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April 1, 2014

Dear Partner:

Our fund rose an estimated 1.5% in March vs. 0.8% for the S&P 500. Year to date, our fund is up 8.6% vs. 1.8% for the S&P 500.

Fueling our fund's returns during the month on the long side were magicJack, Sodastream and Berkshire Hathaway, which rose 12.2%, 11.7% and 7.8%, respectively. In addition, our short book benefitted from widespread weakness (at last!) among the riskiest stocks. For example, our basket of five 3D printing stocks were all down 17%-31%, Herbalife and World Acceptance dropped 14.0% and 21.7% respectively, upon news of impending regulatory investigations, and other assorted dreck like Unilife (-12.0%) and Lumber Liquidators (-12.6%) tumbled as well.

Two long positions were negatively impacted, however. First, Netflix fell 21.1%, though the pain was mitigated by the fact that I've been harvesting profits all the way up (I sold as high as \$433 in February; it closed yesterday at \$353.03), so it was less than a 3% position at the start of month. Secondly, Fannie Mae retraced most of February's 53.4% gain, dropping 25.6%. It's still been a nicely profitable position since I established it in November – and I expect it will continue to be – but I sure wish I'd taken some profits when it spiked over \$6 in early March.

Netflix and Fannie Mae are good case studies in one of the most difficult – albeit high-class – problems that investors often face: what to do when a long position rips upward. There are competing clichés: on the one hand, let your winners run; on the other, pigs get fed and hogs get slaughtered. In general, over the past 15+ years, I've left a lot of money on the table by being too quick to trim my winners – Netflix being Exhibit A – so I'm trying to improve in this area, without sacrificing my valuation and risk management discipline. Here's hoping that I face this dilemma often going forward!

I have our fund positioned the way I want, both in terms of exposures and individual stocks, and it's nice to see the markets rewarding this over the past two quarters.

Articles

During the quarter, I published five articles:

- 1) [The Beginning Of The End Of The 3D Printing Bubble](#) on Seeking Alpha on February 6th
- 2) [MagicJack: My Next Netflix](#) on February 9th
- 3) [Evaluating the Dearth of Female Hedge Fund Managers](#) on the New York Times web site on February 12th
- 4) A follow-up on March 7th, [A Deeper Conversation on Women in Hedge Funds](#)
- 5) [Sodastream: Using a Survey to Identify My Next Deckers](#) on March 5th

K-1s

Our auditor, Rothstein Kass, estimates that they will finish preparing the K-1s for the fund by early next week (on or about April 7th). The moment we receive them, we will email them to you.

IMPORTANT NOTE: for security, the pdf of the K-1 will be password protected and the password will not be in the email that the pdf is attached to, so please note the password now: it's "kase" (all lower case).

If you prefer that we fax the K-1 or would like us to send a copy to someone else (such as your bookkeeper/tax preparer), please email Kelli at: KAlires@KaseCapital.com

Quarterly Conference Call

I will be hosting my Q1 conference call from 4:15-5:00pm EST on Wednesday, April 9th. The call-in number is (209) 647-1600 and the access code is 627309#. As always, I will make a recording of the call available to you shortly afterward. If you are unable to join the call, but have a question you'd like me to answer, please email it to me.

As always, thank you for your support and please let me know if you have any questions.

