



Ironwood Capital Advisors LLC

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This brochure ("Brochure") provides information about the qualifications and business practices of Ironwood Capital Advisors LLC ("ICA"). If you have any questions about the contents of this Brochure, please contact us at 860-409-2100 or by email at craig@ironwoodcap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about ICA also is available on the SEC's website at www.adviserinfo.sec.gov.

ICA is a registered investment advisor. Registration with the SEC as an investment advisor does not imply that ICA or any of the partners or employees of Ironwood Capital Holdings LLC ("Ironwood"), the parent of ICA, possess a particular level of skill or training.

Item 2 – Material Changes

There have been no material changes to this brochure since the prior annual amendment on March 30, 2023.

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Item 4 – Advisory Business

This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. Persons reviewing this Brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of any of the Funds described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

Ironwood Capital Advisors LLC (“ICA”), a Delaware limited liability company, is 100% owned by Ironwood Capital Holdings LLC (“Ironwood”). Ironwood is wholly owned by six partners, Marc A. Reich, Carolyn C. Galeite, James R. Barra, Alexander Levental, Zachary R. Luce, and Paul F. Witinski (the “Partners”). All six Partners have significant private mezzanine debt fund management expertise, and each has more than ten years of experience in financial services and investment management.

ICA is governed by Ironwood’s written policies and procedures and Code of Ethics and shares the same Chief Compliance Officer and office space.

ICA provides investment advice to privately offered investment vehicles (the “Funds”) whose strategies seek a diversified portfolio of private investments made directly in later stage, cash generating, lower middle market companies. These include companies in environmental services, aerospace & defense, business services, precision manufacturing, and transportation & logistics across the U.S.

ICA underwrites and presents investment opportunities to the Funds’ respective investment committees, the members of which are related persons to ICA.

As of December 31, 2023, discretionary assets under management are \$880,414,196.

Item 5 – Fees and Compensation

The Funds are charged a management fee as set forth in each Fund's limited partnership agreement, which vary based upon the applicable governing document. Additionally, the Funds pay carried interest. Calculation of carried interest allocations payable by limited partners are also conducted in accordance with the applicable limited partnership's governing document. Management fees are paid quarterly in advance. The timing of the carried interest allocations and distributions can vary based upon factors such as fund performance, realization of investments and distributions to investors and is otherwise paid on a quarterly basis after limited partners have received a full return of principal and preferred return, as provided under the applicable partnership's governing document (other than carried interest tax distributions as allowed under the applicable partnership's governing document).

Each Fund's management fee may be offset by certain transaction fees, director's fees, consulting fees, and other remuneration received from a Portfolio Company by the Funds' respective general partner, management company, or any of the Partners, as stated within each Fund's limited partnership agreement. Any such reduction of a management fee will be allocated among the limited partners pro rata in proportion to their respective capital commitments. Fees received by consultants and operating partners who are independent contractors and not employees of Ironwood will not be used to offset the management fee.

Limited partners in the Funds should review the relevant governing documents for more complete information on the fees and expenses associated with their investment.

Management fees and carried interest distributions are in addition to certain expenses incurred by the Funds. Each Fund bears its own operating and other expenses, to the extent not borne or reimbursed by such Fund's general partner or management company, including fees, costs, expenses, liabilities and obligations relating to such Fund's activities, investments and business, including, but not limited to, those attributable to (i) expenses incurred in the actual or proposed acquisition or disposition of assets; (ii) third party legal, accounting, auditing and insurance expenses incurred by the Fund; (iii) taxes and other governmental agency fees; (iv) organizational costs; (v) costs related to a funding facility, if any; and (vi) other expenses set forth in the respective limited partnership agreement.

Item 6 – Performance-Based Fees and Side-By-Side Management

The general partners and/or Ironwood-affiliated special limited partners of the Funds receive an allocation of carried interest in accordance with the applicable Fund's limited partnership agreement. The Funds have no overlap of investment periods, have similar fee structures, and are subject to limitations on forming new private equity funds as set forth in the respective limited partnership agreements; therefore, the general partners do not encounter certain conflicts that can arise when a general partner accepts performance-based fees from some limited partners, but not others. In addition, Ironwood does not manage any separately managed accounts.

