



## **Invesco Private Capital, Inc.**

### **Form ADV Part 2A Firm Brochure**

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This brochure provides information about the qualifications and business practices of Invesco Private Capital, Inc. ("IPC", or the "Firm"). If you have any questions about the contents of this brochure, please contact us at 212-652-4236 in reference to the Fund of Funds and Direct Venture Capital strategies. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

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

IPC is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

## **Item 2: Material Changes**

This Item 2 requires an investment adviser that is amending its brochure to identify and discuss any material changes since the last annual update of its brochure.

This brochure was previously updated on March 26, 2024. Adviser's business activities and investment management practices have not changed materially since the last annual update. However, we have added disclosure to Item 9 – Disciplinary Information with respect to a settlement entered into by our advisory affiliate and the SEC relating to electronic business communications.

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## Item 4: Advisory Business

This Item 4 requires an investment adviser to describe its advisory business, including the types of services offered, whether the investment adviser specializes in a particular type of advisory service and the amount of assets managed by the investment adviser.

IPC, a Delaware corporation, was founded in 1981 and has been registered as an investment adviser with the SEC since 1993. IPC is directly owned by Invesco Advisers, Inc. (“IAI” or “Invesco Advisers”) and is a wholly owned subsidiary of Invesco Ltd., a publicly held global investment management company with offices throughout the world that trades on the New York Stock Exchange (NYSE: IVZ).

IPC is headquartered in downtown New York City and has offices in San Francisco and Dallas. IPC now has two primary investment strategies: (1) Fund of Funds Investing (“FOFs”, each referred to herein as “FOF” or “FOFs”) and (2) Direct Venture Capital Investing.

**FOF Investing.** IPC’s investment philosophy underlies the strategy the Firm uses to construct our FOF portfolios. The Firm believes there is significant upside potential for those who understand the illiquid nature of this asset class with a long-term investment horizon. IPC does not believe private markets can be timed, nor can the largest funds be relied upon to deliver superior returns over consecutive cycles. For these reasons, IPC invests selectively over time and overweighs our portfolios in smaller or niche venture capital investment firms. IPC’s products can accommodate investors who have little or no current exposure to private equity, as well as clients who prefer to handle a certain portion of their venture capital investment commitments in-house, while outsourcing specialized portions of their program to a skilled, dedicated outside manager. By constructing our core FOF portfolios over a multi-year period, IPC attempts to diversify over a typical investment cycle. IPC’s venture portfolios are constructed with a mix of partnerships that vary by size, stage of investment, investment strategy, geography and industry. In addition, certain FOF portfolios may opportunistically invest directly into companies (described further below) either sourced through our existing partnership investments or outside of this network. When blended together, IPC believes these characteristics help to mitigate overall portfolio investment risk.

**Direct Venture Capital Investing.** IPC’s venture capital strategy finances companies looking for capital across multiple industries. IPC primarily seeks to invest in companies that already offer strong “proof of principle” which means they have already placed working technology in the hands of initial customers and/or successfully completed early clinical trials or at a minimum have initial proof of a working business model.

**Types of Advisory Services.** IPC provides investment advisory services to direct venture and FOF clients structured as U.S. investment vehicles (each, a “Fund” and collectively, “Funds”) exempt from SEC registration under the Investment Company Act of 1940, as amended (the “Investment Company Act” or “1940 Act”) and the U.S. Securities Act of 1933, as amended (the “Securities Act”), as well as sub-advised separately managed account clients (“SMAs”), (collectively referred to herein as “Client” or “Clients”), in its capacity as a sub-advisor to third-party regulated entities.

IPC provides investment advisory services to Clients whereby they invest in more than one of the two primary strategies.

IPC also provides investment advisory services to employees' securities companies, which are employer-sponsored investment companies, the beneficial owners of which include certain current and former employees. Employees' securities companies are offered as parallel vehicles to certain Funds.

Advisory services provided to all Clients are fully discretionary where IPC has the authority to make all investment decisions for its Clients' accounts subject to any guidelines or restrictions agreed to between IPC and its Clients.

As of December 31, 2023, IPC manages approximately \$769,094,710 of Client assets on a discretionary basis.

## Item 5: Fees and Compensation

This Item 5 requires an investment adviser to describe how it is compensated for its advisory services, as well as what other costs are borne by an advisory client.

IPC generally receives management fees and carried interest allocations in connection with the investment advisory services it provides to Funds. IPC charges management fees in arrears. A specific explanation of how IPC is compensated, and its method of fee calculation are set out in the offering materials, disclosure documents, management agreements and/or other governing documents (each a “Governing Document” and collectively, the “Governing Documents”) of the relevant Fund or SMA and should be carefully reviewed. Fees are generally based on commitments or invested capital as determined by the relevant Client’s investment management agreement or Governing Documents. Fees are generally deducted directly from a Fund or billed directly to and paid by a SMA based on the relevant Governing Documents. Fees and compensation may be negotiable based on a variety of circumstances such as specialized guidelines, performance fees, existing accounts or relationships with IPC or its affiliates, offshore relationships, account size, or type of investor. Employees of the firm or its affiliates investing in a Fund or in employees’ securities companies offered as parallel vehicles to a Fund may enjoy more favorable fee structures.

**Funds.** Fee arrangements for the various Funds are detailed below.

*FOFs.* Dependent upon the relevant FOF’s Governing Documents, management fees generally range from 0.25% to 1.50% per annum payable quarterly on the basis of the limited partners’ FOF’s capital commitments or adjusted aggregate cost of investments plus in certain instances 5% - 10% carried interest, which can include a preferred return of up to 8%. Full disclosure of these fees can be found in the relevant FOF’s Governing Documents, which may include side letter agreements, if any, and may vary among investors as fees are negotiable.

*Direct Venture Capital Investments.* Dependent upon the relevant Fund’s Governing Documents, management fees generally range from 0.375% to 2.500% per annum payable quarterly on the basis of a Fund account’s adjusted net asset value or adjusted aggregate cost of investments plus in certain instances 15% - 20% carried interest, which can include a preferred return of up to 8%.

**Separately Managed Accounts.** The amount, timing, manner and calculation of management fees for SMAs are set forth in the sub-advisory agreements with those Clients’ adviser.

**Other Fees or Expenses.** In addition to the various fees above, Clients, specifically the Funds, could bear certain other fees and expenses, as permitted in the Governing Documents, which are incidental or related to the management and operation of the Funds. For the Fund’s, these fees and expenses generally include, but are not limited to: all costs and expenses relating to their operations, activities, investments and business that are not reimbursed by a portfolio company or portfolio fund (which reimbursements may be for travel, including, in certain circumstances, meal and entertainment expenses, and other expenses incurred in connection with such Fund investment) or applied to reduce transactions fees (as defined by the relevant Fund’s Governing Documents), including, but not limited to: (a) legal, auditing, consulting, expert network, and accounting fees

