

**Part 2A of Form ADV: Firm Brochure  
Dated August 21, 2015**

**Graham Partners, Inc.**  
3811 West Chester Pike  
Building 2, Suite 200  
Newtown Square, PA 19073  
P: 610.408.0500  
F: 610.408.0600  
[www.grahampartners.net](http://www.grahampartners.net)

**This brochure provides information about the qualifications and business practices of Graham Partners, Inc. If you have any questions about the contents of this brochure, please contact us at 610.408.0500. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Graham Partners, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2: Material Changes**

This summary describes the material changes that have been made to Graham Partners' Disclosure Brochure since the annual update that was filed on March 28, 2014. Certain disclosures relating to an investment in the Funds and related risk factors have been enhanced in Item 8, as have disclosures relating to potential conflicts of interest in Items 5, 6 and 11. In addition, Item 4 has been updated to reflect the launch of our latest fund, Graham Partners IV. Other updates have also been made to this Disclosure Brochure, some of which enhance prior disclosures, but we do not consider those updates to be material.

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#### **Item 4: Advisory Business**

Graham Partners, Inc., a Pennsylvania corporation (“Graham Partners” or “we”), is a private investment firm, based in suburban Philadelphia, which focuses on acquiring and investing primarily in lower middle market manufacturing and industrial service related companies principally in the United States and Canada with growth potential. Graham Partners is owned by Steven C. Graham, its Senior Managing Principal.

We provide investment advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended, and whose securities are not registered under the Securities Act of 1933, as amended. We currently provide investment advice to Graham Partners Investments, L.P., Graham Partners Annex, L.P., Graham Partners II, L.P., Graham Partners II Co-Investment, L.P., Graham Partners III, L.P. and Graham Partners IV, L.P. (together with their respective parallel partnerships, the “Funds”).<sup>1</sup> We may in the future advise other funds in addition to those listed herein.

Prior to the formation of the first Fund in 1999, Graham Partners served in a corporate finance advisory capacity for a group of industrial and investment businesses founded by entrepreneur Donald C. Graham, the father of Steven C. Graham. These entities were then commonly known as “The Graham Companies” or “The Graham Group.” Today, the Graham Group name has been broadened and is used to refer to an alliance of independently owned and operated industrial and investment management businesses, which includes Graham Partners.

As investment adviser for each Fund, Graham Partners identifies investment opportunities and participates in the acquisition, management, monitoring and disposition of investments for each Fund. Graham Partners provides these investment advisory services to each Fund pursuant to separate investment advisory agreements (each an “Advisory Agreement”). The terms of the investment advisory services to be provided by Graham Partners to a Fund, including any specific investment guidelines or restrictions, are set forth in such Fund’s Advisory Agreement and/or in its limited partnership agreement. We tailor our advisory services to the individual needs of each of the Funds. Individual needs are identified through a review of each Fund’s overall investment guidelines and objectives, as well as specific investment goals.

We do not participate in any wrap fee programs.

As of July 31, 2015, the committed capital raised by us since inception of the Funds, plus co-investments we led, totaled approximately \$1.901 billion, comprised of \$1.534 billion in committed capital and the balance in Graham Partners led co-investments. As of June 30, 2015, our regulatory assets under management (“Regulatory AUM”) totaled approximately \$1.047 billion. This Regulatory AUM figure represents the sum of the current market value of the assets held by the Funds, plus the aggregate amount of uncalled commitments to the Funds, all as of

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<sup>1</sup> With respect to certain of the Funds, Graham Partners provides its services indirectly through wholly owned subsidiaries.

June 30, 2015. We manage these assets for the Funds on a discretionary basis. We do not manage any assets on a non-discretionary basis.