Sincerely yours,



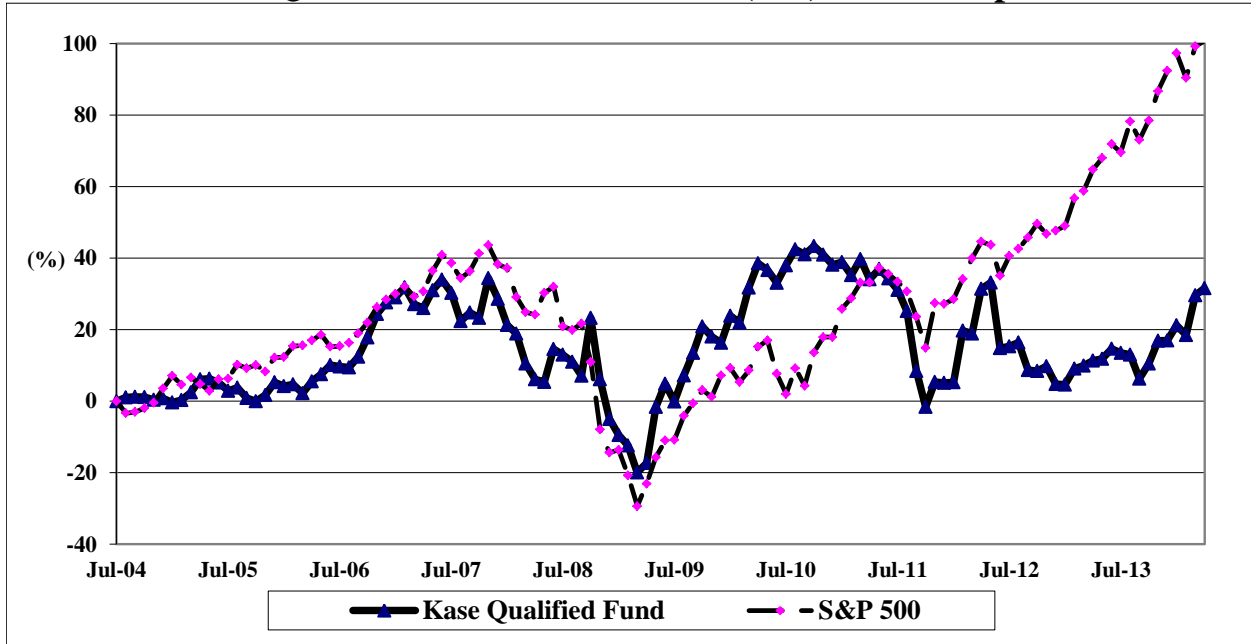
Whitney Tilson

The unaudited return for the Kase Qualified Fund versus major benchmarks (including reinvested dividends) is:

	<u>March</u>	<u>YTD</u>	<u>Since Inception</u>
Kase Qualified Fund – net	1.5%	8.6%	31.6%
S&P 500	0.8%	1.8%	100.8%

Past performance is not indicative of future results. Please refer to the disclosure section at the end of this letter. The Kase Qualified Fund was launched on 7/1/04.

Kase Qualified Fund Performance (Net) Since Inception



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Kase Qualified Fund Monthly Performance (Net) Since Inception