and expenses (including costs of reports to the partners, financial statements, tax returns, tax estimates and Schedule K-1s and any other Fund related reporting, and all costs associated with the Funds' administration or filing obligations (including (i) expenses incurred in connection with the payment to a third-party administrator, if applicable, for the performance of services including administrative and back-office services and (ii) expenses and costs associated with any software or online data portal used in connection with the maintenance of the Funds' books and with such reporting)); (b) any taxes, fees or other governmental charges levied against the Funds or on their income or assets in connection with their business or operations and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds, in each case, except to the extent such amounts are (i) allocable to, or subject to indemnification by, a partner and (ii) actually borne or paid by such partner; (c) all expenses and costs incurred in connection with compliance with any applicable regulatory regimes as may be required by applicable laws, rules and regulations, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, any applicable Commodity Futures Trading Commission Rules, and any regulatory filings required to be made in respect of the Funds or any alternative investment vehicle or feeder fund (including FATCA, Form PF and those relating to the Alternative Investment Fund Managers Directive (the "AIFM Directive"), but excluding Form ADV); (d) custodial fees, commissions, other fees and expenses arising from its operations; (e) expenses and fees incurred in connection with the identification, investigation, structuring, acquisition, holding, organizing, managing, operating, valuing, winding up, liquidating, dissolving and disposition of the Funds' proposed or actual portfolio investments, whether or not consummated (including due diligence in connection therewith and refinancing thereof), including, but not limited to, interest on money borrowed by or on behalf of a Fund, legal, accounting, audit, consulting, travel, meals, entertainment, hedging, attendance at conferences in connection with the evaluation of potential portfolio investments or specific sectors or industries to the extent such conferences are in furtherance of the Funds' business, and other expenses (to the extent not subject to reimbursement); (f) appraisal fees and expenses, including, but not limited to, the cost of obtaining from an independent appraisal firm a valuation of the portfolio investments held by the Funds as of the end of each fiscal year and expenses incurred in connection with other third-party valuations; (g) any expenses and costs incurred in connection with a proposed portfolio investment that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties; (h) commissions, brokerage fees, custody fees, legal fees and expenses or similar charges incurred in connection with the purchase and sale of securities; (i) distressed loan servicing fees; (j) reasonable expenses of the members of the advisory board earned, charged or incurred in their capacity as such; (k) all fees, expenses and settlements related to hedging transactions; (l) all expenses relating to litigation and threatened litigation, investigation, indemnifications, settlements or reviews or other extraordinary events involving the Funds and the amount of any judgments or settlements paid in connection therewith (except for legal expenses related to litigation, investigation, settlements or reviews or other extraordinary events arising from acts or omissions of a Fund's general partner, its agents or employees as to which it has been determined that the general partner, its agents or employees has engaged in certain disqualifying conduct as defined by the applicable Funds' Governing Documents); (m) fees and expenses of independent accountants for formal accounting systems and the preparation and review of financial statements, other reports and filings to or for partners; (n) fees and expenses for banking, investment banking, legal, accounting and/or custodial services, and other services supplied by independent collateral agents and other specialized professional service firms, in each

case provided to the Funds at the request of a Fund's general partner or members of the advisory board; (o) all insurance premiums or similar expenses incurred in connection with the activities and management of the Funds (including directors and officers, errors and omissions liability and other insurance); (p) fees incurred by the Funds for special advisory or consulting services; (q) expenses for the operations and maintenance of any other entity formed as an affiliate of the Funds for the purpose of making portfolio investments or conducting other permitted activities of the Funds; (r) the cost of forming and maintaining alternative investment vehicles and any holding vehicles formed in connection thereto; (s) expenses incurred for the holding of general meetings of the limited partners and related meal and entertainment expenses, if any; (t) all expenses incurred in connection with any indebtedness of the Funds (including any credit facility, letter of credit or similar credit support), including interest and fees with respect thereto, or seeking to put in place any such indebtedness or guarantee; (u) all expenses of liquidating the Funds and (v) all other costs incurred in connection with the administration of the Funds or otherwise that may be authorized by a Fund's partnership agreement or Governing Documents or approved by a majority in interest of the limited partners or the advisory board.

In certain instances, the Fund's general partners may appoint service companies to act as service providers to portfolio companies owned by those Funds. Such Funds are charged fees on an arm's length basis. Similarly, IPC may provide certain fund administration services to a Fund rather than engage a third-party administrator to perform such services. The costs for providing these fund administration services performed by IPC employees to various Funds are not included in the management fee and are charged to the relevant Funds. These relevant Funds currently reimburse IPC for accounting services provided by IPC's accounting personnel. This reimbursement amount is based on an estimate of time spent on services provided to the Fund. These charges for fund administration services performed by IPC employees to various Funds are only applied as permitted by the governing documents of Clients. IPC reviews its internal chargebacks at least annually to seek to ensure that they are at or below applicable market rates.

Whether an expense is a Client or Firm expense, is memorialized in the respective Client's Governing Documents. Expense allocation determinations are made in accordance with the Firm's Fees and Expenses Processing and Allocation Policy and the applicable Clients' Governing Documents. Expense allocations to a Client or between or among the Clients, as applicable, are documented, reviewed and, as applicable, approved by the Firm's Expense Review Committee. In general, expenses are allocable pro rata to each Client that receives the benefit of such expense. At times, certain expenses, such as board of directors' travel, litigation, or research, are reimbursed by portfolio companies.



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

This Item 6 requires an investment adviser that charges performance-based fees to disclose how the investment adviser addresses any conflicts that arise from managing accounts side-by-side where one account bears performance-based fees and the other account does not.

Consistent with the provisions of Rule 205-3 under the Advisers Act and as discussed in Item 5, IPC or its affiliated Fund's general partners are entitled to performance-based fees in connection with certain of their Fund and/or Client accounts, depending upon the nature and investment strategy of a Fund or Client account.

IPC may earn both management fees and carried interest from certain Client accounts and may only earn management fees or no fees at all from others. These performance-based fee arrangements may create an incentive for IPC to recommend investments to such Client accounts, which may be riskier, more speculative, or potentially more profitable than those which would be recommended under a different fee arrangement. Each of the Funds' and/or Client accounts' investment approach, strategy and focus are defined in the Funds' and/or Clients' respective Governing Documents, and the Firm has adopted allocation policies and procedures, subject to certain investment considerations, to handle potential conflicts of interest in relation to investment overlaps among Client accounts, including those with different fee structures. The Firm's policies and procedures and Code of Ethics are designed to address potential conflicts of interest. IPC, guided by its fiduciary duties, seeks to manage potential conflicts of interest in good faith with the goal of ensuring that investments are allocated on a fair and equitable basis subject to the investment guidelines and other relevant provisions of the affected Clients' Governing Documents.

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

This Item 7 requires an investment adviser to disclose the types of clients that it generally advises and any minimum requirements for opening an account.

IPC provides investment advisory services to Funds and sub-advised SMAs in its capacity as a sub-advisor to third-party regulated entities. Clients may be offered solutions through a joint venture opportunity. IPC manages assets for its Funds and sub-advised SMAs and offers its Funds, either directly or through its affiliate, Invesco Distributors, Inc., to persons who are “qualified purchasers” as defined in the Investment Company Act, “accredited investors” as defined in Regulation D under the Securities Act, and “knowledgeable employees” as defined in Rule 3c-5 under the Investment Company Act (typically through employees’ securities companies).

Investors in Funds may include, but are not limited to, a range of U.S. and non-U.S. institutional investors, governmental and corporate pension and profit sharing plans (including investors regulated under the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), endowments and foundations, financial institutions, insurance companies, private wealth and other third-party distribution platforms and certain high net worth individuals and family offices, and sovereign wealth funds. IPC’s sub-advised SMA Client accounts have sub-advisory agreements with third-party regulated entities. Additionally, IPC and/or its employees and affiliates may make capital contributions to the Funds (or parallel accounts thereof) and/or the general partners of the Funds.

The minimum account size for FOF and Direct Venture Capital sub-advised SMAs is typically \$50 million of assets under management. Funds are made available to investors who qualify for such products at investment amounts determined by IPC.

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

This Item 8 requires an investment adviser to describe its investment strategy and methods of analysis, including risks associated with such strategy and methods of analysis. In addition, an investment adviser must disclose that investing in securities involves risk of loss that clients should be prepared to bear.

The investment strategies, methods of analysis, and risks associated with each strategy (FOFs and Direct Venture Capital Investing) are described below. The specific investment strategy and corresponding method of analysis and risks for each Client will be specified in more detail in Governing Documents of such Client. Investing in each strategy involves risk of loss that Clients should be prepared to bear. The summary of risks below may not be applicable to all Funds or Clients and does not purport to be a complete list or explanation of all risks involved.

**Investment Strategies and Methods of Analysis.** The investment strategies and methods of analysis for each of IPC's strategies are as follows.

*FOF Investing.* IPC's FOF strategy analyzes Funds and portfolio managers in which IPC Client accounts invest using a variety of quantitative and qualitative criteria including historic performance, portfolio risk measures, exposure data, position concentrations and limits, the relevant experience of the portfolio managers, the business model of the portfolio managers' organizations, and the financial commitment of the portfolio managers. IPC maintains a database of qualitative and quantitative information, obtaining such information regarding current and potential private funds and portfolio managers from its business network (which includes investment managers, consultants, prime brokers and other service providers), various on-line data services, industry publications, reports and other materials prepared by portfolio managers, and direct conversations with portfolio managers and their service providers. IPC typically conducts multiple independent reviews of each potential portfolio manager prior to making an initial allocation decision in respect of such portfolio manager. The teams conduct on-site diligence meetings as part of its due diligence review process. IPC must approve a prospective portfolio manager before it can be included in the portfolio of a FOF or other Client account.