## **Item 5: Fees and Compensation**

We are compensated for our investment advisory services based on a percentage of committed capital or invested capital. Generally, each Fund pays us a management fee based on committed capital during its investment period, and thereafter pays us a management fee based on invested capital. In certain cases, however, a Fund will only pay a management fee based on invested capital. The percentage rate varies from 1.0% to 2.0% per annum. The general partner of the applicable Fund negotiates the rate with investors in each Fund at the time such Fund is established. We are entitled to collect management fees from some of the Funds on a semi-annual basis and from other Funds on a quarterly basis. As described below, the management fee may be reduced or waived in some circumstances in connection with the receipt by Graham Partners or its affiliates of various fees paid by actual or prospective portfolio companies. The management fee is generally subject to waiver or reduction by the general partner of the applicable Fund, in its sole discretion, with respect to some or all of the investors in the Fund (including in connection with investments in the applicable Fund made by the general partner or its affiliates).

Management fees are payable quarterly in advance of the services rendered or semiannually on the 15th day of the period. As required by the Investment Advisers Act of 1940, as amended (the “Advisers Act”), if the Advisory Agreement is terminated before the end of the applicable period, management fees will be charged on a pro rata basis through the date of termination, and any fees paid in advance but not earned will be refunded.

The Funds generally bear certain other fees, expenses and costs which are incidental or related to the maintenance of the Fund or related to the acquisition, carrying and disposition of investments, including but not limited to private placement fees, sales commissions, appraisal fees, taxes, brokerage fees, accounting, legal, investment banking, consulting, information services, professional fees, custodial, trustee, record keeping, partnership reporting, insurance, telephone, travel and other such expenses. Some of the above services may be provided at cost by our affiliates. For the avoidance of doubt, unless the general partner of a Fund determines otherwise, the Funds will be responsible for all broken-deal expenses related to an unconsummated transaction, notwithstanding the anticipated participation of co-investors in such transaction.

Graham Partners and its affiliates perform management, advisory, transaction-related, financial advisory and other services for, and receive fees from, actual or prospective portfolio companies of the Funds, including such fees in connection with mergers, acquisitions, add-on acquisitions, refinancings, sales and similar transactions. These fees may be significant. Such fees may be paid in cash, in securities of portfolio companies or investment vehicles (or rights thereto). Although such fees are in addition to the management fees paid by the Funds, Graham Partners will in some circumstances reduce future management fees in connection with the receipt of these fees. The calculation of such reduction varies from Fund to Fund and is described in the applicable limited partnership agreements. These fees are disclosed in the annual financial statements of the applicable Fund.

In order to improve efficiency and reduce certain costs for the Funds and the portfolio companies, Graham Partners formed Graham Partners Operating Company, LLC (“GPOC”) in 2008 to better coordinate and oversee the consulting services that are provided by various operations executives and outside firms directly to the portfolio companies of the Funds and, in certain instances, to the Funds themselves. GPOC is a wholly owned subsidiary of Graham Partners subject to annual audit by the auditor of the Funds; the operational consulting and other specialized advisory services GPOC provides to the Funds and their portfolio companies are passed through at cost with no mark-up and disclosed in the quarterly financial statements and annual audits of the Funds. In addition to the services provided by the operations executives, GPOC also employs certain accounting personnel who provide fund accounting and fund valuation services to certain of the Funds. GPOC is an alternative to the outsourcing of such services to third parties. Graham Partners believes that outsourcing would result in materially higher costs for the Funds and the portfolio companies. GPOC's services reflect pass-through expenses provided at cost, and its costs are intended to be provided at or below market rates, on an arms-length basis. GPOC has been subject to an annual audit by the auditor of the Funds each year since its inception in 2008, and has operated at a break-even every year since its inception.

In accordance with the terms of the applicable limited partnership agreements of the Funds, the costs and expenses for work done by GPOC on Fund-related matters are generally allocable to the Funds, while the costs of work done by GPOC on behalf of the portfolio companies are passed on to the applicable portfolio companies. In all cases in which GPOC provides services to the Funds or the portfolio companies, GPOC's costs and expenses are passed on with no mark-up. The amounts allocated to the Funds and charged to the portfolio companies in respect of GPOC's services are disclosed in the quarterly financial statements and annual audits of the Funds, and in accordance with the terms of the applicable limited partnership agreements are reimbursable expenses not subject to offset. Also in accordance with the terms of the applicable limited partnership agreements, portfolio companies of the Funds customarily grant stock options and other incentive equity directly to management, board members that are not Graham Partners employees, external operations executives and in certain cases to GPOC operations executives who advise the portfolio companies, which equity incentive awards (and any amounts paid in respect thereof) are not subject to offset. For the avoidance of doubt, other than grants to GPOC operations executives, any such equity incentives that may be granted to Graham Partners or its employees are subject to offset. The presence of such options and/or other equity linked incentives may be dilutive and are considered in connection with the quarterly valuation process for each of the Funds.

