Investments		
Transaction	Investment Date(s)	Realized Loss (per annum)
54	2020, 2022	0.05%
53	2020	0.00%
52	2020	0.00%
51	2020	0.00%
50 (s)	2020	0.00%
49 (m)	2020	0.00%
48 (m)	2020	0.00%
47	2020	0.00%
46 (m)	2019	0.13%
45	2019, 2021	0.00%
44	2019, 2020	0.00%
43	2019	0.02%
42	2019, 2021	0.00%
41	2019, 2020, 2022	0.00%
40 (m)	2019, 2021	0.04%
39	2019, 2020	0.03%
39a	2019	0.00%
38	2019, 2020	0.00%
37	2019, 2020, 2021	0.01%
36	2019	0.00%
35	2019, 2020, 2021	0.01%
34 (m)	2019, 2020	0.03%
33	2019	0.00%
32	2019	0.27%
32a	2019	0.00%
32b	2019	0.00%
31	2018, 2021	0.15%
30	2018, 2020, 2021	0.00%
29 (m)	2018, 2021	0.01%
28 (m)	2018	0.33%
28a (s)	2018	0.00%

As of 09.30.2022. Past performance is no guarantee of future results. (m) Asset matured. (s) Asset was sold. <sup>1</sup>Realized loss as of 6/30/2022. Reflects average per annum collateral-level loss (actual loss to-date divided by expected security life) taking into account credit enhancement features of each security. Prior to 8/31/2020, "Actual" represented actual loss to-date divided by time elapsed since security issuance

# Track Record Demonstrates the Strength of the Firm's Sourcing, Structuring, Fundamental Research, and Risk Management Efforts

## ArrowMark Partners Regulatory Capital Relief Investments

Transaction	Investment Date(s)	Realized Loss (per annum)
27 (m)	2018, 2020	0.15%
26	2018	0.22%
26a	2018, 2019	0.00%
26b	2020	0.00%
25 (m)	2018, 2019	0.00%
24	2018, 2019, 2020, 2021	0.03%
23	2018	0.30%
22	2018, 2021	0.02%
21 (m)	2018, 2019, 2020	0.00%
20	2017, 2019	0.03%
19 (m)	2017	0.15%
19a (m)	2020	0.00%
18	2017	0.07%
17	2017, 2020	0.00%
16	2016, 2021	0.03%
15 (m)	2016	0.05%
14 (m)	2016	0.04%
13 (m)	2015, 2016, 2019	0.00%
12 (m)	2015, 2016	0.00%
11 (m)	2015, 2017, 2018	0.05%
10 (m)	2015, 2016, 2017	0.12%
9 (m)	2015, 2018	0.43%
8 (m)	2015	0.00%
7 (m)	2014, 2015, 2017	0.05%
6 (s)	2014	0.00%
5 (m)	2014, 2015, 2017	0.05%
4 (m)	2013, 2015	0.00%
3 (m)	2012	0.09%
2 (m)	2012	0.05%
2a (m)	2012	0.00%
1 (m)	2010, 2013	0.03%

As of 09.30.2022. Past performance is no guarantee of future results. (m) Asset matured. (s) Asset was sold. <sup>1</sup>Realized loss as of 6/30/2022. Reflects average per annum collateral-level loss (actual loss to-date divided by expected security life) taking into account credit enhancement features of each security. Prior to 8/31/2020, "Actual" represented actual loss to-date divided by time elapsed since security issuance

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# Investment Thesis

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- BANX advisor has strong historical track record
- Best in class investment and management team with institutional infrastructure structure
- Trading at a ~20% discount to NAV

# CONTACT INFORMATION

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# BANX has Consistently Out-Earned its Quarterly Dividend

