

Form ADV Part 2A
Investment Advisor Brochure

Inflection Partners, LLC



Cover Page

Name of Registered Investment Advisor	Inflection Partners, LLC
Address	388 Market Street, #1300 San Francisco, CA 94111
Phone Number	415.322.0350
E-mail Address	info@i-p-fund.com
Date	March 21, 2012

This Form ADV Part 2A (Investment Advisor Brochure) gives information about the investment advisor and its business for the use of clients and prospective clients. If you have any questions about the contents of this brochure, please contact us using one of the methods listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

Material changes to the ADV Brochure will be provided as a separate document to clients who have received previous versions of the ADV Brochure.

Table of Contents

Cover Page	1
Material Changes	1
Table of Contents	2
Advisory Business	3
Fees and Compensation	3
Performance-Based Fees and Side-By-Side Management	4
Types of Clients	4
Methods of Analysis, Investment Strategies, and Risk of Loss.....	4
Disciplinary Information	8
Other Financial Industry Activities and Affiliations	8
Code of Ethics, Participation or Interest In Client Transactions, and Personal Trading	9
Brokerage Practices	9
Review of Accounts	11
Client Referrals & Other Compensation	11
Custody	11
Investment Discretion	11
Voting Client Securities	12
Financial Information.....	12

Advisory Business

Advisory Firm

Inflection Partners, LLC is a California limited liability company and has been providing investment advisory services since 2005. David L. Sherry, Jr. is the founder and Managing Director and has been in the financial services industry since 1992.

Advisory Services

Inflection Partners, LLC provides investment advice and management to individually managed accounts, investment companies and investment limited partnerships.

As of March 21, 2012, Inflection Partners, LLC has \$33,954,064 of assets under management on a discretionary basis, and \$0 under management on a non-discretionary basis.

Services are based on the individual needs of the client. An initial interview and data gathering questionnaire is undertaken to determine the client's financial situation and investment objectives, and to give the client the opportunity to impose reasonable restrictions on the management of the account. Clients have the ability to leave standing instructions with us to refrain from investing in particular securities or types of securities, or invest in limited amounts of securities. Quarterly we will notify the client in writing to contact us if there have been any changes in the client's financial situation or investment objectives, or to impose or modify account restrictions. We will contact or attempt to contact the client annually on these matters. It is the client's responsibility to notify us at any time there are changes. Clients may call in at any time during normal business hours to discuss directly with us about the client's account, financial situation, or investment needs. Clients will receive from the custodian/brokerage firm timely confirmations and at least quarterly statements containing a description of all transactions and all account activity. The client will retain rights of ownership of all securities and funds in the account. In addition to custodial statements, Inflection Partners, LLC sends quarterly reports to the client.

Fees and Compensation

Compensation provided to Inflection Partners, LLC is negotiable and varies.

For investment limited partnerships for which Inflection Partners, LLC serves as general partner, compensation typically consists of two components, a fee based on assets under management and a performance fee (described in the section titled Performance-Based Fees and Side-By-Side Management). We charge an annual fee of 1.5% of assets under management, which amount is payable in monthly installments at the beginning or end (depending on the provisions of each client's account agreement) of each month based on the net market value of the client's account on the date the fee accrues and becomes payable.

For accounts managed by Inflection Partners, LLC acting as sub-advisor to an investment company (mutual fund), we charge a monthly fee equal to 1.0% (on an annualized basis) of the average net assets of the separate account, plus any leveraged amount applied to the separate account by the investment company.

These fees are for advisory services only and do not include any transaction fees or commissions, which may be charged separately by the broker/dealer custodial firm. See the section heading Brokerage Practices for more information.

Inflection Partners, LLC complies with Rule 205-3 under the Investment Advisers Act of 1940, as amended, to the extent required by applicable law. Client accounts that invest in mutual funds will also pay, indirectly, investment advisory fees to the managers of those mutual funds. We believe that our fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees than those charged by Inflection Partners, LLC.