In addition, certain Graham Group entities, which are deemed not to be affiliates of Graham Partners under the Funds' limited partnership agreements, provide operations-related consulting services to portfolio companies of the Funds and from time to time to the Funds themselves; such services are intended to be on an arms-length basis. From time to time, Graham Partners and GPOC also make personnel available and provide operations-related consulting services to certain Graham Group entities.

Internal control procedures have been adopted that are designed to ensure that Fund expenses are properly calculated and allocated to the Funds, and that management fee offsets are correctly applied, all in accordance with the terms of the Funds' governing documents. For

example, legal counsel of the Funds has prepared a synopsis of the terms of the partnership agreements for each of the Funds that govern transactions with affiliates to ensure that these provisions are correctly understood and consistently applied by our accounting staff. In addition, the Funds commission the independent auditor of the Funds to perform supplemental accounting procedures related to fees and fee offsets, as well as expenses and expense allocations. The findings of these added procedures are used in our analysis of each Fund's internal controls. We believe this supplemental analysis adds additional checks and balances in the important areas of internal controls and compliance with the terms of the partnership agreement of the Funds.

Neither we nor any of our supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

#### **Item 6: Performance-Based Fees and Side-by-Side Management**

Affiliated entities of Graham Partners and some of our supervised persons receive carried interest distributions from certain Funds, which are based on a share of realized gains in the assets of such Funds. Such carried interest distributions may ultimately be distributed to employees of Graham Partners and its subsidiaries (or to entities formed by such employees for estate planning purposes). The amounts of such carried interest distributions are set forth in the limited partnership agreements of the Funds. As provided under the applicable limited partnership agreements of the Funds, carried interest is generally subject to waiver or reduction by the general partner of the applicable Fund, in its sole discretion, with respect of some or all of the investors in the Fund (including in connection with investments in the applicable Fund made by the general partner or its affiliates).

Carried interest may create an incentive to make investments on behalf of the Funds that may be riskier or more speculative than would otherwise be the case. In addition, the payment by some but not all of the Funds of carried interest may create an incentive for the disproportionate allocation of an investment to Funds paying carried interest versus Funds that do not pay carried interest or Funds which may pay a lesser amount of carried interest. To mitigate this potential conflict of interest, the allocation of investment opportunities among the Funds is made by general partners of the Funds in accordance with the applicable limited partnership agreements of the Funds. The general partners of the Funds make allocations taking into account multiple criteria to derive an allocation that, in the general partners' judgment, is fair and equitable to each Fund relative to other Funds over the life of each Fund, taking into account all relevant facts and circumstances. The general partners of the Funds take a similar approach with respect to the allocation of follow-on investment opportunities, co-investment opportunities and divestment opportunities.

#### **Item 7: Types of Clients**

We provide investment advice to the Funds. Investors in the Funds include high-net-worth individuals, college and university endowments, public and private pension plans, funds-of-funds and other institutional investors.

Funds may have a specified minimum investment set forth in their offering documentation, organizational documents or other governing documents. Such minimums are typically subject to the discretion, on the part of Graham Partners, to permit investment of a smaller amount generally or with respect to any investor in the relevant Fund.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

Our investment objective is to make investments primarily in lower middle market manufacturing and industrial service related companies principally in the United States and Canada. In evaluating potential portfolio companies, we conduct extensive due diligence to analyze, among other things, the company's market and competitive position within that market, cost and revenue structures, unique assets (such as brand strength, distribution capability and intellectual property), management team and compensation structure, contingent liabilities (environmental, regulatory, accounting or otherwise), potential growth opportunities and potential exit strategies.

GPOC also employs a group of operating professionals with significant career experience across a broad range of industries who assist us in the sourcing of investment opportunities, the due diligence of potential transactions and the ongoing development of portfolio companies.