Item 7 – Types of Clients

ICA's clients, the Funds, are private debt pooled investment vehicles that make or will make direct investments in privately held businesses. The investors participating in the Funds generally include insurance companies, banks or thrift institutions, other investment entities, state pension plans, and other corporations or business entities as well as, directly or indirectly, Partners or other employees of Ironwood and Ironwood senior advisors.

ICA primarily provides investment advice solely to its Fund clients offered to qualified investors on a private placement basis. References throughout this Brochure to "clients" and to ICA's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds include investment partnerships or other investment entities formed under U.S. laws and operated as exempt investment pools under the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

The Funds generally invest in diversified portfolios of later stage, cash generating, lower-middle market portfolio companies (each, a “Portfolio Company”) in a variety of industries located across the U.S. Each Portfolio Company undergoes a rigorous due diligence process by ICA prior to selection by the general partners of the respective Funds. The due diligence process seeks to identify and confirm key attributes of the Portfolio Companies’ management teams, including team cohesiveness, viability and consistency of business strategy, prior experience, and ability to deliver successful outcomes, in addition to analysis and verification of company financial performance, customers, sales, inventories, internal processes and controls, and (as applicable) prospects, product and service development, product offerings, etc., as well as diligence on the sponsor, the industry, the Portfolio Company’s competitive position, in addition to other factors. After an investment is made, ICA will engage in active portfolio monitoring, including verifying adherence to business strategy and tracking key performance indicators and financial performance; Ironwood holds either a board seat or a board observation right at each Portfolio Company.

Risk of Loss

The Funds’ investment strategy and method of analysis involves the risk of loss that the Funds and their limited partners should be prepared to bear, including, but not limited to, the following:

- 1) Dependence on Key Personnel. ICA’s performance is dependent upon Ironwood retaining its key personnel. In the event that any of the key personnel leave Ironwood, there can be no assurance that Ironwood will be able to replace them with individuals of equivalent caliber, experience and firm relationships. The loss of any of the key personnel could have a significant adverse impact on the performance of ICA.
- 2) Due Diligence. ICA’s clients are reliant upon ICA’s due diligence process and analysis. Failure of ICA to adequately conduct the due diligence process and analysis could have a negative impact on the performance of an investment.
- 3) Nature of Fund Investments. The Funds will concentrate on making investments in Portfolio Companies that have significant risks as a result of business, financial, market or legal uncertainties. There can be no assurance that ICA will correctly evaluate the nature and magnitude of the various factors that could affect the value of a return on investments of the Funds. Valuations of the Funds’ investments may be volatile, and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, as well as fluctuations in public and private capital markets, may

significantly affect the results of a Fund's activities and the value of its investments. The past performance of the Funds that ICA manages provides no assurance of future results.

An investment strategy such as that of the Funds involves a high degree of business and financial risk that can result in substantial losses. Among these are the following:

- (i) risks of investing in companies operating with substantial variation in operating results from period to period;
- (ii) risks of investing in companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position; and
- (iii) risks of companies that have leveraged capital structures.

Companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and service capabilities, superior intellectual property protection, stronger business partnerships and a larger number of qualified managerial and technical personnel; especially since the Funds target privately held companies in the lower middle market.

- 4) Leveraged Investments. The leveraged capital structure of Portfolio Companies will increase the exposure of the Funds to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates. The Funds' investments are likely to include subordinated debt or another form of debt capital in a Portfolio Company's capital structure. If a Portfolio Company is unable to generate sufficient cash flow to meet principal and interest payments on its senior indebtedness, a Fund may suffer a partial or total loss of capital invested in the issuer, which, given the size of each Fund's investments, could adversely affect its returns.

If a Portfolio Company enters bankruptcy, other lenders may control the method and manner of distribution or exert substantial power with respect to the bankruptcy proceeding. The original lending agreement may also limit the rights of the Funds during bankruptcy for the benefit of more senior lenders.

This may diminish a Fund's recovery or ability to claim an interest in the collateral of that Portfolio Company.