*Direct Venture Capital Investing.* IPC seeks to conduct reasonable and appropriate analysis and due diligence prior to making an initial direct venture capital investment or follow-on investment in a portfolio company. After an investment is made, IPC checks in with the portfolio's management team to monitor company development and progress. IPC also reviews, when available, performance metrics provided by the portfolio companies. For those direct investments that are in liquidation stage, IPC is actively engaged in exploring strategies to realize the remaining investments via initial public offerings, trade sales and secondary sales of ownership positions to other investors. In many instances, a direct venture capital investment is made through a co-investment vehicle alongside a FOF portfolio fund managed by a third-party. Situations may arise where such direct venture capital investment is sold by the third-party fund but still held by the co-investment vehicle.

**Risks.** IPC's investment strategies have certain risks to investors. The risk factors summarized below may not be applicable to all Funds or Clients. This summary does not purport to be a complete list or explanation of the risks involved in an investment in a Fund or Client. The Governing Documents for each Client typically include a more detailed summary of material risks applicable to that Fund's or Client's investment strategy and structure and should be read in conjunction with the risks below.

*Risk of Loss.* Investing in securities or other investment holdings involves risk of loss that Clients should be prepared to bear. There can be no assurance that the investment objectives of a Fund or other Client account, including risk monitoring and diversification goals, will be achieved, and results may vary substantially over time.

*Market Risks.* The success of Funds' and other Client accounts' investment programs depends to a great extent on market factors to which there can be no assurances that IPC will accurately predict their movements and therefore how they may impact exit strategies.

*Dependence on the Portfolio Managers.* The success of IPC's Fund and other Client accounts depends upon the ability of IPC to develop and implement investment strategies that achieve a Clients' investment objectives. Subjective decisions made by IPC may cause a Fund and/or other Client account, as applicable, to incur losses or to miss profit opportunities on which it may otherwise have capitalized. IPC relies on valuations of underlying investments provided by its portfolio managers in valuing certain interests in Funds and other Client accounts. Operational failures or misconduct by such portfolio managers may result in these valuations being inaccurate, which in turn may adversely impact Funds, other Client accounts and their underlying investors.

*Difficulty of Locating Suitable Investments.* Although IPC and its professionals have been successful in identifying suitable investments in the past, the Funds may be unable to find a sufficient number of attractive opportunities to meet their investment objectives. The private capital investment business is highly competitive. Identifying and accessing the most successful investment fund managers is difficult. Once identified, there can be no assurance that such managers will permit the Funds to invest in their investment vehicles. If a sufficient number of attractive partnership investments cannot be identified and closed, it is possible that the Funds will never be fully invested; nevertheless, Limited Partners will remain obligated to pay management fees based on their commitments or as otherwise provided in Client Governing Documents.

*Possession of Material Non-Public Information; Other Investment Restrictions.* To the extent IPC or its affiliates become privy to material non-public information ("MNPI"), IPC may be restricted in its ability to make an investment in or withdraw on behalf of a Fund or other Client account from a particular portfolio fund or holding. Additionally, in certain instances, IPC might become restricted in its ability to make an investment in or withdraw from a particular portfolio fund on behalf of a Fund or other Client account even though it may not be privy to any MNPI; such restrictions could be derived from contractual obligations and/or

confidentiality obligations, applicable law and/or internal policies and procedures. In such instances, a Fund or other Client account's ability to make an investment in or withdraw from a particular portfolio fund or holding could be significantly restricted, which could adversely impact such Fund or other Client account, including by preventing the execution of an otherwise advisable transaction (including, a withdrawal, closing or winding-down of a position). Without limiting the above, it should be noted that from time to time, IPC and its affiliates may be subject to contractual "stand-still" obligations and/or confidentiality obligations that alone or in light of applicable law and/or internal policies and procedures adopted by IPC and its affiliates may restrict the Firm's ability to make an investment in or withdraw from a particular portfolio fund or holding on behalf of a Client account.

*Illiquid and Long-Term Investments.* Most Client investments are highly illiquid, and there can be no assurance that a Client will be able to realize these investments in a timely manner. The realizable value of a highly illiquid investment at any given time may be less than its intrinsic value. Although certain of these investments may generate current income, the return of capital, and the realization of gains, if any, with respect to these investments will occur only upon the partial or complete disposition of the investment. While an investment may be sold at any time, typically this will occur a number of years after the investment is made and there can be no assurance that a Client will be able to dispose of an investment at the price and time it wishes to do so. Certain investments may be in or cause Clients to receive securities that are or become publicly traded.

*Public Company Holdings.* A Client's investment portfolio may contain securities issued by publicly held companies. Such investments may subject the Clients to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Client to dispose of such securities and loans at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the principals, and increased costs associated with each of the aforementioned risks.

*Side Letters.* IPC enters into side letters with specific investors supplementing or altering the terms, rights, or provisions of, the applicable Governing Documents of an applicable Fund, including with respect to economic terms, fee structures, excuse rights, information rights, co-investment rights (including the provision of priority allocation rights to investors admitted to a Fund within a prescribed period following the initial closing thereof or making or holding aggregate commitments of a certain size to one or more Funds) and liquidity or transfer rights. While IPC has no obligation to offer all such additional rights, terms or conditions to any other investor in such Fund, IPC generally makes side letters available to all limited partners of the relevant Fund.

*Private Funds Rule.* In recent years, the SEC has proposed and adopted, and continues to adopt, various changes to the rules relating to private funds and their advisers. On August 23, 2023, the SEC adopted previously proposed new rules and amendments to existing rules (collectively, the "Private Funds Rules") under the Advisers Act specifically related to advisers of private funds.

The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. The Private Funds Rules, in addition to any other new rules adopted by the SEC, are expected to significantly impact the business of the Firm and its affiliates, the Fund and/or its investments. The Firm will be required to circulate to all investors the material terms of any preferential treatment agreed in connection with investments in the Fund (i.e., all side letter terms), without regard to any most favored nation provision. This may ultimately impact the Firm's decisions with respect to agreeing to certain preferential rights. The Private Fund Rules include certain audit requirements, which may require the Firm to select a different auditor or obtain an additional audit, even if the Firm does not believe it is in the best interest of the Fund or its investors to do so. Further, many provisions of the Private Funds Rules require the Firm to make a variety of subjective determinations as to whether and how such rules apply to the Fund and the Firm's related obligations. The Firm will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to a fund, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable. The Firm's and the Fund's compliance burdens and associated costs including, without limitation, insurance expenses, are also expected to increase. The Firm also will be subject to increased risk of exposure to additional regulatory scrutiny, litigation, censure and penalties for noncompliance or perceived noncompliance as a result of the Private Fund Rules, and any noncompliance or perceived noncompliance with such rules may negatively impact the Fund's reputation as well as its investment activities, thereby materially reducing returns to investors.

*Public Disclosure.* Some Clients or Fund investors may be public pension plans or listed investment vehicles that are subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years, and that trend may continue. To the extent that disclosure of confidential information relating to a Fund or other Client account, or its investments results from interests being held by public investors, such Fund or other Client account may be adversely affected.

*Market and Regulatory Risks.* Events in the world financial markets may materially adversely affect Funds and other Client accounts and the portfolio funds or other interests in which they invest. Market events, such as the world financial crisis of 2008, can cause extreme losses and volatility in securities markets and the failure of certain markets to function normally. Client accounts and their underlying portfolio holdings may be materially and adversely affected by similar or other events in the future, and it is impossible to predict when such events may happen, what their impact on world markets will be, or how long they will continue. Legal, tax and regulatory developments also may adversely affect Client accounts and their underlying portfolio holdings. The regulatory environment for private funds is evolving, and changes in the regulation of private funds and their investment activities may adversely affect the ability of a Client account or a portfolio fund to pursue its investment strategy, its ability to obtain leverage and financing, if applicable, and thereof the value of its investments. There has been an increase in governmental, as well as self-regulatory scrutiny of the alternative investment industry in general in the U.S. and other countries. It is impossible to predict what, if any, changes in

regulations may occur that could have a material adverse impact on a portfolio fund and, therefore, any Fund or other Client account holding such portfolio fund.