Performance-Based Fees and Side-By-Side Management

In addition to the fees disclosed in the Fees and Compensation section, Inflection Partners, LLC may charge performance based fees as follows:

Inflection Partners, LLC typically receives from each individually managed account a performance fee equal to 20% of net profits of the account (including both realized and unrealized gains and losses) and is allocated from each limited partner in an investment limited partnership a performance allocation equal to 20% of net profits (including both realized and unrealized gains and losses) otherwise allocable to that limited partner. Performance fees and performance allocations are assessed in arrears on a quarterly or annual basis and are only applied to profits that exceed the cumulative losses previously incurred by or allocated to the respective clients.

Performance based compensation applies only to persons or companies who are “qualified” as defined by the Investment Advisers Act of 1940 (“the Act”) as follows: (i) A natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under management with Inflection Partners, LLC; (ii) A natural person or a company that Inflection Partners, LLC reasonably believes has a net worth of more than \$2,000,000, excluding the value of a natural person’s primary residence, at the time the contract is entered into, or is a qualified purchaser as defined in the Investment Company Act of 1940; or (iii) A natural person who immediately prior to entering into the contract serves on behalf of or performs functions for Inflection Partners, LLC as specified in detail under the Act.

In regards to performance-based compensation, the fee arrangement may create an incentive for us to make investments that are riskier or more speculative than would be the case in the absence of a performance-based fee. Performance-based compensation may create an incentive to favor accounts paying the highest fees in the allocation of investment opportunities. Inflection Partners, LLC has a duty and written supervisory procedures to treat all clients fairly and to avoid conflicts of interest.

Types of Clients

Inflection Partners, LLC provides advisory services to investment companies, individually managed accounts and investment limited partnerships.

Inflection Partners, LLC generally requires a minimum of \$5 million to open an individually managed account, but reserves the right to waive this minimum. Limited partners in Inflection Partners, LLC's investment partnership clients are required to invest a minimum of \$250,000, but the general partner of such partnerships reserves the right to waive the minimum.

Methods of Analysis, Investment Strategies, and Risk of Loss

In determining our investment strategies, Inflection Partners, LLC primarily employs fundamental analysis with minor consideration of charting, technical and cyclical inputs. In performing our analytical work, we use company filings with the Securities and Exchange Commission, company press releases,

research materials prepared by others, financial newspapers and magazines, corporate rating services, inspection of corporate activities as well as other sources.

Client portfolios managed by Inflection Partners, LLC invest in and trade securities, consisting principally, but not solely, of equity and equity-related securities that are issued by technology, media and telecommunications companies and traded publicly in U.S. markets. Client portfolios managed by us may also invest in preferred stocks, convertible securities, warrants, options (including covered and uncovered puts and calls and over-the-counter options) and other derivative instruments, bonds and other fixed income securities, private securities, non-U.S. securities, derivatives and money market instruments. Client portfolios managed by us also engage in short selling and hedging and may engage in margin trading and other investment strategies.

While there is risk in all investments, some carry a greater degree of risk or higher costs. There is no guarantee that the investment strategy selected for the client will result in the client's goals being met, nor is there any guarantee of profit or protection from loss. For those investments sold by offering circular, clients should read the offering circular in full.

Discussed below are some, but not necessarily all, of the major risk factors that potential investors should consider carefully before investing in accounts or limited partnerships managed by us (collectively "client accounts" or "clients' accounts").

Dependence on Management - The success of client accounts managed by Inflection Partners, LLC depends on the skill and acumen of the firm and its principals, David L. Sherry, Jr. and Jon P. Andrews, Jr. If either of them should cease to participate in the advisory activities, the ability to select attractive investments and manage client portfolios could be severely impaired.