- 5) Access to Senior Debt Markets. An important factor in consummating a transaction will be the ability of the Portfolio Companies to obtain senior debt financing on a timely basis and on competitive terms. If senior debt financing becomes unavailable or is excessively restrictive or costly, the proposed operations of the Portfolio Companies and thus the Funds could be adversely affected. If available, the terms and conditions of senior debt may be on less favorable terms to borrowers. Furthermore, the terms and conditions of senior debt may be on less favorable terms to borrowers, if available at all.

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- 6) Subordinated Debt Risk. The Funds' investments generally will have implied or imputed ratings below investment grade. Such investments generally have greater credit and liquidity risk than is typically associated with investment grade obligations. The Funds also will be subject to fraudulent conveyance, subordination and preference laws.
 - 7) Difficulty of Locating Suitable Investments. There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Funds to invest all of their committed capital in opportunities that satisfy their investment objectives. Identification of attractive investment opportunities is difficult and involves a high degree of uncertainty, and competition for such opportunities may become more intense.
 - 8) Illiquidity of Investments. An investment in one of the Funds requires a long- term commitment with no certainty of return. The Funds' investments are expected to be somewhat to extremely illiquid. It is possible that the liquidity of a security will decline sharply after its purchase, whether because of adverse developments affecting that security or a general withdrawal of capital from the small and middle market.. Consequently, dispositions of such investments may require a lengthy time period or may result in distributions in-kind. Additionally, a Fund may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in accordance with Rule 144 promulgated under the Securities Act. There can be no assurance that private purchasers can be found for a Fund's investments. Finally, in some cases, a Fund may be prohibited by contract from selling securities for a period of time.
 - 9) SBIC Risk Factors: In addition to the risk factors above, the SBIC Fund's strategy involves additional risk factors related to leverage and regulatory factors, including:
 - a. Possible Changes to Regulatory Scheme. Congress may amend or supplement the SBIC Act, and the SBA may amend or supplement its regulations, in a manner that imposes additional regulatory burdens upon or otherwise adversely affects the SBIC Fund's strategy.
 - b. SBA Regulatory and Enforcement Powers. The SBA has significant ability to supervise and regulate the SBIC Fund. The SBA imposes greater restrictions on the portfolio of an SBIC than would generally be the case for an unregulated private mezzanine or private equity fund. Certain activities and decisions require SBA approval. In particular, it may be necessary for the SBA to approve an investment in a Portfolio Company made by the SBIC when the terms of such investment differ from those of the investment made by the Fund in the same Portfolio Company due to SBA regulations that limit the terms of such investment.

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- 10) Risks Associated with Reliance on the Management of Portfolio Companies. Although it is the intention of the Fund to invest in Portfolio Companies whose management has shown a successful track record and to continue to provide oversight to such management, there can be no assurance that any Portfolio Company's existing or future management team will be able to operate successfully. Each Portfolio Company's day-to-day operations will be the responsibility of such company's management team. Although the management company and general partner will be responsible for monitoring the performance of each Portfolio Company investment, there can be no assurance that a Portfolio Company management team, or any successor thereto, will be able to manage and operate such Portfolio Company in accordance with the Fund's expectations or basis upon which the Fund's investment decision was made. Moreover, some Portfolio Companies' success will depend on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses.
- 11) Risks Associated with Non-Controlling Investments. To the extent that it makes equity investments (including holding warrants), a Fund will generally hold less than 50% of the outstanding voting interests of any Portfolio Company and, therefore, may have a limited ability to protect its equity investment in any such Portfolio Company, although as a condition of investment, the management company may negotiate representation on the board of directors of each such Portfolio Company or appropriate minority shareholder and supervisory rights to protect the Fund's investment. There can be no assurance that such representation or rights, if sought, will be obtained. In addition, there is the possibility that the Portfolio Company in which the Fund makes an equity investment may have economic or business interests or goals that are inconsistent with those of the Fund. In such cases, the Fund may not be in a position to limit or otherwise protect the value of the Fund's investment in such Portfolio Company.

Risks of loss are addressed more fully in each Fund's offering memorandum.