*Nature of Portfolio Fund Investments by FOF.* FOFs will generally acquire limited partnership interests that are subject to contractual or other restrictions on transfer and that may only be transferred with the consent of the limited partnership's general partner. A FOF generally also will not have withdrawal or redemption rights with respect to the portfolio funds in which it invests. The market prices, if any, of such investments tend to be volatile and a FOF may not be able to sell such investments when it desires or, upon sale, to realize what IPC perceives to be fair value.

The FOF platform plans to make investments in collective investment funds (1) with short investment histories, (2) that rely on a few key principals, (3) that invest in companies with short operating histories, (4) that rely on a few key managers, (5) that may be organized and/or operate outside the United States, (6) that are, or have portfolio companies that are, highly leveraged and/or that operate in rapidly changing markets and (7) that invest in the most junior securities of a portfolio company and thus are subject to the greatest risk of loss without any collateral to protect the investment once made.

The portfolio funds in which the FOFs expect to invest are generally subject to their own management fees, carried interest and expenses that are similar to (but typically higher than and in addition to) those of a FOF, and a FOF will bear (and limited partners indirectly will bear) such amounts in connection with portfolio fund Investments.

The success of each of the portfolio funds in which a FOF invests (and, as a result, the success of the FOF) is subject to those risks which are inherent in private equity investments. These risks are generally related to (i) the ability of each of the portfolio funds to select and manage successful investments, (ii) the quality of the management of each portfolio company in which the portfolio funds invest, (iii) the ability of the portfolio funds to liquidate their investments, and (iv) general economic conditions. There can be no assurance that the investments made by the portfolio funds will result in attractive rates of return to a FOF. Although IPC will monitor the performance of each FOF investment, it will primarily be the responsibility of each portfolio fund's investment team to monitor portfolio company performance, and each portfolio company's management team to operate each portfolio company on a day-to-day basis. A FOF will not be able to participate in the management or control of its portfolio funds nor of the companies in which the portfolio funds invest. Consequently, a FOF generally will not be able to control the amount and timing of distributions from the portfolio funds, which may affect an investor's returns.

*New and Next Generation Managers.* FOFs may target a portion of their investments in portfolio funds managed by fund managers raising first-, second- or third-time private equity funds. Many of these fund managers may consist of teams working together for the first time, and they may not have a separate track record managing investments as a team at the firm managing the portfolio funds in which a FOF invests. In addition, these managers are more likely to be using a new investment strategy for the first time (possibly outside of a larger

institution) and may not have any experience in generating deals for the firm managing the portfolio fund in which a FOF invests. They may also face competition for deals from larger, more well-known firms. As a result of these and other factors there can be no assurance that these new firms will succeed. A FOF may also invest in portfolio funds managed by principals who have spun-out of other larger institutional investment managers. They may have limited or no experience with the day-to-day operations of managing a collective investment fund and may have limited or no experience working together with their proposed teams. The lack of financial and operational support from a larger institution may require additional time and attention from the investment professionals of portfolio funds and may inhibit their ability to effectively manage and focus on investments. This could have a material adverse effect on a FOF's investment returns. For investments meeting the above stated criteria, New and Next Generation Manager funds will receive their pro-rata share of allocation unless the fund investment is with a manager that the New and Next Generation Manager Funds have invested with previously and therefore priority of allocation resides with the New and Next Generation Manager Funds.

*Early Stage, Start-Up and Venture Capital Investments.* It is anticipated that FOFs and/or their underlying portfolio funds will make investments in early-stage and startup companies that have inherently greater degree of business and financial risk than more established businesses, which can result in substantial or total loss. Early-stage portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Early-stage portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel. Accordingly, the growth of these companies may require significant time and effort resulting in a longer investment horizon than can be expected with lower risk investment alternatives. Such investments can experience failure or substantial declines in value at any stage.

*Cryptocurrency Investments, Virtual Currencies, Blockchain or Distributed Ledger Technology.* It is anticipated that FOFs and/or their underlying portfolio funds will invest in virtual currencies, blockchain cryptocurrencies (such as Bitcoin) or distributed ledger technology (collectively, "Digital Assets"). Digital Assets are technological innovations with a limited history and involve a high degree of business and financial risk that can result in substantial or total loss of investment. Digital Assets face a number of market, operational, legal and regulatory risks distinct from other types of assets in which IPC Clients invest, including risks relating to (i) technology, including the risk of rapid technological change, introduction of competing blockchain products or applications, and failure to implement or adopt such technology (ii) security, including risk associated with "mining" or verifying virtual currency transactions, risk that a virtual currency exchange fails or closes due to a security breach, a distributed denial of service attack, risk of hacking or other cybersecurity breaches, fraud or other failure, (iii) regulation, (iv) user/market acceptance, (v) volatile prices, disparate prices across different virtual exchanges and valuation risk, (vi) timing, (vii) custody risk, (viii) risk of an illiquid market, (ix) audit risk, and (x) risk of not converting virtual currencies into fiat



currencies. Digital Assets may be particularly vulnerable to virtual currency network attacks, hacking or security breaches. Portfolio funds may distribute Digital Assets in kind to IPC Clients. To the extent any IPC Client receives in-kind distributions of Digital Assets, such Client will be subject to the foregoing risks directly.

*Direct Venture Capital Investments.* Direct Venture Capital Investments, if any, will likely be non-controlling interests in portfolio companies and, therefore, IPC will have a limited ability to protect a Fund's position in such portfolio companies. IPC will seek shareholder rights to help protect the Fund's interest to the extent available and possible, but those rights may be limited.

The securities in which a Fund may make Direct Venture Capital Investments will likely be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Fund's investment in a Direct Venture Capital Investment once made.

*Subscription Credit Facility.* Certain IPC Clients may obtain one or more subscription lines of credit in order to enable such Funds to make investments, pay management fees or other expenses.

*Valuations.* Certain Client investments are highly illiquid; thus, there are no readily ascertainable market prices for such investments. For some of these investments, the fair value of the investment represents the value, as determined by the Firm in good faith, at which the investment could be sold in an orderly disposition over a reasonable period of time between willing parties other than in a forced or liquidation sale. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. There is no single standard for determining fair value in good faith and in many cases fair value is best expressed as a range of fair values from which a single estimate may be derived. When making fair value determinations for private equity investments, the Firm generally follows the procedures set out in its valuation policies and for FOF investments, IPC will rely on underlying fund managers in many cases. Because there is significant uncertainty in the valuation of, or in the stability of the value of, illiquid investments, the fair values of investments reflected in a Client's net asset value, or NAV, do not necessarily reflect the prices that would actually be obtained by the Firm on behalf of such Client when such investments are realized. For example, there may be liabilities such as unknown or uncertain tax exposures with respect to investments, especially those outside the United States, which may not be fully reflected in valuations. Realizations at values significantly lower than the values at which investments have been reflected in prior NAVs would likely result in losses for the applicable Client. The exercise of discretion in valuation by the Firm may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees.

*Complex Investments.* IPC often pursues complex investment opportunities. This can often take the form of substantial business, regulatory or legal complexity that might deter other investment managers. The Firm's tolerance for complexity presents potential risks, as such transactions can be more difficult, expensive and time consuming to finance and execute. It can be more difficult to manage or realize value from the assets acquired in such transactions; and such transactions sometimes entail a higher level of regulatory scrutiny, the application of complex tax laws or a greater risk of contingent liabilities. Client transactions involve complex tax structures that are costly to establish, monitor and maintain, and as the Firm pursues a larger number of transactions across multiple assets classes and in multiple jurisdictions, such costs will increase and the risk that a matter is overlooked or inadequately or inconsistently addressed will increase. Consequently, the Firm may fail to achieve the desired benefit or otherwise decrease the returns of investments. Changes in law and regulation and in the enforcement of existing law and regulation, such as antitrust laws and tax laws, also add complexity and risk to the Firm's investment strategies. Further, Clients may acquire an investment that is subject to contingent liabilities, which could be unknown to us at the time of acquisition or, if they are known to us, we may not accurately assess or protect against the risks that they present. Acquired contingent liabilities could thus result in unforeseen losses for Clients. In addition, in connection with the disposition of an investment in a portfolio company, a Client may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business. A Client may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities by a Client, even after the disposition of an investment. Any of these risks could potentially harm the performance of the Client's account.