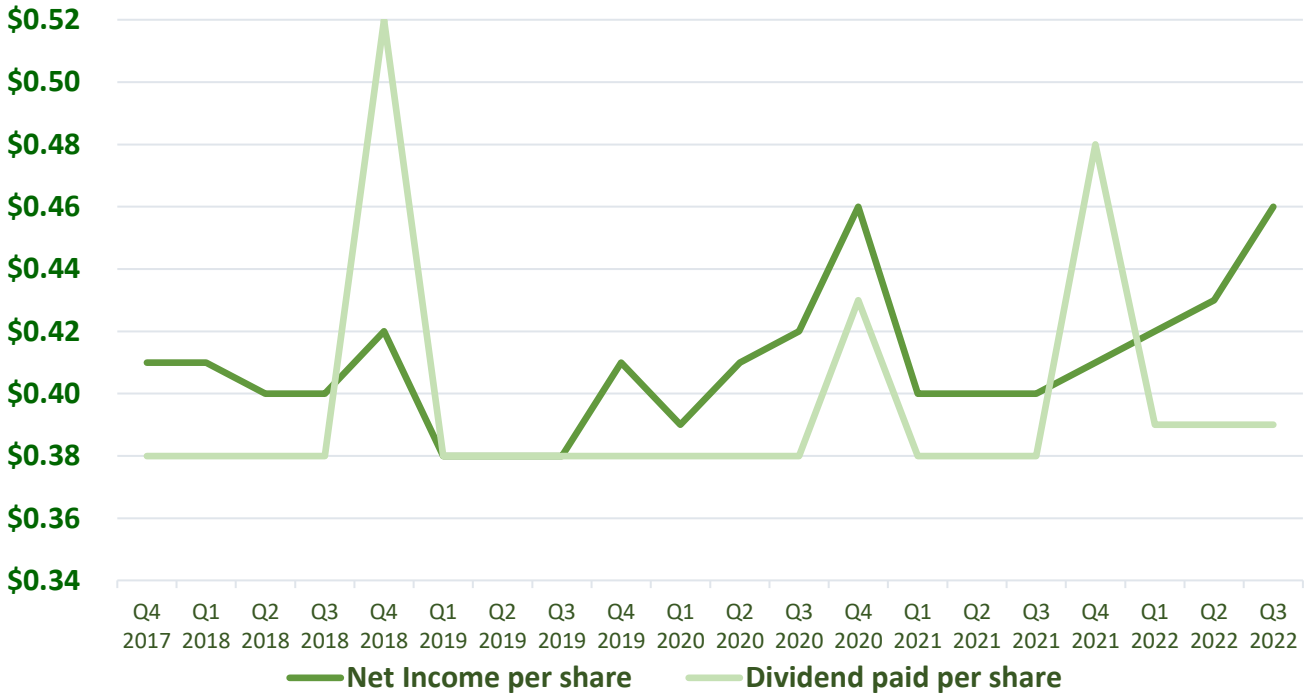
## 5 Consecutive Years of Out-Earning the Dividend

In 2022, the Company increased the quarterly dividend \$0.01 to \$0.39 per share at the March quarter

In 2021, the Company paid a Special Dividend of \$0.10 per share for a total annual distribution of \$1.62

In 2020, the Company paid a Special Dividend of \$0.05 per share for a total annual distribution of \$1.57

5 Years of Consistent Coverage of Dividend  
Q4 2017 - Q3 2022



1. Source: ArrowMark Financial Corp., as of 09.30.2022

# Historically, BANX has produced a Relatively Stable and Consistent NAV as a Result of the High-Quality Investment Portfolio