Item 9 – Disciplinary Information

ICA does not have any legal or other disciplinary event to report. This statement applies to ICA and every management person of Ironwood.

Item 10 – Other Financial Industry Activities and Affiliations

Neither ICA nor any of the employees of Ironwood who perform services for ICA under the administrative services agreements are registered as a broker-dealer or a registered representative of a broker-dealer. In addition, ICA and Ironwood employees are not affiliated with any broker-dealer.

Neither ICA nor any Ironwood employee is registered as a registered futures commission merchant, commodity pool operator or commodity trading advisor.

ICA is solely engaged in providing investment advice to the Funds and does not sell products or services other than investment advice to clients. ICA does not have any arrangements to receive additional compensation from non-clients nor does it directly or indirectly compensate any person for client referrals.

When considered appropriate by the general partners of the Funds, Ironwood's Partners and employees may also serve as directors of the entities in which the Funds invest.

ICA is affiliated with Ironwood Capital Advisors II LLC ("ICA II"), Ironwood Capital Advisors III LLC ("ICA III"), Ironwood Capital Advisors IV LLC ("ICA IV") and Ironwood Capital Advisors V LLC ("ICA V") each, a wholly-owned subsidiary of Ironwood Capital Holdings LLC. ICA II is an investment advisor to an SBIC and as such, is exempt from registration. ICA III is an investment advisor to both an SBIC and a non-SBIC private fund and is an Exempt Reporting Advisor. ICA IV and ICA V are investment advisers to SBIC and non-SBIC private funds and are relying advisers of ICA.

In the event of a potential conflict of interest among the Funds or other Ironwood affiliated entities, the Funds' respective partnership agreements and/or management agreements have guidelines and policies as to the appropriate action to take with respect to such conflicts.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Ironwood has adopted a Code of Ethics (the “Ironwood Code”) under Rule 204A-1 of the Advisers Act. The Ironwood Code applies to ICA and all of Ironwood’s access persons. The Ironwood Code was designed to ensure ICA and Ironwood’s access persons meet their fiduciary obligations to their clients and ICA’s obligation with respect to the use of material non-public information. The Ironwood Code also reinforces a culture of compliance within the firm. Ironwood will provide the Ironwood Code to any client or prospective client upon request.

The Ironwood Code describes Ironwood’s high standards of business conduct and fiduciary duty to the Funds to which ICA provides investment advisory and management services. It includes provisions relating to the prohibition on insider trading, personal securities trading procedures, trading restrictions, reporting requirements of holdings and transactions, record keeping, restrictions and reporting on gifts and business entertainment, among other items. The Ironwood Code emphasizes Ironwood’s philosophy of honesty, integrity, and professionalism, setting forth standards of conduct expected of the personnel, promoting honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships, and promoting compliance with applicable government laws, rules, and regulations.

Access persons are required to report their trading activities in accordance with the provisions in the Ironwood Code. Under the Ironwood Code, certain securities have been or may be designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of the Funds. In addition, Ironwood has an Insider Trading Policy applicable to all its access persons which prohibits the use of material non-public information in connection with personal securities transactions and prohibits the tipping of material non-public information to other persons who may trade on the basis of the information. The Ironwood Code and investment policies are overseen by the Chief Compliance Officer, who is responsible for the review of such transactions to reasonably prevent conflicts of interest between and amongst ICA, its affiliated investment advisors and personnel, the Funds and their limited partners, and any other Ironwood entities.

All of Ironwood’s access persons must comply with and acknowledge compliance with the terms of the Ironwood Code annually, and as amended.

Participation or Interest in Client Transactions

ICA may recommend to a general partner the purchase or sale of a security in which ICA's affiliates directly or indirectly have a position of interest. Any such transaction would be subject to Ironwood's conflict of interest guidelines, as discussed more fully in the limited partnership agreements of each Fund.

Principal and Agency Cross Transactions

It is ICA's policy not to engage in any principal or agency cross securities transactions for the Funds.