Our investment strategy is primarily long-term investment in privately held companies. It is possible that some investments may be held for less than a year, though this is not typical of our investment strategy. Graham Partners' Investment Committee, comprised of senior members of Graham Partners, is ultimately responsible for making investment decisions for the Funds.

Acquiring an interest in a Fund involves a number of significant risks. An investment in a Fund may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in a Fund. Investment risks include, but are not limited to, the following:

- *Risks Associated with the Funds' Investment Strategies.*
  - The investment strategies pursued by the Funds involve making illiquid private investments in a relatively small number of portfolio companies. As a result, each Fund's portfolio tends to be highly concentrated, and the failure of even one of these investments could have a materially adverse impact on a Fund's overall performance.
  - The competition for sourcing investments for the Funds is becoming increasingly intense. There can be no assurance that Graham Partners will be able to source a sufficient number of suitable investments at reasonable valuations to achieve a Fund's investment objective.
  - The Funds' investment strategies often involve investing in portfolio companies whose businesses are subject to significant risks, including strategic, financial or other challenges. Some of these portfolio companies may be highly leveraged, and the Funds' exit strategies may be uncertain at the time the Funds make an investment



in the portfolio company. The success of the Funds' investments in these companies is highly dependent on the ability of the managers of these companies to successfully navigate these and other challenges.

- *Risks Associated With Investing in Interests in the Funds*

- Investments in the Funds are illiquid, and interests in a Fund may not be transferred without the prior consent of the general partner and the satisfaction of certain other conditions. Investors in the Funds should be able and prepared to maintain their investments in the Funds over the entire life of the Fund.
- An investment in the Funds is a passive investment. As limited partners, investors in the Funds have no control over the day-to-day operations of the Funds and limited rights to protect themselves if they are dissatisfied with the manner in which a Fund is being operated. Limited partners are highly dependent on the investing skills and management abilities of Graham Partners to achieve success.
- The valuation of the Fund's investments is a difficult task that relies heavily on Graham Partners' business judgment. Although Graham Partners maintains stringent policies, procedures and financial controls over the valuation process (including independent review by the Funds' auditors), there can be no assurance that the Funds will be able to realize their investments at price that is commensurate with the value at which such investments have been carried on the Fund's books.
- Graham Partners manages each Fund in a manner that is consistent with the best interests of the Fund, which is not necessarily consistent with the best interests of each individual investor in the Fund. In particular, Graham Partners may structure investments so as to maximize tax efficiency for the Fund, but which may not be the most tax advantageous structuring possible for an individual investor, depending on that investor's own particular facts and circumstances.
- Some Funds have cross-investments in certain portfolio companies with other Graham Partners Funds, and in certain instances a portion or all of one Fund's investment in a given portfolio company may be junior or senior in priority to another Fund's investment in the same portfolio company.

No guarantee or representation can be made that a Fund will achieve its investment objective or that limited partners will receive a return of their capital. All investing involves a risk of loss and the investment strategies pursued by the Funds could lose money over short or even long periods. Prospective and existing investors are advised to review the offering materials and other constituent documents for full details on each applicable Fund's investment, operational and other actual and potential risks.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events relating to our advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities and Affiliations**

Neither we nor any of our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither we nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities.

Other than as described below, neither we nor any of our management persons have any relationship or arrangement that is material to our advisory business or to the Funds with any related person who is a broker-dealer, municipal securities dealer or government securities dealer or broker; investment company or other pooled investment vehicle; other investment adviser or financial planner; futures commission merchant, commodity pool operator or commodity trading advisor; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of limited partnerships.

Graham Partners acts as investment adviser to the Funds, and certain related persons act as general partners of the Funds. Additionally, several related persons serve as management companies to the Funds and provide certain administrative and managerial services. The Investment Committee of Graham Partners is currently comprised of certain of the Managing Principals of Graham Partners.