	2004		2005		2006		2007		2008		2009		2010		2011		2012		2013		2014	
	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500	Kase QF	S&P 500
January			0.7	-2.4	0.5	2.7	2.2	1.7	-2.0	-5.9	-3.2	-8.4	-1.5	-3.6	-2.6	2.4	13.6	4.5	4.3	5.2	-2.2	-3.5
February			2.2	2.0	-2.4	0.2	-3.6	-2.1	-7.1	-3.3	-8.6	-10.8	8.0	3.1	3.3	3.4	-0.6	4.3	0.7	1.4	9.3	4.6
March			3.5	-1.7	3.2	1.3	-0.9	1.1	-4.0	-0.5	3.2	9.0	5.2	6.0	-3.9	0.0	10.4	3.3	1.4	3.8	1.5	0.8
April			0.2	-1.9	1.9	1.4	4.0	4.6	-0.7	4.9	19.0	9.6	-1.4	1.6	2.1	3.0	1.4	-0.6	0.4	1.9		
May			-1.0	3.2	2.4	-2.9	2.3	3.3	8.7	1.2	6.6	5.5	-2.6	-8.0	-2.0	-1.1	-13.8	-6.0	2.6	2.3		
June			-2.2	0.1	-0.4	0.2	-2.8	-1.5	-1.4	-8.4	-4.8	0.2	3.7	-5.2	-2.4	-1.7	0.4	4.1	-1.0	-1.3		
July	1.1	-3.4	0.9	3.7	-0.3	0.7	-6.1	-3.0	-1.8	-0.9	7.3	7.6	3.3	7.0	-4.5	-2.0	1.0	1.4	-0.4	5.1		
August	0.1	0.4	-2.8	-1.0	2.7	2.3	2.0	1.5	-3.5	1.3	5.9	3.6	-1.0	-4.5	-13.4	-5.4	-6.6	2.3	-6.0	-2.9		
September	-0.1	1.1	-0.9	0.8	4.8	2.6	-1.2	3.6	15.1	-9.1	6.5	3.7	1.6	8.9	-9.2	-7.0	-0.3	2.6	4.0	3.1		
October	-0.7	1.5	1.7	-1.6	5.6	3.5	9.0	1.7	-13.9	-16.8	-2.3	-1.8	-1.7	3.8	7.2	10.9	1.4	-1.9	5.7	4.6		
November	0.4	4.0	3.5	3.7	2.6	1.7	-4.3	-4.2	-10.5	-7.1	-1.5	6.0	-2.0	0.0	-0.3	-0.2	-5.6	0.6	0.1	3.0		
December	-1.2	3.4	-1.0	0.0	1.1	1.4	-5.7	-0.7	-4.7	1.1	6.5	1.9	0.5	6.7	0.2	1.0	0.8	0.9	3.6	2.5		
YTD TOTAL	-0.4	7.1	4.6	4.9	23.7	15.8	-5.9	5.5	-25.4	-37.0	37.0	26.5	12.1	15.1	-24.1	2.1	-0.7	16.0	15.9	32.4	8.6	1.8

Past performance is not indicative of future results.

The T2 Qualified Fund, LP (dba the Kase Qualified Fund) (the “Fund”) commenced operations on July 1, 2004. The Fund’s investment objective is to achieve long-term after-tax capital appreciation commensurate with moderate risk, primarily by investing with a long-term perspective in a concentrated portfolio of U.S. stocks. In carrying out the Partnership’s investment objective, the Investment Manager, T2 Partners Management, LP (dba Kase Capital Management), seeks to buy stocks at a steep discount to intrinsic value such that there is low risk of capital loss and significant upside potential. The primary focus of the Investment Manager is on the long-term fortunes of the companies in the Partnership’s portfolio or which are otherwise followed by the Investment Manager, relative to the prices of their stocks.

There is no assurance that any securities discussed herein will remain in Fund’s portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent the Fund’s entire portfolio and in the aggregate may represent only a small percentage of an account’s portfolio holdings. The material presented is compiled from sources believed to be reliable and honest, but accuracy cannot be guaranteed.

It should not be assumed that any of the securities transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. All recommendations within the preceding 12 months or applicable period are available upon request. Past results are no guarantee of future results and no representation is made that an investor will or is likely to achieve results similar to those shown. All investments involve risk including the loss of principal.

Performance results shown are for the Kase Qualified Fund and are presented net of all fees, including management and incentive fees, brokerage commissions, administrative expenses, and other operating expenses of the Fund. Net performance includes the reinvestment of all dividends, interest, and capital gains.

The fee schedule for the Investment Manager includes a 1.5% annual management fee and a 20% incentive fee allocation. For periods prior to June 1, 2004 and after July 1, 2012, the Investment Manager’s fee schedule included a 1% annual management fee and a 20% incentive fee allocation. In practice, the incentive fee is “earned” on an annual, not monthly, basis or upon a withdrawal from the Fund. Because some investors may have different fee arrangements and depending on the timing of a specific investment, net performance for an individual investor may vary from the net performance as stated herein.

The return of the S&P 500 and other indices are included in the presentation. The volatility of these indices may be materially different from the volatility in the Fund. In addition, the Fund’s holdings differ significantly from the securities that comprise the indices. The indices have not been selected to represent appropriate benchmarks to compare an investor’s performance, but rather are disclosed to allow for comparison of the investor’s performance to that of certain well-known and widely recognized indices. You cannot invest directly in these indices.

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