Investment Risks - Inflection Partners, LLC invests substantially all of our clients' available capital (other than capital we determine to retain in cash or cash equivalents) principally in securities, engages in short sales of securities and trades in options (including covered and uncovered puts and calls and over-the-counter options) and other derivative instruments, private securities and money market instruments. While these instruments generally are traded in public markets, markets for such instruments fluctuate and the market value of any particular investment may vary substantially. In addition, such securities may be issued by unseasoned companies and may be highly speculative.

Information Sources - Inflection Partners, LLC selects investments for our clients' portfolios based in part on information and data filed by the issuers of such securities with various government agencies or made directly available to it by the issuers of securities or others. We are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not readily available.

Investment Selection - Inflection Partners, LLC engages primarily in long purchases and short sales of securities for our clients' accounts. From time to time, we also engage in hedging, option trading, leverage (including, but not limited to, margin trading and investing in derivatives) and other strategies. We may invest in securities with relatively low prices, which may be subject to greater percentage price fluctuations than higher priced securities. Hedging strategies usually are intended to limit or reduce investment risk, but also can limit or reduce the potential for profit and may increase clients' transaction costs, interest expense and other costs and expenses. Derivatives trading, short sales, hedging, margin trading and other techniques and strategies may result in material losses for our clients. Our clients' accounts may have higher portfolio turnover than other investment funds. The brokerage commissions and other transaction costs incurred by our clients' accounts are generally higher than those incurred by a fund with a lower portfolio turnover rate.

Concentration of Investments - On account of size, investment strategy and other considerations, investment portfolios of our clients' accounts may be confined to the securities of relatively few issuers primarily in the technology, media and telecommunications company sectors. If the our clients' accounts have concentrated investments in several, relatively large security positions, industries or sectors relative to their capital, a loss in any one position or downturn in any one industry or sector could reduce performance of the clients' accounts materially.

Short Sales - Inflection Partners, LLC sells securities short in our client accounts. In a generally rising market, short positions may be more likely to result in losses because securities sold short may be more likely to increase in value. A short sale involves a finite opportunity for appreciation, but a theoretically unlimited risk of loss. To make a short sale, clients' accounts must borrow the securities being sold short. It may be impossible for the client accounts to borrow securities at the most desirable time to make a short sale, particularly in illiquid securities markets. If the prices of securities sold short increase, clients' accounts may be required to provide additional funds or collateral to maintain the short positions. This could require us to liquidate other investments in the client accounts to provide additional margin. Such liquidations might not be at favorable prices. Further, the lender of securities can request the return of the borrowed securities and the clients' accounts may not be able to borrow those securities from other lenders. This would cause a "buy-in" of the short position, which may be disadvantageous to the clients' accounts.

Use of Margin - Client accounts managed by us may invest on margin and may employ other leveraging strategies, which can increase profit potential, but at the same time increase risk of loss and volatility. In addition, margin trading requires the pledge of client accounts' securities as collateral. Margin calls can result in client accounts being required to pledge additional collateral or in liquidation of client accounts' holdings, which could require us to sell portfolio securities in them at substantial losses that would not otherwise be realized.

Options - Client accounts managed by us may invest in options. Trading in options is highly speculative and may entail risks that are greater than those of investing in other securities. Prices of options generally are more volatile than prices of other securities. These changes are extremely difficult to predict. Client accounts speculate on market fluctuations of securities and securities exchange indices while investing only a small percentage of the value of the securities underlying the option. A change in the market price of the underlying securities or market index will cause a much greater change in the price of the option. In addition, if client accounts purchase options that they do not sell or exercise, they will suffer the loss of the premium paid in such purchase. To the extent that client accounts sell call options and must deliver the underlying securities at the option strike price, client accounts have a theoretically unlimited risk of loss if the price of such underlying securities increases. To the extent that client accounts sell put options and must buy the underlying securities, client accounts risk the loss of the difference between the market price of the underlying securities and the option strike price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option. Special risks are associated with the use of options. A decision as to whether, when and how to use options involves the exercise of skill and judgment that are different from those needed to select portfolio securities, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior, currency fluctuations or interest rate trends. If Inflection Partners, LLC is incorrect in its forecasts regarding market values or other relevant factors, client accounts may be in a worse position than if client accounts had not engaged in options transactions. The potential loss incurred by client accounts in writing uncovered options is unlimited. When options are used as a hedging technique, there can be no guaranty of a correlation between price movements in the option and in the portfolio securities

being hedged. A lack of correlation could result in a loss on both the hedged securities and the hedging vehicle, so that client accounts' returns might have been better had hedging not been attempted.