*Global Market and Economic Risks.* Client investment strategies may be materially affected by global market, economic and political conditions particularly in the jurisdictions and sectors in which IPC invests. Interest rates, credit availability, currency exchange rates, illiquidity and volatility in the global financial markets could have material adverse effects on IPC investments.

IPC and its clients are subject to the risk that geopolitical events and instability will disrupt securities markets and adversely affect global economies and markets. Due to the increasing interdependence among global economies and markets, conditions in one country, market, or region might adversely impact markets, issuers and/or foreign exchange rates in other countries, including the U.S. War, terrorism, global health crises and pandemics, and other geopolitical events have led, and in the future may lead, to increased market volatility and may have adverse short- or long-term effects on U.S. and world economies and markets generally.

*Non-U.S. Investments.* IPC may make non-U.S. investments on behalf of its Clients. Investments in businesses operating and/or organized outside of the United States, including in emerging markets, will involve risks not typically associated with investments in the securities of U.S. companies. For instance, investments in non-U.S. businesses may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, possible significant government approvals, the risks associated with fluctuating currency

exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a Client), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Client and/or the Partners with respect to the Client's income, and possible non-U.S. tax return filing requirements for a Client and/or the Partners. Investments made in businesses operating in emerging market countries will involve additional risks because the economies of such countries may be volatile and may be affected by political and social change and instability. The foregoing factors may increase transaction costs and adversely affect the value of a Client's investments.

*Currency Risk.* Client investments and income received from such investments may be denominated in currencies that are not the base currency of the relevant Client account. Changes in currencies may adversely affect the base currency value of portfolio investments, interest, dividends and other revenue streams received by a Client, gains and losses realized on the sale of portfolio investments, and the amount of distributions, if any, to be made to a Client. A Client may also incur costs in converting investment proceeds from one currency to another. Where practicable, we may enter into hedging transactions on behalf of our Clients designed to reduce such currency risks or may determine not to enter into such hedging transactions. Furthermore, the portfolio companies in which a Client invests may be subject to risks relating to changes in currency values, as described above. If a portfolio company suffers adverse consequences as a result of such changes, a Client may also be adversely affected as a result.

*Hedging.* IPC, on behalf of a Client, may utilize swaps, forward contracts, and other hedging instruments to preserve a return on a particular Client investment or to seek to protect against risks relating to Client investments, including currency exchange rate or interest rate fluctuations. Such transactions have special risks associated with them, including the possible bankruptcy, or insolvency of, or default by the counterparty to the transaction and the illiquidity of the derivative instrument acquired on behalf of the relevant Client relating thereto. Although a Client may benefit from the use of hedging transactions, changes in currency exchange rates or other factors may result in a poorer overall performance for a Client compared to what a Client's performance would have been if it had not entered into hedging transactions and the costs associated with these arrangements may reduce the returns that a Client would have otherwise achieved if these hedging transactions were not entered into on behalf of a Client. In addition, the Firm may not utilize hedging transactions, which may result in a poorer overall performance for a Client compared to what a Client's performance would have been if the Firm utilized hedging transactions to seek to preserve a return on a particular Client investment or to seek to protect against risks relating to Client investments. It is not possible to hedge fully or perfectly against currency fluctuations affecting the value of investments denominated in non-U.S. currencies because the value of those investments is likely to fluctuate as a result of independent factors not related to currency fluctuations. Portfolio companies may also enter into hedging transactions in order to hedge risks applicable to them. Such transactions are subject to similar risks to those described above. A Client may be exposed to such risks by reason of its investment in the relevant portfolio company.

*Carried Interest; Distributions in Kind.* Carried interest may create an incentive for IPC to make riskier or more speculative investments on behalf of a Client than would be the case in

the absence of this arrangement, although IPC's commitment of capital to the Funds and/or Client accounts should somewhat reduce this incentive. If distributions are made of assets other than cash, the amount of any such distribution will be accounted for at the fair market value of such assets as determined by the Firm in accordance with procedures set forth in the applicable Governing Documents of the Funds and/or Client accounts.

*Alternative Interest Rate Risk.* In March 2021, it was announced that most *London Interbank Offered Rate (LIBOR)* settings would no longer be published after the end of 2021 and a majority of U.S. dollar LIBOR settings would no longer be published after June 30, 2023. There remains uncertainty and risks relating to the continuing LIBOR transition and its effects on Clients and the instruments in which the Clients invest. There can be no assurance that the composition or characteristics of any alternative reference rates ("ARRs") or financial instruments in which Clients invest that utilize ARRs will be similar to or produce the same value or economic equivalence as LIBOR or that these instruments will have the same volume or liquidity. Clients may have instruments linked to other interbank offered rates that may also cease to be published in the future. For financial products referencing benchmarks that are ceasing or otherwise changing, the impact can vary across different types of products, and even between transactions in the same type of product. The adoption/implementation of ARRs pose a number of risks, including among others whether any substitute rate will experience the market participation and liquidity necessary to provide a workable substitute for a previous benchmark, the effect on parties' existing contractual arrangements, hedging transactions, and investment strategies generally from a conversion to alternative rates, the effect on a Clients' existing investments, including the possibility that some of those investments may terminate or their terms may be adjusted to the disadvantage of the Client, and the risk of general market disruption during the period of the conversion.

*Cybersecurity Risk.* IPC and its service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to different threats or risks that could adversely affect our Funds and Clients, despite the efforts of IPC and the Funds' and Clients' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology asset, as well as the confidentiality, integrity and availability of information belonging to the Funds and Clients. Cybersecurity attacks include, but are not limited to, electronic and non-electronic attacks to gain unauthorized access to digital systems to obtain client and financial information, compromising the integrity of systems and client data (e.g., misappropriation of assets or sensitive information), or causing operational disruption through taking systems off-line (e.g., denial of service attacks). As the use of technology has become more prevalent, we and the accounts we manage have become potentially more susceptible to operational risks through cybersecurity attacks. These attacks in turn could cause us and client accounts (including funds) we manage to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Similar adverse consequences could result from cybersecurity incidents affecting issuers of securities in which we invest, counterparties with which we engage in transactions, third-party service providers (e.g., a Client account's custodian), governmental and other regulatory authorities, exchange and other

financial market operators, banks, brokers, dealers and other financial institutions and other parties. While we have developed cybersecurity risk management systems and business continuity plans which are designed to reduce the risks associated with these attacks, there are inherent limitations in any cybersecurity risk management system or business continuity plan, including the possibility that certain risks have not been identified. Accordingly, there is no guarantee that such efforts will succeed, especially since we do not directly control the cybersecurity systems of issuers or third-party service providers.

*Natural Disaster/Epidemic Risk.* Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics, have been and can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of Client investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries, including the U.S. These disruptions could prevent Clients from executing advantageous investment decisions in a timely manner and negatively impact Clients' ability to achieve their investment objectives. Any such event(s) could have a significant adverse impact on the value and risk profile of IPC's Clients.

*Bankruptcy and Other Proceedings.* IPC invests in securities and other obligations and assets of companies involved in bankruptcy or other reorganization and liquidation proceedings. There are significant risks when investing in companies involved in bankruptcy proceedings. Bankruptcy litigation is adversarial and often beyond the control of the creditors. Generally, the duration of a bankruptcy case can only be roughly estimated. Reorganization of a company involves substantial legal, professional and administrative costs. The bankruptcy process is subject to unpredictable and lengthy delays and during the process the company's competitive position may erode, key management may depart, and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets.

*Inflation Risk.* Client investments may be exposed to inflation risks. Market prices generally fall as inflation increases because the purchasing power of the future income and repaid principal is expected to be worth less when received by IPC. Investments that pay a fixed interest rate are especially vulnerable to inflation risk as opposed to variable-rate securities that may be able to participate, over the long term, in rising interest rates which have historically corresponded with long-term inflationary trends. Most high yield investments pay a fixed rate of interest and are therefore vulnerable to inflation risk.