We do not recommend or select other investment advisers for the Funds or have other business relationships with other investments advisers that create a material conflict of interest.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

We have adopted a written Code of Ethics which applies to all of our employees, and any person who enters into a significant consulting or other similar relationship with us that is not specifically exempted. Our Code of Ethics requires our employees to serve the best interests of our clients in compliance with our status as a fiduciary, to comply with applicable federal securities laws and to report any violations of our Code of Ethics promptly to our Chief Compliance Officer. Our Code of Ethics includes insider trading policies and procedures. Generally, each of our employees must pre-clear certain personal securities transactions and provide copies of trade confirmations and periodic account statements, annual securities holdings reports and quarterly securities transactions reports. We will make our Code of Ethics available to any investor or prospective investor who requests a copy.

From time to time we may cause one of the Funds to buy or sell securities in which one of our officers, directors, employees or affiliates (as defined in the Funds' limited partnership agreements) has a material financial interest. The existence of such relationships may create a conflict of interest between the Fund and the relevant officer, director, employee or affiliate. Pursuant to the limited partnership agreements of the Funds, such transactions must be approved by the Fund's advisory board or a subcommittee thereof. A Fund's advisory board is comprised of representatives of its limited partners. Limited partners with advisory board representation in

a given Fund may have holdings in other Graham Partners Funds and/or may have made co-investments alongside of one or more of the Graham Partners Funds, and may thus consider factors that are different than those of other limited partners who have advisory board representation in such Fund, but have no cross-holdings or co-investments. While this could create potential conflicts of interest between a given Fund and the relevant advisory board member, such potential conflicts are addressed in accordance with the applicable provisions of the Funds' limited partnership agreements.

From time to time our officers, directors, employees or affiliates may wish to co-invest in a transaction in which a Fund with remaining available capital is making an investment. This may create a conflict of interest between such Fund and the relevant officer, director, employee or affiliate. Pursuant to the limited partnership agreement of such Fund, such transactions must be approved by such Fund's advisory board or a subcommittee thereof, provided that approval is not required if the officer, director, employee or affiliate acquires such securities in his or her capacity as a director of a portfolio company. Certain members of the advisory boards may be employed by firms which provide or have in the past provided services to the Funds or portfolio companies, such as legal services or operational consulting services. While this could create potential conflicts of interest between a given Fund and the relevant advisory board member, such potential conflicts are addressed in accordance with the applicable provisions of the Funds' limited partnership agreements.

In accordance with the limited partnership agreements of the Funds, certain Graham Group entities and certain of our related persons (collectively, the "Graham Group Entities"), which are deemed not to be affiliates of Graham Partners under the Funds' limited partnership agreements, may own limited partnership interests in the Funds and may have advisory board representation with certain of the Funds. From time to time, such Graham Group Entities have also been offered the opportunity to co-sponsor or co-invest in an investment in which a Fund with remaining available capital is making an investment, particularly in instances in which the general partner seeks operational expertise that can benefit the Fund that will be making the investment. If a Graham Group Entity does co-sponsor or co-invest with one of the Funds in an investment, such transaction is disclosed in the quarterly financial statements and annual audits of the applicable Fund. Pursuant to the limited partnership agreements of the Funds, the general partner of each Fund may only offer co-investment to the extent the general partner believes it is appropriate to do so and, in any case, the general partner may not reduce a Fund's level of investment in a transaction below that which the general partner deems appropriate. The Graham Group manages pools of investor capital independent from the Funds. When a Graham Group Entity has been involved in co-sponsorships or co-investments with the Funds, it traditionally actively assists Graham Partners with pre-closing operational due diligence and post-closing portfolio company matters, often including participation on portfolio company boards.

## **Item 12: Brokerage Practices**

As a private investment firm, from time to time we may engage registered broker-dealers to assist us in selling one of our privately held portfolio companies or publicly traded securities. In the event we choose a broker-dealer, we seek to obtain best execution of transactions.

In selecting broker-dealers and negotiating rates, we look for whether the transaction represents the best qualitative execution and take into account several factors, including but not limited to the broker-dealer's relevant expertise in portfolio companies of the relevant size and industry, the reputation of the broker-dealer, the quality of investment research, timing and speed of execution and responsiveness. Generally, we get competing bids and compare them to current market prices.

To the extent we aggregate orders for purchase and sale, we will aggregate such orders as we deem appropriate and in accordance with the Funds' limited partnership agreements and in the best interest of each Fund.