Securities Lending and Borrowing - Client accounts managed by us may lend securities to securities brokers and other institutions to earn additional income, or borrow securities from securities brokers or other institutions to enable short sales. If the other party becomes insolvent or bankrupt, client accounts could experience delays and costs in recovering payment or the Securities. If, in the meantime, the value of the securities changes, client accounts could experience further losses. Security loans must be fully collateralized, and we may misjudge the creditworthiness of the other party to the transaction.

Repurchase Agreements - Client accounts managed by us may enter into repurchase agreements, by which they buy a security and simultaneously agree to sell it back later at a predetermined price, or in reverse repurchase agreements, by which client accounts sell a security and simultaneously agree to buy it back later at a predetermined price. The repurchase date is usually within 7 days of the initiation of the agreement. If the other party to a repurchase or reverse repurchase agreement becomes insolvent or bankrupt, client accounts may experience delays and incur costs in recovering payment or the securities. If the value of the security purchased changes in the meantime, client accounts could experience further losses. Repurchase agreements to which client accounts are a party must be fully collateralized by securities from the client accounts. Repurchase and reverse repurchase agreements can have effects similar to margin trading and other leveraging strategies.

General Risks of Non-U.S. Investments - Client accounts managed by us may invest in securities of non-U.S. companies, which may involve unusual risk not typically associated with investing in U.S. companies. Exchange control regulations or changes in the exchange rate between other currencies and the U.S. dollar may affect clients' accounts unfavorably. Moreover, the economies of other countries may differ unfavorably from the U.S. economy in gross national product growth, inflation rates, savings rates and capital reinvestment, resource self-sufficiency and balance of payments positions, and in other respects. The value and marketability of investments in some countries may be materially and adversely affected by expropriation or confiscatory taxation, limitations on the expatriation of funds or other assets, political or social instability, or diplomatic developments. The securities of non-U.S. issuers held by client accounts generally are not registered under, nor are the issuers thereof subject to the reporting requirements of, U.S. securities laws and regulations. Accordingly, there may be less publicly available information about those securities and about the non-U.S. company or government issuing them or the board of trade clearing them than is available about a U.S. company, government entity or board of trade. Non-U.S. companies and boards of trade generally are not subject to accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to U.S. companies. Further, government supervision of stock exchanges, boards of trade, securities brokers and issuers of securities is generally less stringent than supervision in the U.S. The investments also may be subject to withholding taxes imposed by the applicable country's taxing authority.

Economic Conditions - Changes in economic conditions, including, for example, interest rates, availability of credit, inflation rates, industry conditions, government regulation, competition, technological developments, political and diplomatic events and trends, tax and other laws and innumerable other factors, can affect the investments and prospects of clients' accounts materially and adversely. None of these conditions is within the control of Inflection Partners, LLC, and we cannot assure investors that we will anticipate these developments. These factors may affect the level of volatility of securities prices and the liquidity of the client accounts' investments. Unexpected volatility or illiquidity could impair client accounts' profitability or result in losses.

No Control over Portfolio Issuers - Although client accounts managed by us may from time to time acquire substantial positions in the securities of particular companies, they are unlikely to be represented on the board of directors or share any control over the management of those companies.