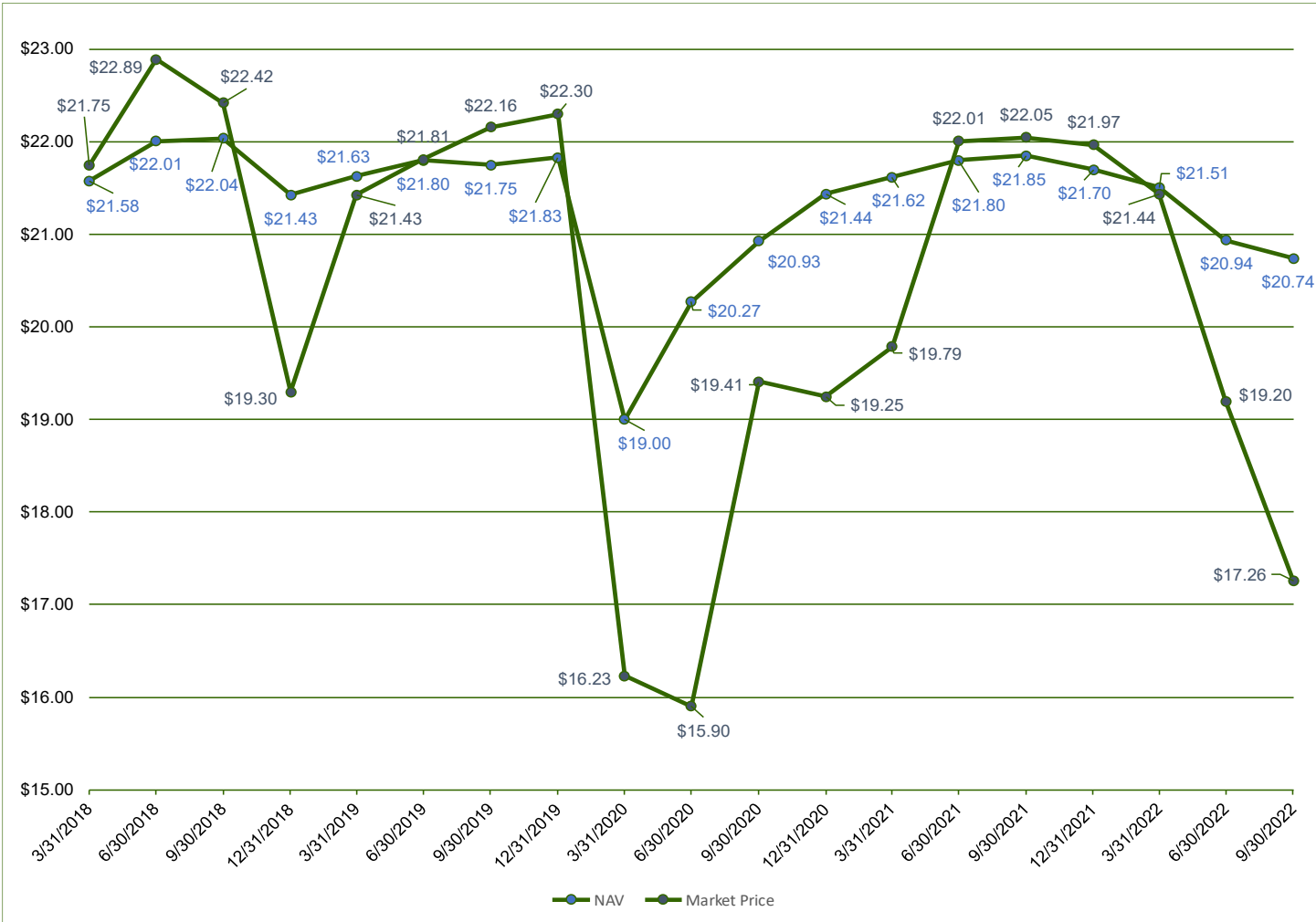
## BANX Relative Value: NAV Benchmarked Against Market Price

BANX's NAV has traded in a relatively tight range, with the exception of the COVID market disruption.

At quarter-end, BANX traded at a ~-(17%) discount to NAV.

BANX offers an independent NAV as solicits market quotes to determine the value of NAV.

We believe this should provide a greater degree in the true value of the Company's value.