*Interest Rate Risk.* Client investments may be exposed to interest rate risks. Changes in prevailing market interest rates could negatively affect the value of such investments. Market interest rates may be affected by inflation, slow or stagnant domestic and global economic growth or recession, unemployment, money supply, governmental monetary and fiscal policies, international disorders and instability in domestic and foreign financial markets. Clients may periodically experience imbalances in the interest rate sensitivities of their assets and liabilities

and the relationships of various interest rates to each other. In a changing interest rate environment, IPC may not be able to manage this risk effectively and as a result performance could be adversely affected.

*Climate Change Risk.* Clients may acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions may be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There may be significant physical effects of climate change that have the potential to have a material effect on business and operations. Physical impacts of climate change may include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires, and extreme and changing temperatures. As a result of these impacts from climate-related events, the accounts may be vulnerable to the following: risks of property damage to the investments; indirect financial and operational impacts from disruptions to the operations of the investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for both investments and the products and services of the investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Funds' business depends; decreased consumer demand for consumer products or services resulting from physical changes associated with climate change (e.g., warmer temperature or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable); incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

*Custody and Banking Risks.* Client funds may be maintained with one or more banks or other depository institutions ("banking institutions"), which may include US and non-US banking institutions, and may enter into credit facilities or have other financial relationships with banking institutions. The distress, impairment or failure of one or more banking institutions, whether or not holding client funds, may inhibit the ability of clients or others to access depository accounts or lines of credit at all or in a timely manner. In such or similar cases, investments may be delayed or forgone, or capital may be called when it is not desirable to do so, which could result in lower performance. In the event of such a failure of a banking institution, access to such accounts could be restricted and U.S. Federal Deposit Insurance Corporation (FDIC) protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to banking institutions in other jurisdictions not subject to FDIC protection). In such instances, clients may not recover such excess, uninsured amounts and instead, would only have an unsecured claim against the banking institution and participate pro rata with other unsecured creditors in the residual value of the banking institution's assets. The loss of amounts maintained with a banking institution or the inability to access such amounts for a period of time, even if ultimately recovered, could be materially adverse to client accounts or investments. One or more investors or a Fund's General Partner could also be similarly affected and unable to fund capital calls, further delaying or deferring new investments. In addition, a Fund's General Partner or similar party may not be able to identify all potential solvency or

stress concerns with respect to a banking institution or to transfer assets from one bank to another in a timely manner in the event a banking institution comes under stress or fails.

## **Item 9: Disciplinary Information**

This Item 9 requires an investment adviser to disclose information about any legal or disciplinary event that is material to a client's evaluation of the integrity of the investment adviser or its personnel.

On May 31, 2021, Invesco Ltd., the ultimate parent company of IPC, agreed to a settlement with the Federal Financial Supervisory Authority ("BaFin") in the amount of 260,000 Euros (approximately \$309,595 USD) for a matter related to ownership filings with the German regulator in relation to German listed companies. BaFin alleged Invesco Ltd. and AIM international mutual funds failed to submit voting rights notifications to BaFin and issuers by the required deadline. BaFin issued a Notice of Hearing on July 30, 2020 to Invesco Ltd. alleging that violations of the voting rights requirements occurred on 26 occasions related to the voting rights notifications of Invesco Ltd. and on 28 occasions relating to the voting rights notifications of AIM international mutual funds between 05/2019 and 10/2019. Invesco Ltd. paid the administrative fine on June 30, 2021.

On September 24, 2024, IAI, an investment advisory affiliate of IPC, and Invesco Distributors, Inc. ("IDI"), an affiliated broker-dealer (together, with IAI, "Invesco") entered into a settlement with the SEC in connection with the agency's industry-wide investigation into the maintenance and preservation of electronic communications pursuant to applicable recordkeeping provisions of federal securities law. The settlement censures Invesco and requires that Invesco cease and desist from any existing and future violations, pay a civil monetary penalty of \$35,000,000 and retain an independent compliance consultant, following the format for all other recent electronic communications settlements. Invesco cooperated with the government's inquiry and has already taken significant steps to further strengthen the firm's compliance environment as it relates to electronic communications, including by enhancing its policies and procedures, implementing increased training regarding the use of electronic communications, and beginning to implement changes to the technology available to employees.



## Item 10: Other Financial Industry Activities and Affiliations

This Item 10 requires an investment adviser to disclose any material relationship or arrangement that the investment adviser (or any of its management persons) has with any related financial industry participant, any material conflicts of interest that such relationships or arrangements may create, and how the investment adviser addresses these conflicts.

**Invesco Ltd.** IPC is affiliated with Invesco and the many entities within the Invesco global structure, including broker-dealers registered with the Financial Industry Regulatory Authority, Inc. (“FINRA”), as well as SEC-registered investment advisers and non-U.S. investment advisers. For a complete list of all related financial industry affiliations, see Section 7.A. of Schedule D to IPC’s Form ADV Part 1.

**Affiliated Broker-Dealer and RIA.** When IPC Funds are marketed, they are distributed by IDI, a FINRA-registered affiliated broker-dealer, or other third-party placement agents. Additionally, Invesco Advisers, Inc. (“IAI”), an affiliated SEC-registered investment adviser, provides certain marketing and administrative services to IPC including the Invesco affiliated trading desk. Certain IDI and IPC employees that are involved in the Firm’s marketing activities are registered representatives of IDI.

**Shared Personnel.** IPC shares certain personnel with other affiliates, including Invesco Senior Secured Management, Inc. (“ISSM”). These activities and allocation of personnel time could be viewed as creating a conflict of interest in that the time and effort of officers, managers, and employees will not be devoted exclusively to the business of IPC. Additionally, there are generally no information barriers among IPC and ISSM which are situated on the “private side” of Invesco’s information barrier, and they share a single restricted list. The “private side” investment strategies of IPC and ISSM are sometimes referred to collectively in this brochure as “Invesco Private”. See Item 11 for a discussion of restricted lists and information barriers governing the activities of IPC’s investment strategies.

Some IPC personnel are also officers, employees, or conduct work for other affiliates. The fact that IPC personnel devote portions of their time and efforts to the activities of affiliates may pose a conflict of interest.

**Board Participation.** Employees or officers of IPC can from time to time be members of the boards of directors of companies which can result from permitted investments of various strategies offered by the Firm. In these cases, IPC takes steps such as establishing information barriers or placing the security in question on a restricted list, which can limit or preclude the purchase or sale of such securities for Clients and Firm employees.

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

This Item 11 requires an investment adviser to briefly describe its code of ethics and state that a copy is available upon request. An investment adviser is also required to disclose certain conflicts of interest that may arise if an investment adviser has an interest in client transactions or interests alongside its clients.

**Code of Ethics and Personal Trading.** IPC is subject to a written Code of Ethics (the “Code”), as required under Rule 204A-1 of the Advisers Act, which sets forth standards of ethical conduct for IPC employees and is designed to address and avoid potential conflicts of interest. The Code and other IPC and Invesco Ltd. policies require IPC employees to act in a manner consistent with their fiduciary duty to Clients, abide by all applicable rules and regulations, and pre-clear and report applicable personal securities transactions. IPC maintains policies and procedures to avoid insider trading and the appearance of insider trading. Personal trading restrictions apply to all IPC employees as well as certain family members. IPC employees are required to report all brokerage accounts subject to the Code in which they or any immediate family sharing the same household have a direct or indirect beneficial ownership interest. IPC employees must generally pre-clear covered securities transactions, including IPOs and private placements, and provide copies of periodic account statements, or have them sent directly by their broker, to the compliance department. The compliance department maintains restricted lists, which include securities that Clients have or are considering purchasing.

IPC and affiliates may recommend that Clients buy or sell interests in the same investment products in which it, or its related persons, have a financial interest. IPC and its related persons may own, buy, or sell for themselves the same securities that they may have recommended to Clients. IPC’s policies and procedures are intended to identify these and other potential conflict of interests and to seek to ensure that in all instances Client interests come first.

**Participation or Interest in Client Transactions.** IPC employees and affiliates may make capital contributions to the Funds and/or the general partners of the Funds. While such investment should generally align the interests of IPC and such persons with the interests of the Clients, situations could arise in which IPC or such persons have interests which conflict with the interests of the Clients notwithstanding such commitment.