Limited Liquidity of Investments - Client accounts managed by us may invest in thinly traded and relatively illiquid securities and may acquire significant positions in some securities. In such cases and in the event of extreme market activity, we may not be able to liquidate such investments for the clients' accounts promptly if the need should arise. In addition, sales of thinly traded securities could depress the market value of those securities and thereby reduce the client accounts' profitability or increase their losses. Such circumstances or events could affect gains or losses materially and adversely.

Disciplinary Information

An investment advisor must disclose material facts about any legal or disciplinary event that is material to a client's evaluation of the advisory business or of the integrity of its management personnel. Inflection Partners, LLC does not have any disclosure items.

Other Financial Industry Activities and Affiliations

Inflection Partners, LLC is not involved in activities, outside of providing investment advisory services. However, Karen Landry, Principal, Director of Marketing, and an Investment Advisor Representative of Inflection Partners, LLC is a licensed Registered Representative with Mercury Securities and the Co-founder and Investment Advisor Representative of The Tilted Funds Group, LLC.

Mercury Securities is a general securities broker/dealer having membership in the Financial Industry Regulatory Authority. As a registered representative of Mercury Securities, Karen Landry is in the business of making introductions of private equity fund to individuals, investment companies, pension and profit sharing plans, banks, estates, trusts, charitable organizations and corporations.

The Tilted Funds Group, LLC is a California Registered Investment Adviser that anticipates managing discretionary investment advisory accounts for individuals, investment companies, pension and profit sharing plans, banks, estates, trusts, charitable organizations and corporations.

Approximately 5% of Karen Landry's time is allocated on outside business activities. These outside business activities are not related to the advisory business of Inflection Partners, LLC; there are no business dealings between Inflection Partners, LLC and either Mercury Securities or The Tilted Funds Group. Thus, a conflict does not exist between our interests and those of advisory clients.

If a client of Inflection Partner, LLC makes an investment in a private equity fund through Mercury Securities or opens an asset management account at The Tilted Funds Group, Karen Landry will receive the normal commission directly from Mercury Securities or the normal advisory fee directly from The Tilted Funds Group.

Although a client may be made aware of multiple investment opportunities, a client is under no obligation to purchase products recommended through Inflection Partners, LLC, Mercury Securities or The Tilted Funds Group.

Code of Ethics, Participation or Interest In Client Transactions, and Personal Trading

Code of Ethics

Inflection Partners, LLC maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of advisory personnel; requires compliance with federal securities laws; and, addresses conflicts that arise from personal trading by advisory personnel. Clients may request a copy of the Code of Ethics.

Participation or Interest in Client Transactions

From time to time, we may recommend to our clients, the purchase of limited partnerships or mutual funds that are sponsored by Inflection Partners, LLC affiliated companies. This would be when the recommendation is suitable for the client and meets their investment objectives. Clients are not obligated to purchase these funds.

Personal Trading

Inflection Partners, LLC and its officers, managers, partners, members and employees may personally invest in securities of the same classes as are purchased for clients and may own securities of issuers whose securities are subsequently purchased for clients. Except as described below in the section Trade Aggregation regarding aggregating securities transactions, if an issue is purchased or sold for clients and any of Inflection Partners, LLC and its officers, managers, partners, members and employees on the same day, either the clients and Inflection Partners, LLC and its officers, managers, partners, members and employees shall pay or receive the same price, or the clients shall receive the more favorable price. Inflection Partners, LLC and its officers, managers, partners, members and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals, which we do not deem appropriate to buy or sell for clients.

Brokerage Practices

Inflection Partners LLC has complete discretion over the selection of the broker to be used and the commission rates to be paid. In selecting a broker for any transaction or series of transactions, we may consider a number of factors, including, for example, net price, clearance, settlement, reputation, financial strength and stability, efficiency of execution and error resolution, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, offering to Inflection Partners LLC on-line access to computerized data regarding clients' accounts, computer trading systems, the availability of stocks to borrow for short trades and other matters involved in the receipt of brokerage services generally.