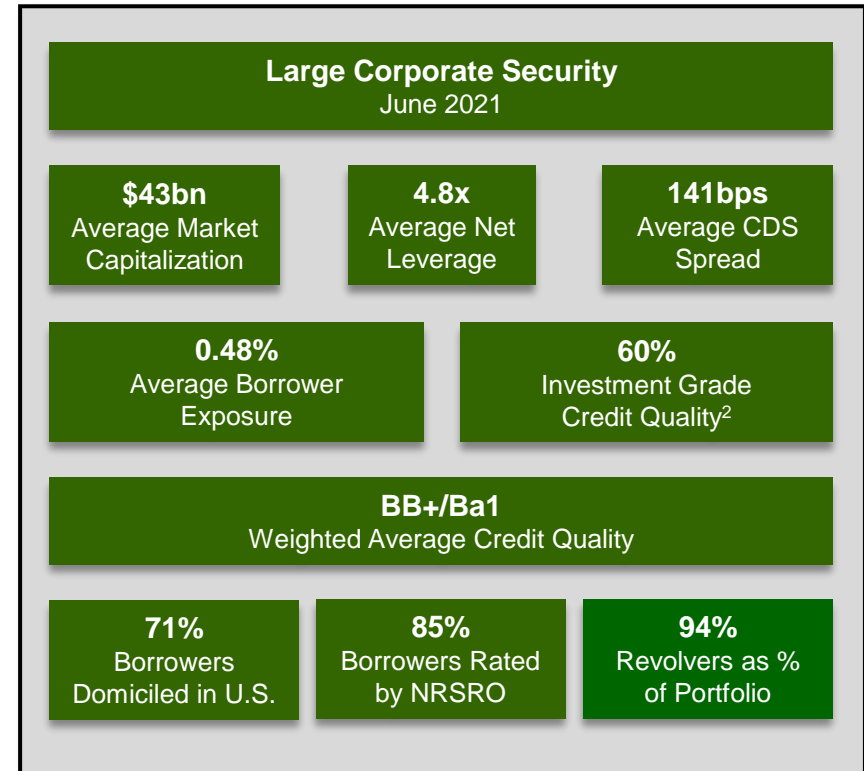
1. Source: Bloomberg, [www.Bloomberg.com](http://www.Bloomberg.com), ArrowMark Financial Corp., [ir.arrowmarkfinancialcorp.com](http://ir.arrowmarkfinancialcorp.com) As of 09.30.2022

# Regulatory Capital Relief Securities Offer Investors a Diversified Pool of Performing Collateral with Strong Credit Quality

## Typical Reference Portfolio Characteristics

<b>Collateral Description</b>	<ul style="list-style-type: none"> <li>▪ Originated with the intention to be held on the issuing bank's balance sheet</li> <li>▪ Performing at the time of security issuance</li> <li>▪ Remain part of the bank's core loan portfolio after issuance</li> </ul>
<b>Credit Quality</b>	<ul style="list-style-type: none"> <li>▪ BBB to BB weighted average</li> <li>▪ Individual exposures range from AA to B-; no CCC+ or below</li> <li>▪ Limits on the size of individual and aggregate exposures to sub-investment grade borrowers</li> </ul>
<b>Diversification Guidelines</b>	<ul style="list-style-type: none"> <li>▪ Geographic</li> <li>▪ Sector</li> <li>▪ Borrower</li> </ul>