*Principal Transactions.* In accordance with the anti-fraud provisions of the Advisers Act and with the Firm’s compliance policies and procedures, IPC will not, as principal, sell a security to, or buy a security from, any Client, without providing appropriate disclosure and obtaining the informed consent of such Client prior to the settlement of such transaction. Principal transactions may occur, for example, where the Firm warehouses an investment, in whole or in part, in one of its proprietary entities for the benefit of one or more Clients or seeds the initial portfolio of a Client by making the initial commitment and capital contributions to that Client pending the admission of third-party investors to such Client account and the acquisition by a Client of the warehoused investment from the proprietary entity or the participation by such third-party investors in such seeded initial portfolio of investments, as applicable. In these cases,

a Client may, for example, require that (i) the transaction price be determined to be fair by an independent valuation expert (the cost of which would be borne by the applicable Client) or be calculated in accordance with a formula provided for in the Governing Documents of that Client and (ii) the consent of the respective Client's advisory board or limited partners be obtained prior to the completion of the relevant transaction or in connection with the limited partners' subscriptions to that Client's account. Additionally, prior to the receipt by a Client of capital contributions from its investors for which a capital call notice has been given, an IPC entity may fund such amounts on a temporary basis in order to permit that Client to make an investment. Such amounts will be reimbursed to that affiliated entity at cost as and when such capital contributions are made by the investors in that Client account. IPC does not consider such temporary arrangements to be principal transactions.

*Cross Transactions and other Investment Related Conflicts.* Cross transactions are transactions in which the Firm arranges for a Client to buy a security from, or sell a security to, another Client. In addition, the Firm may cause different Clients to invest at different times in a single portfolio company, for example where a Client that made an initial investment in a portfolio company does not, when an opportunity to make a follow-on investment in the company subsequently arises, have sufficient capital for such investment. From time to time, IPC may determine that a cross transaction or follow-on investment between Clients is in the best interest of the relevant Clients. Accordingly, IPC has adopted compliance policies and procedures designed to properly manage such potential conflict of interests. In addition, the Governing Documents of each such Client may impose certain restrictions on the ability of the Firm to effect these transactions. These may include a requirement for the transaction price to be determined by independent valuation sources, approved by an independent valuation expert, determined to be fair to Clients by an independent third-party or otherwise calculated in accordance with such Governing Documents.

In respect of adviser-led secondaries whereby IPC offers Fund investors the option to sell all or a portion of their interests or convert those interests into a new vehicle, IPC generally will secure a fairness opinion or similar third-party valuation as required under relevant rules promulgated under the Advisers Act, including those expected to become effective in September 2024.

Other than the examples of principal and cross transactions noted above, it is IPC's policy to generally avoid principal and cross transactions. Where such transactions are not practical to avoid, such transactions can only be consummated if they are approved by the relevant Clients and/or their advisory board to the extent required by the applicable Clients' Governing Documents and/or applicable law.

**Recommendation of Affiliated Funds.** IPC does not generally, but may, recommend to a Client account the investment into a portfolio fund, which may be an affiliated entity where IPC or its affiliates serve as the general partner. In these situations, IPC will offset or reduce its fees in proportion to the fees charged by the affiliated entity.

**New Fund Seed Capital.** From time to time, affiliates of IPC will provide seed capital to help fund a new Fund. In doing so, IPC may purchase securities equivalent to the amount of capital deposited for such purposes in an account in the name of the affiliate that is later transferred into the Fund in exchange for a percent ownership in the Fund.

**Allocation of Fees and Expenses.** Fee and expense allocations will be made in good faith in accordance with the Firm's Fees and Expenses Processing and Allocation Policy and the applicable Clients' Governing Documents considering all factors deemed relevant. Any expenses shared by more than one Client in connection with evaluating and making consummated portfolio investments of such Clients or broken deals are generally allocated pro rata based on each Client's invested capital (or, in the case of broken deals, the amount that would have been invested by each Client), as determined by IPC in good faith and in accordance with each Client's Governing Documents.

**Allocation of Investment Opportunities.** In accordance with its fiduciary duty, IPC seeks to allocate investment opportunities to its Clients on a fair and equitable basis in accordance with the Firm's Allocation of Investment Opportunities Policy and all relevant guidelines and restrictions as outlined in the applicable Clients' Governing Documents. If a particular investment opportunity falls within the investment objective of more than one Client, IPC will allocate such opportunity (including, any related co-investment opportunities) taking into account a number of considerations, including the sourcing of the transaction, the nature of the investment focus of each Client, the relative amounts of capital available for investment, any diversification limitations and restrictions, portfolio diversification, target rates of return, expected hold periods, the possibility that other Clients will invest in the same issuer or enter into a buy/sell transaction with such issuer and other considerations deemed relevant by IPC.

**Outside Business Activities.** IPC employees may engage in outside business activities unrelated to their role at IPC, including serving as directors, officers, or employees of unaffiliated public, private or government entities, whether for profit or non-profit, which can give rise to certain conflicts of interests. The Firm's policies require outside business activities to be pre-cleared and Compliance reviews certain employee certifications to identify such conflicts of interest. Additionally, IPC has adopted a Material Nonpublic Information and Restricted List Policy for the handling of confidential information to prevent the misuse of such information and to avoid situations that may create an appearance of misuse with applicable laws and regulations.

**Restricted List; Information Barriers.** To address instances where IPC may be in possession of material non-public information ("MNPI"), IPC has adopted certain policies and procedures. These procedures include the establishment of restricted lists, where securities are placed on a restricted list upon receipt of MNPI by IPC personnel.

IPC, WLR, and ISSM (together the "Invesco Private Entities"), are situated on the "private side" of Invesco's information barrier and they share a single restricted list. Therefore, the receipt of MNPI by IPC will also restrict the other private side entities, and vice-versa, and may adversely impact each adviser's investments.

Invesco Advisers has established a private side information barrier for its direct real estate business, separating it from the Invesco Private Entities and the rest of IAI on the public side of the Wall. This private side information barrier was implemented to prevent the flow of information from the direct real estate business to the Invesco Private Entities and the public side of IAI's business.

IPC will provide a copy of its Code of Ethics to any client or prospective client upon request.

## Item 12: Brokerage Practices

This Item 12 requires an investment adviser to describe its brokerage selection, soft dollar, directed brokerage and trade aggregation policies.

**Broker Selection and Best Execution.** To the extent required by applicable law, it is IPC's policy to seek best execution of trades (if any) on behalf of its Clients by a selected broker-dealer. In seeking best execution, goals include timely, fair and cost-effective executions, fairness to Clients, both in priority of order execution and in the allocation of the price obtained in execution of trades, and compliance with Client trading-related mandates and investment restrictions. When appropriate under the Firm's discretionary authority and consistent with the Firm's duty to seek best execution, IPC may execute through broker-dealers who provide brokerage and unsolicited research services. Transactions are not always executed at the lowest available commission, and the Firm may effect transactions which cause the Clients to pay more than another broker-dealer would have charged if IPC determines that the additional cost is reasonable in relation to the value of the services provided to the Firm and its Clients.

**Trading and Brokerage.** IPC prohibits the directing of commissions generated from Clients' brokerage transactions to pay for Client referrals, and the making of any recommendation that "credit" be given to particular individual brokers within a brokerage firm. The Firm generally conducts trading with those broker-dealers that have been vetted through and approved by Invesco. In selecting brokers or dealers, IPC considers various factors, including, without limitation: the reputation, experience and financial stability of the broker-dealer; the ability to maintain IPC's anonymity; the ability to provide competitive pricing; the size and timing of the transaction; the ability and willingness to commit capital and provide prompt and accurate execution and settlement; whether the broker-dealer makes a market in a security and/or finds sources of liquidity; the nature of the market for the security and the difficulty of execution; the broker-dealer's trading expertise, including its ability to minimize total trading costs and to trade without unduly impacting the market; the belief that the broker-dealer charges a fair and reasonable fee for each trade, and that the Clients have been treated fairly and honestly in prior trades; and the quality of execution, quality of the broker-dealer relationship, quality of service rendered by the broker-dealer in prior transactions, and quality of any proprietary research and investment ideas.