Soft Dollar Practices

Inflection Partners LLC may also purchase from a broker or allow a broker to pay for certain research services, economic and market information, portfolio strategy advice, proxy voting services, industry and company comments, technical data, recommendations, research conferences, general reports, periodical subscription fees, consultations, performance measurement data, on-line pricing, news wire charges, quotation services, computer hardware and software, and the like (a "soft dollar" relationship). We may receive soft dollar credits based on principal, as well as agency, securities transactions with brokerage firms or direct a brokerage firm that executes transactions to share some of its commissions with a brokerage firm that provides soft dollar benefits to us.

Inflection Partners LLC may pay a brokerage commission in excess of that which another broker/dealer might charge for effecting the same transaction in recognition of the value of the brokerage, research and other services and soft dollar relationships. In such a case, however, we determine in good faith that such commission is reasonable in relation to the value of brokerage, research and other services and soft dollar relationships provided by such broker/dealer, viewed in terms of either the specific transaction or our overall responsibilities to the portfolios over which we exercise investment authority. An account may, however, pay higher brokerage commissions than are otherwise available or may pay more brokerage commissions based on account trading activity. In addition, some clients may direct us to use a broker that does not provide soft dollar benefits to us. Nevertheless, the research and other benefits resulting from the brokerage relationship would benefit all accounts managed by us or our operations as a whole. During the last fiscal year, we directed brokerage to Craig-Hallum Capital Group, Dougherty and Company, JMP Securities, Needham & Co., Oppenheimer & Co., and B. Riley & Co. in return for research provided by the firms.

Our relationships with brokerage firms that provide soft dollar services to us influence our judgment in allocating brokerage business and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not. These conflicts of interest are particularly influential to the extent that Inflection Partners LLC uses soft dollars to pay expenses it would otherwise be required to pay itself.

Inflection Partners, LLC understands its duty for best execution and considers all factors in making recommendations to clients. These research services may be useful in servicing all our clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While we may not always obtain the lowest commission rate, we believe the rate is reasonable in relation to the value of the brokerage and research services provided.

Client Referrals From Brokers

Inflection Partners, LLC may direct a certain amount of brokerage to a broker in return for the broker's referral of prospective clients. The direction of brokerage to a broker in exchange for investor referrals creates a conflict of interest in that we have an incentive to refer our clients' brokerage business to brokers to which it might not otherwise direct its brokerage transactions. We may also engage solicitors to whom we pay cash or a portion of the advisory fees paid by clients referred to us by those solicitors. In such cases, this practice is disclosed in writing to the client and, we comply with the other requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, to the extent required by applicable law.

Directed Brokerage

If a client directs Inflection Partners, LLC to use a specific broker, we will not negotiate the terms and conditions (including, but not limited to, commission rates) relating to the services provided by such broker. We do not have any responsibility for obtaining for the client from any such broker the best prices or particular commission rates with or through any such broker. The client may not obtain rates as low as it might otherwise obtain if we had discretion to select brokers other than those chosen by the client. The client may not participate in aggregate securities transactions, as described below, and may trade after such aggregate transactions and receive less favorable execution.

Trade Aggregation

While individual client advice is provided each account, client trades may be executed as a block trade. Inflection Partners, LLC may aggregate sale and purchase orders of securities held by individual clients

with similar orders being made simultaneously for other accounts if, in our judgment, such aggregation is reasonably likely to result in an overall economic benefit to individual clients and the other accounts, in the aggregate, based on an evaluation that the clients are benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In many instances, we purchase or sell securities for clients simultaneously with purchases or sales of like securities for other accounts. Such transactions may be made at slightly different prices, due to the volume of securities purchased or sold. In such event, clients may be charged or credited, as the case may be, the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to a client than it would be if similar transactions were not being executed concurrently for other accounts. We may also cause a client to buy or sell securities directly from or to another client, if such a cross-transaction is in the interests of both such clients.