We occasionally receive proprietary investment research and related services ("soft dollar benefits") from broker-dealers in connection with client securities transactions. However, we have no formal agreements with any broker-dealer pursuant to which we receive soft dollar benefits. We may use the research to assist us in the performance of our investment decision-making responsibilities.

When we use the soft dollar benefits, we receive a benefit as we may not have to produce or pay for the research, products or services. As a result, we may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on the Funds' interest in receiving most favorable execution.

We do not believe that this causes the Funds to pay brokers or dealers commissions in excess of the amounts other brokers or dealers would have charged in exchange for the soft dollar benefits. Consistent with our best execution obligation, we negotiate fee arrangements with broker-dealers that we believe are beneficial to the Funds.

The soft dollar benefits may not be used to service every Fund and we may use the soft dollar benefits to service accounts that did not pay commissions to the broker-dealers providing the soft dollar benefits. We do not seek to allocate soft dollar benefits to Funds proportionately to the soft dollar credits the Funds generate.

Within our last fiscal year, we have received written research materials on certain companies, industries, sectors of the economy, market trends and other topics which might affect the economy or the price of securities. During our last fiscal year, we did not direct any client transactions to a particular broker-dealer in return for soft dollar benefits.

The firm may from time to time engage placement agents in connection with its fund raising activities. However, the firm does not take fund raising activities into account when considering the brokers it may engage to execute trades.

### **Item 13: Review of Accounts**

On behalf of the General Partner of each Fund, we manage the Funds on a day-to-day basis, and the Funds' portfolio companies are closely monitored by our Managing Principals and investment professionals. Audited financial statements are prepared for each of the Funds following the end of each fiscal year, and unaudited financial statements are prepared for each of

the Funds following the end of the first three fiscal quarters, in each case in accordance with the terms of the Funds' limited partnership agreements.

#### **Item 14: Client Referrals and Other Compensation**

Graham Partners or its affiliates may provide certain operational consulting and other specialized advisory services to the Funds and their portfolio companies and may receive compensation from the Funds and their portfolio companies in connection with such services. These fees may be in addition to management fees. See Item 5 above for more information.

Neither Graham Partners nor any affiliate thereof directly or indirectly compensates any person other than our officers, partners, directors or employees for client referrals. However, the firm may pay placement agents in accordance with standard industry practice in connection with the Funds' capital raising activities.

#### **Item 15: Custody**

The Funds receive monthly or quarterly account statements from their respective qualified custodians, which we review carefully and reconcile quarterly to our internal records of the Funds' assets.

#### **Item 16: Investment Discretion**

Graham Partners and its affiliates generally have the authority to make all investment determinations on behalf of the Funds. The limited partnership agreements of the Funds generally impose some limitations on our investment discretion, which limitations can only be waived by the Fund's advisory board, a subcommittee of the advisory board or its limited partners.

#### **Item 17: Voting Client Securities**

We have adopted a Voting Policy to comply with Rule 206(4)-6 promulgated under the Advisers Act. The Voting Policy, which has been designed to ensure that we vote client securities in the best interest of the Funds and provide the Funds with information about how client securities are voted, contains procedures that have been reasonably designed to prevent and detect fraudulent, deceptive or manipulative acts by us.

It is our policy to vote client securities in the interest of maximizing shareholder value. To that end, we will vote in a way that we believe, consistent with our fiduciary duty, will cause the value of the shares to increase the most or decline the least. Consideration will be given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. We will vote client securities in the best interest of the Funds and not our own. In voting client securities, we will avoid material conflicts of interest between our interests on the one hand and the interests of the Funds on the other.

The Funds are not able to direct our vote in a particular solicitation.

We will maintain records of all voting statements received and votes cast in an easily accessible place for five years. Investors and prospective investors in the Funds may request information from us about how we voted the securities held by the Funds. We will make our Voting Policy available to any investor or prospective investor who requests a copy.

**Item 18: Financial Information**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Graham Partners has not been the subject of a bankruptcy petition at any time during the past ten years.

**Item 19: Requirements for State-Registered Advisers**

Not applicable.