**Trade Errors.** IPC has adopted an Incident Management Policy that establishes guidelines to ensure trade errors are detected, communicated and corrected appropriately. IPC will reimburse the Client's account for any loss due to a trade-related error. In the event that the error results in a gain, a Client generally will retain the proceeds.

**Soft Dollars.** IPC does not currently have any third-party soft dollar arrangements. IPC's affiliates that place orders with brokers for the execution of loans and public securities on behalf of IPC's Clients may occasionally receive brokerage and research services from various firms, including third parties that provide research or other services in return for directing IPC Client account's brokerage business to them.

These services include quantitative and qualitative research information and recommendations for investments, as well as analyses and reports covering a broad range of economic factors, markets and trends. IPC believes this practice is in the long-term best interest of its Clients however, because the Invesco affiliated trading desk does place some transactions with brokers in recognition of the usefulness of their research or other products or services provided, Clients may pay commission rates that are higher than rates charged by another broker-dealer, if no research was provided. On an ongoing basis, IPC's affiliates monitor and evaluate the performance and execution capabilities of the firms that provide research and brokerage services and also the levels of commission costs in comparison to those commissions paid by other institutional investment managers.

Research services received from brokers and dealers are generally supplemental to IPC's own research efforts. To the best of IPC's knowledge, these services are generally made available to institutional investors doing business with such broker-dealers. IPC does not separately compensate such broker-dealers for the research and such services.

**Directed Brokerage.** IPC generally does not recommend, request or require that a Client direct IPC to execute transactions through a specific broker-dealer.

**Order Aggregation.** The same investment decision may be made for more than one Client account managed by IPC or an affiliate when transacting through IPC's affiliated trading desk. In these circumstances, should purchase and sell orders of the same class of security be in effect at the same time, the orders may be combined to seek best execution. Orders partially filled will be allocated pro-rata in proportion to each account's original order or account, although exceptions may be made to avoid odd lots and de minimis allocations. Execution prices for a combined order will be averaged so that each participating account receives the average price paid or received. Where aggregation is not possible, the inability to aggregate the trade could result in an increase in client transaction costs.

### Item 13: Review of Accounts

This Item 13 requires an investment adviser to disclose how often the investment adviser reviews client accounts and who conducts the review.

**Oversight and Monitoring.** IPC portfolios are typically monitored and reviewed by the investment personnel who handle the strategy on an ongoing basis and the applicable investment committee. Details of the monitoring vary based on the nature of the investment strategy. Additionally, the Firm reviews each proposed investment to seek to ensure compliance with the applicable Client's Governing Documents and side letters, if any. Client investments are generally private and illiquid; accordingly, IPC's review of them is not directed toward a short-term decision but rather an ongoing review of the portfolio of each Client to monitor performance and gauge the market for an optimal exit strategy.

Client account management may require portfolio managers and operations personnel to provide quarterly and annual reviews regarding specific Client account requirements to ensure that individual accounts comply with contractual guidelines and restrictions. The team also monitors individual account composition and performance in comparison to models and arranges for efficient investment and liquidation when cash deposits and disbursements are made. The frequency of reviews will vary depending on the type of investment activity. Major changes in market conditions may also trigger ad hoc reviews.

**Client Reporting.** IPC's Fund investors and sub-advised SMA Clients receive written reports quarterly or annually, or as otherwise required by each Client's Governing Documents. These reports generally provide performance metrics, sector classifications, yield, income, portfolio composition and value, and purchases and sales. Reporting frequency and content are tailored to Clients' particular needs. IPC also furnishes Fund investors with annual audited financial statements or requested financial information as applicable, relevant tax forms and detailed capital call and distribution statements. IPC also generally provides Clients with periodic conference calls and holds investor meetings.



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

This Item 14 requires an investment adviser to describe any arrangement under which it (or a related person) compensates another for client referrals and other compensation it receives.

**Client Referrals.** Please see Item 10 - Other Financial Industry Activities and Affiliation for a description.

**Other Compensation.** It is IPC's policy that if a portfolio manager, employee or a related person serves as a director on a board of directors (or in a similar capacity) of a portfolio company in which IPC has invested on behalf of a Client account, compensation is either refused or credited to IPC (for existing holdings by IPC employees, such director compensation is tracked in accordance with the Firm's policies). IPC will use such fees to offset a portion of the management fees charged to the relevant Client accounts, as described in the relevant Governing Documents. Additionally, portfolio companies may reimburse certain expenses such as board travel, litigation or research expenses.

### **Item 15: Custody**

This Item 15 requires an investment adviser with custody of client funds or securities to explain to clients that they will receive account statements directly from a qualified custodian or that the investment adviser is relying on the annual audit exception to delivery of account statements under Rule 206(4)-2 for a pooled investment vehicle and will distribute such audited financial statements to all limited partners in such vehicle annually within 120 days of the end of its fiscal year (or 180 days for FOFs).

Because IPC and its affiliates serve as general partner of certain Funds, IPC is deemed to have “custody” over such Funds within the meaning of Rule 206(4)-2 under the Advisers Act. Generally, Clients’ cash and securities are held by Qualified Custodians such as banks and/or broker-dealers. Audited financial statements are distributed to FOF investors within 180 days or within 120 days for other Fund investors from the end of the respective Funds’ fiscal year. In the event an investor has not received its audited financial statements timely, please contact the Firm at the applicable phone number or at the address appearing on the cover page of this brochure. Should IPC not rely on the audit exception for a Client, such Client would receive statements directly from the Client’s qualified custodian at least quarterly and such Client’s accounts will be subject to a surprise examination at least annually by an independent public accountant registered with and subject to inspection by the PCAOB. Further, in such cases, Clients will be notified of the establishment of custodial accounts and any changes thereto. All investors should carefully review these financial statements.

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

This Item 16 requires an investment adviser with discretionary authority over client accounts to disclose such authority and any limitations clients may place on an investment adviser's authority.

IPC has discretionary authority for its Clients for which it is the investment adviser. Investment decisions and advice with respect to Clients' accounts are subject to the Clients' investment objectives and guidelines, as established by the Clients and set forth in the applicable Clients' Governing Documents. For IPC to assume such discretionary authority, each investor must complete the appropriate subscription documents or an investment advisory agreement granting such authority.

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

This Item 17 requires an investment adviser to disclose its proxy voting practices, including whether a Client may direct the investment adviser to vote in a particular solicitation, how the investment adviser addresses potential conflicts of interest and how Clients can obtain information from the investment adviser about how the investment adviser voted securities and that Clients may obtain a copy of the investment advisers proxy voting policies and procedures upon request.

IPC has adopted and implemented written proxy voting policies and procedures pursuant to Rule 206(4)-6. IPC votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy and seeks to resolve any potential conflict of interests in the best interests of the Clients. It is IPC's policy to exercise the proxy vote in the best interest of the Clients, taking into consideration all relevant factors, including acting in a manner that IPC believes will maximize the economic benefits to the Clients and promote sound corporate governance by the issuer. IPC retains ultimate voting discretion with respect to voting proxies. Funds are not able to direct the vote of their general partners.

IPC's proxy voting policy is designed to ensure that if a material conflict of interest arises, that the vote is not improperly influenced by the conflict. IPC representatives that serve on the board of directors of a portfolio company on behalf of Clients will typically, but not always, vote in favor of board recommendations. In situations where IPC is required to vote the proxy for a company in which employees of IPC serve on the board of directors, IPC has determined that this does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the Clients' investment in such portfolio company. In all cases where there is deemed to be a material conflict of interest, IPC will seek the advice of Compliance and Legal to resolve the conflict in the Clients' best interests. IPC, in its sole discretion, may elect not to vote a proxy.

Clients may obtain a copy of IPC's proxy voting policies and procedures and information on how IPC voted proxies on behalf of such Client upon request.

### **Item 18: Financial Information**

This Item 18 requires an investment adviser to disclose certain financial information about itself that is material to clients if it requires or solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, has discretionary authority or custody of client funds or securities, or the investment adviser has been the subject of a bankruptcy petition at any time during the past ten years.

Item 18 is not applicable, as IPC does not require prepayment of fees six months or more in advance, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding at any time during the past 10 years.

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

This Item 19 requires certain responses from investment advisers registered with state securities authorities.

Item 19 is not applicable, as IPC is not a state-registered adviser. IPC is federally registered with the SEC.