Review of Accounts

Inflection Partners, LLC monitors the individual investments within the separately managed accounts and investment limited partnerships each day the market is open. Particular attention is given to changes in company earnings, industry outlooks, market outlook and price levels. David L. Sherry, Jr., Managing Director, and Jon P. Andrews, Jr., Principal are the portfolio managers. We send to clients an investor update stating performance monthly; a letter stating performance with a brief overview quarterly, and a letter stating annual performance and investment outlook on a yearly basis.

Client Referrals & Other Compensation

Inflection Partners, LLC may compensate for client referrals. All solicitors agreements are in compliance with the Investment Advisers Act of 1940. In addition, all applicable federal and state laws will also be observed. All clients procured by solicitors will be given full written disclosures describing the terms and fee arrangements between the advisor and the solicitor prior to or at the time of entering into the advisory agreement.

Custody

Inflection Partners, LLC is deemed to have custody of client funds because of the fee deduction authority granted by clients in our investment advisory agreement. Additionally, Inflection Partners, LLC as the general partner of investment limited partnerships (the "Private Funds") makes all investment decisions concerning the securities owned by the Private Funds, including the disposition of assets upon the sale of such securities. This authority to withdraw assets of the Private Funds from the custodian of those assets is deemed custody of those assets according to the Securities and Exchange Commission.

Clients will receive account statements at least quarterly from the broker-dealer or other qualified custodian. Client is urged to compare custodial account statements against statements prepared by Inflection Partners, LLC for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes.

Investment Discretion

Inflection Partners, LLC provides investment advice and management to investment companies, individually managed accounts and investment limited partnerships. Inflection Partners, LLC holds a limited power of attorney to act on a discretionary basis with client funds.

Inflection Partners, LLC has complete discretion over the selection and amount of securities to be bought or sold without obtaining specific client consent. Because we engage in an investment advisory business and manage more than one account, there may be conflicts of interest over our time devoted to managing any one account and the allocation of investment opportunities among all accounts managed by us. We attempt to resolve all such conflicts in a manner that is generally fair to all of our clients. We may give advice and take action with respect to any of our clients that may differ from advice given or the timing or nature of action taken with respect to any particular client so long as it is our policy, to the extent practicable, to allocate investment opportunities over a period of time on a fair and equitable basis relative to other clients. We are not obligated to acquire for any account any security that we or our officers, managers, partners, members or employees may acquire for our or their own accounts or for the account of any other client, if in the absolute discretion of Inflection Partners, LLC, it is not practical or desirable to acquire a position in such security for that account.

Voting Client Securities

Inflection Partners, LLC will decide whether to vote proxy on behalf of each account over which we have proxy voting authority after considering whether the proposal will have a material effect on the investment strategy pursued by us for the account. This analysis typically leads to a determination by us not to vote proxies. In determining whether a proposal serves the best interests of an account, we will consider a number of factors, including the economic effect of the proposal on shareholder value, the threat posed by the proposal to existing rights of shareholders, the dilution of existing shares that would result from the proposal, the effect of the proposal on management or director accountability to shareholders, and, if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual. We will abstain from voting proxies when we believe that it is appropriate.

If a material conflict of interest over proxy voting arises between Inflection Partners, LLC and a client, we will vote all proxies in accordance with the policy described above. If we determine that this policy does not adequately address the conflict of interest, we will notify the client of the conflict and request that the client consent to our intended response to the proxy solicitation. If the client consents to our intended response or fails to respond to the notice within a reasonable period of time specified in the notice, we will vote the proxy as described in the notice. If the client objects to our intended response, we will vote the proxy as directed by the client.

A client can obtain a copy of the proxy voting policy of Inflection Partners, LLC and a record of votes cast by us on behalf of that client by contacting us.

Financial Information

An investment advisor must provide financial information if a threshold of fee prepayments is met; there is a financial condition likely to impair the ability to meet contractual commitments; or, a bankruptcy within the past ten years. Inflection Partners, LLC does not have any disclosure items in this section.