Item 12 – Brokerage Practices

ICA typically does not utilize broker-dealers to effect investments. However, the Funds do directly invest in certain equity securities of privately held companies and may receive shares of such companies as part of a general distribution. A Fund may sell the securities received in share distributions such that the proceeds can then be distributed to the Funds' limited partners. ICA will generally have discretionary authority to select the broker or dealer to be used to execute transactions on behalf of the Funds and to negotiate the commission cost to be paid by the Funds.

In the event ICA has a need to utilize a broker-dealer, ICA shall seek best execution for the Funds' securities transactions and the respective general partners will have final approval. Brokers are selected according to various characteristics that support the Funds' interest in receiving the most favorable execution.

Many criteria would be considered, including but not limited to, the following: the integrity, ethics, and trustworthiness of the broker regarding any relations and agreements with ICA and the applicable Fund, the speed and quality of trading execution to minimize market price impact and maximize value for the Fund, the broker's capability to provide services at the lowest possible cost, and the commission if applicable. If, in ICA's judgment, the commission is reasonable in relation to the brokerage services provided, ICA may recommend that its respective Fund pay a brokerage commission in excess of the commission another broker would have received for effecting the same transaction. The applicability of specific criteria will vary depending upon the nature of the transaction, the market in which it is executed, and the extent to which it is possible to select from among multiple brokers or dealers.

Research or Other Soft Dollar Benefits

ICA does not engage in soft dollar arrangements with respect to securities transactions for the Funds.

Item 13 – Review of Accounts

ICA will review the Portfolio Companies of each Fund on an ongoing basis to ensure the investment guidelines and objectives of the Funds are being met. Financial reports are provided to limited partners on a quarterly basis. In general, as governed by each Fund's respective limited partnership agreement, each Fund's financial statements are audited by an independent accounting firm on an annual basis. Further information on the reports provided by the Funds is contained in the Funds' respective limited partnership agreements.

Item 14 – Client Referrals and Other Compensation

ICA has no arrangements for client referrals and, therefore, has not compensated any person regarding client referrals.

Item 15 – Custody

The general partners of each Fund are deemed to have custody of Fund assets as a result of each general partner's authority to manage and disburse the respective Funds' cash and securities. The cash assets of the Funds are held by qualified custodians and account statements related to the Funds will be sent to ICA. ICA will be subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule") by virtue of the authority of its affiliates (i.e., the general partners) to manage and disburse assets. However, it will be deemed to have complied with certain requirements of the Custody Rule with respect to each Fund because each Fund will be audited at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and each Fund will distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

Item 16 – Investment Discretion

ICA is considered to have discretionary authority over any assets it manages on behalf of the Funds given that the deal teams that source, underwrite and recommend investments to the Funds and the investment committee members of the general partners of the Funds are all related persons of ICA. However, such discretion is to be exercised in a manner consistent with the stated investment objectives as described in the limited partnership agreements for the Funds.

Item 17 – Voting Client Securities

ICA is considered to have discretionary authority over any assets it manages on behalf of the Funds given that the deal teams that source, underwrite and recommend investments to the Funds and the investment committee members of the general partners of the Funds are all related persons of ICA. As such, ICA will be responsible for exercising voting authority over any Fund securities. However, at the present time, ICA does not anticipate that any Fund will acquire any publicly traded securities and therefore, proxy voting is not applicable.

To the extent the Funds do receive proxies or other solicitations, ICA shall assess the proxy based on the performance, activities and events related to each investment, and the evaluation of other issues that could have an impact on the value of the security. ICA shall review each proposal submitted for a vote on a case-by-case basis and vote all proxies in a prudent manner, considering the prevailing circumstances at the time and in a manner consistent with the Fund's proxy voting policies and procedures as well as ICA's fiduciary duties to the respective Fund and its limited partners.

Investors may obtain a copy of Ironwood's proxy voting policy upon request by contacting Kimberly Craig, VP, Operations, Compliance & Investor Relations, at 860-409-2125 or craig@ironwoodcap.com.

Item 18 – Financial Information

ICA does not require prepayment of management fees from the Funds six months or more in advance.

ICA has no financial commitment or conditions that are reasonably likely to impair its ability to meet contractual and fiduciary commitments to the Funds and has not been the subject of a bankruptcy proceeding. Therefore, no financial information is provided.