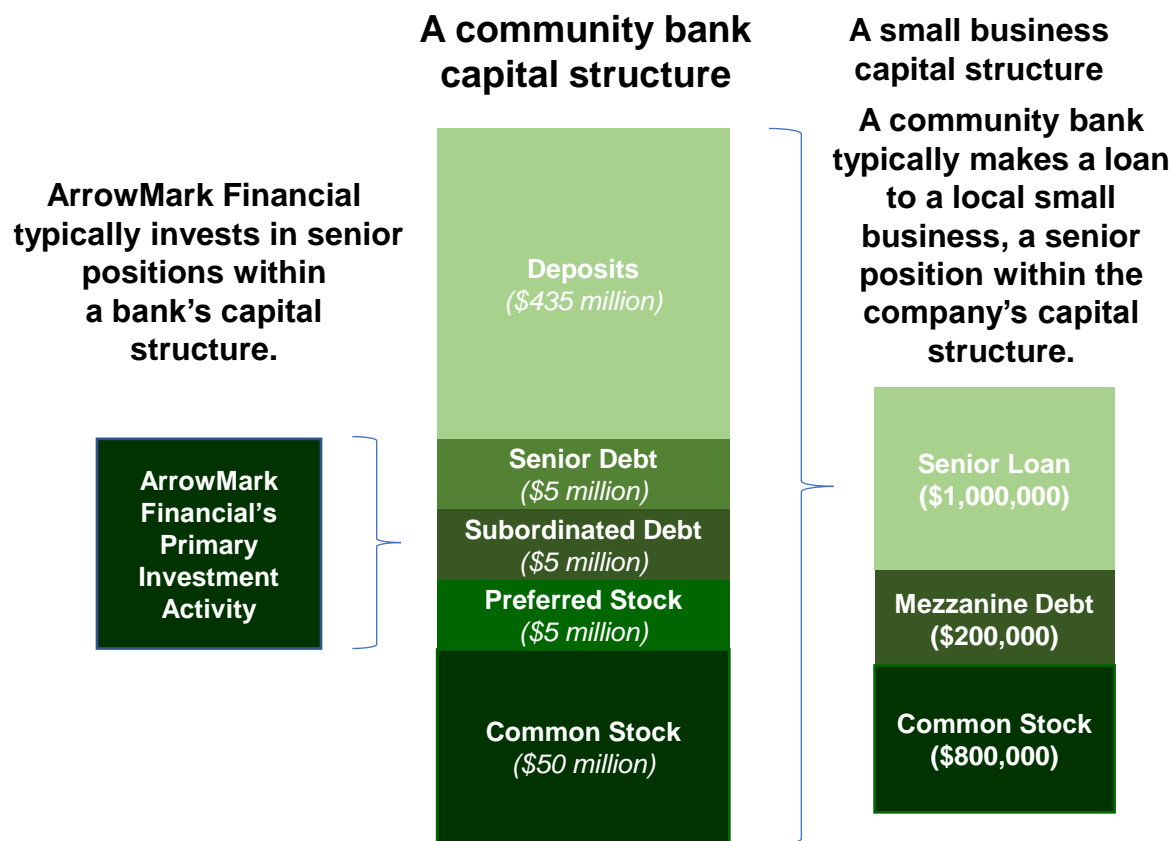
## Security Reference Portfolio<sup>1</sup>



<sup>1</sup>The investments described herein are noted for illustration purposes only and are included to illustrate the way in which a Partnership would invest in certain securities. It should not be assumed that this example or future investments will be profitable. If any assumptions used do not prove to be true, results may vary substantially. Diversification does not eliminate the risk of experiencing investment loss. Characteristics are based on the composition of the collateral pool at issuance in June 2021. <sup>2</sup>Credit rating based on issuing bank's internal rating methodology. Source: ArrowMark Partners, [www.arrowmarkpartners.com](http://www.arrowmarkpartners.com)

# ArrowMark Financial is focused on investing in a community bank's capital with the least amount of risk

In theory, a community bank, with \$500 million in total assets, has a capital structure of common stock, preferred stock, subordinated debt and senior debt, along with deposits. ArrowMark Financial is primarily focused on investing in a bank's capital structure which, historically, has the least amount of risk: senior and subordinated debt, preferred stock and to a lesser extent common stock.



# BANX Management Biographies

**Sanjai Bhonsle,**  
*Chairman & CEO*

Mr. Bhonsle was elected Chairman & CEO of ArrowMark Financial Corp. in February 2020.

Mr. Bhonsle joined ArrowMark Partners in October 2012 and serves as Partner and Portfolio Manager for ArrowMark's Partners leveraged loan investments and collateralized loan obligation funds. Prior to joining the firm, he founded MB Consulting Partners in 2009, where he specialized in financial and operational restructuring advisory to stressed and distressed middle-market companies. With more than 10 years of restructuring experience, he has led several assignments across various industries.

Sanjai was a Senior Portfolio Manager at GSO Capital Partners, a subsidiary of The Blackstone Group, and member of the Investment and Management Committee (2005-2009). Prior to joining GSO Capital Partners, Sanjai was an Assistant Portfolio Manager for RBC Capital Partners' debt investment group and was a member of the Investment Committee (2001-2005). He also led the group's restructuring efforts related to distressed investments and represented the firm's interests on creditor committees. From 1999-2001, Sanjai was a Senior Investment Analyst at Indosuez Capital Partners. Sanjai received a bachelor's degree in Mechanical Engineering from the University of Wisconsin - Madison and an MBA from the Eli Broad Graduate School of Management at Michigan State University.

**Dana Staggs,**  
*President*

Mr. Staggs leads the private direct lending strategy at ArrowMark and is a team member of ArrowMark's Capital Solution's Group where he sources, structures, and manages non-control private equity and private debt instruments. Prior to joining ArrowMark Partners in 2017, he worked in similar capacities at firms to include Goldman Sachs & Co., Barclays Private Credit Partners LLC and GE Capital. Mr. Staggs previously served over 10 years as a surface warfare officer in the U.S. Navy, having attained the rank of Lieutenant Commander. He earned a Bachelor of Science degree in Physics from the United States Naval Academy and an MBA from The Mason School of Business at the College of William and Mary.

# BANX Management Biographies

**Patrick J. Farrell,**  
*Chief Financial Officer*

Mr. Farrell was re-elected as ArrowMark Financial Corp.'s Chief Financial Officer in February 2020. He has served in this role since April 2014. Mr. Farrell is responsible for all financial and accounting activities at ArrowMark Financial.

Mr. Farrell has served as Chief Financial Officer at StoneCastle Partners, LLC since 2014. Mr. Farrell has served as a Director of StoneCastle Trust Co. since January 2021. He has over thirty-eight years of hands-on management experience in finance and accounting, specifically focused on domestic and off-shore mutual funds, bank deposit account programs, investment advisory and broker dealer business.

Previously, Mr. Farrell was CFO/COO of the Emerging Managers Group, LP, a specialty asset management firm focused on offshore mutual funds. Prior to that, Pat was CFO at Reserve Management. Earlier in his career, Pat held financial positions at Lexington Management, Drexel Burnham Lambert, Alliance Capital and New York Life Investment Management, all focused on investment advisory activities. He began his career as an auditor at Peat Marwick Mitchell & Co. in New York. Pat holds a BS in Business Administration-Accounting from Manhattan College.

Mr. Farrell is a Certified Public Accountant in New York State and a member of the American Institute of Certified Public Accountants.

**Rick Grove**  
*Chief Compliance Officer*

Mr. Grove was elected Chief Compliance Officer of ArrowMark Financial Corp. in February 2020.

He is a Principal and Chief Compliance Officer at ArrowMark Partners. He is also the Vice President, Chief Compliance Officer and Secretary for Meridian Fund, Inc. Before joining ArrowMark Partners in 2008, he was Vice President and Chief Compliance Officer for Black Creek Global Advisors (2007-2008). Prior to that position, Rick served as Vice President and Chief Compliance Officer for Madison Capital Management (2005-2007), Assistant Vice President and Director of Compliance at Janus Capital Group (1993-2005), and Fund Accountant for Oppenheimer Funds (1992-1993). Rick graduated from the University of Wyoming with a bachelor's degree in Accounting.