



**FORM ADV  
PART 2A/2B**

## **Inverness Counsel**

845 Third Avenue  
New York, NY 10022

(212) 207- 2102 (Telephone)  
(212) 207- 2165 (Facsimile)

[www.invernesscounsel.com](http://www.invernesscounsel.com)

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This brochure provides information about the qualifications and business practices of Inverness Counsel, LLC. If you have any questions concerning the contents of this brochure, please contact us at (212) 207-2102. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or any state securities authority.

Additional information about Inverness Counsel, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Inverness is an SEC-registered investment adviser. Such registration with the SEC or any state securities authority does not imply a certain level of skill or training.



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# FORM ADV PART 2A

## MATERIAL CHANGES

### Annual Update

Inverness Counsel, LLC, a Delaware limited liability (“Inverness,” the “Company” or “we”) is providing this information as part of the Company’s annual updating amendment and it contains certain changes from our last annual update, which we filed with the SEC on March 31, 2020.

### Material Changes Since Last Update

The SEC adopted amendments to Part 2 of Form ADV, effective October 2010. As revised, Part 2 consists now of Part 2A (the “Brochure”) and Part 2B (the “Brochure Supplement”). Each annual update of our Brochure includes a summary of any material changes relating to the Company that have occurred since its last annual update. The Company’s most recent Brochure Supplement is attached hereto as Part 2B. We deliver copies of the Brochure and the Brochure Supplement to existing and prospective clients in accordance with the requirements of the Investment Advisers Act of 1940, as amended (the “Act”), and its rules.

There have been no material changes made to Inverness’ Part 2A Brochure since last year’s Annual Amendment filed on, and the subsequent Brochure amendment dated March 31, 2020. **ANY QUESTIONS:** Inverness Chief Compliance Officer, Charles D. Riviezzo, remains available to address any questions regarding this Part 2A, including the disclosure additions and enhancements below.

## ADVISORY AND WEALTH MANAGEMENT BUSINESS

### Firm Description

Inverness, an independent investment counsel firm, is an investment adviser registered under the Act. The Company, which has been in business since 1967, is engaged primarily in providing continuous investment advice to its clients, based on their individualized goals, requirements and circumstances. We strive to provide

our individual, family, trust, pension and profit sharing plan, tax-exempt organization and other institutional clients with a high level of investment advisory services. Our principal objective is to generate wealth enhancement and superior performance for our clients over the long-term. Our only office is located in New York City.

### Principal Owners

There are five principal equity owners of Inverness. ICI (New York) Holdings, LLC (“ICI”) beneficially owns 36.78% of the Company’s units. Philip S. Lawrence, President and Chief Executive Officer of Inverness owns 31.34% of the units (individually and through ICI) and Charles D. Riviezzo, Chief Compliance Officer owns 25.56% of the units (individually and through ICI). Cromarty Management Corporation and David W. Laughlin, the Chairman of Inverness, each beneficially owns less than 25% of its outstanding units.

### Types of Advisory Services

Inverness provides its clients with investment advisory services on both discretionary and non-discretionary bases. Most of the Company’s assets under management are managed on a discretionary basis. The services rendered by Inverness consist primarily of “investment supervisory services”. These services are defined under the Act to be the provision of continuous advice as to the investment of funds based on the individualized needs of each client. We tailor the advice and services that we provide to address the often differing investment objectives, financial circumstances, risk orientations and expectations of our clients.

Ongoing collaboration and communication are essential aspects of the services that Inverness provides in managing its clients’ accounts. The Company often works with its high net worth clients in planning and executing strategies designed to preserve family wealth and provide for the inter-generational distribution or other transfer of such wealth, including through trusts

and similar vehicles. As of December 31, 2020, the Company had an aggregate of approximately \$3.805 billion invested on behalf of its private wealth and institutional clients.

Inverness maintains a separate institutional management business which provides general and tailored investment management services to its pension, tax-exempt organization and other institutional clients. As of December 31, 2020, the Company had an aggregate of over \$1 billion invested on behalf of such clients, the majority of which was managed by its institutional business unit.

Inverness manages its clients' accounts in accordance with the above-described approaches and the information that it garners about a client, including compliance with any restrictions or limitations imposed by it on investments.

Inverness regularly provides investment advice to, and makes investments on behalf of, its clients with respect to publicly-traded equity and debt securities. Inverness also recommends alternative investments, including hedge funds, private equity funds, real estate investments (including real estate investment trusts), options, warrants and similar securities. For certain client accounts, Inverness may recommend pooled investment vehicles, such as hedge funds, private equity funds and other limited partnerships or limited liability companies. The third-party investment managers recommended by us to our clients will have full investment discretion and trading authority in respect of the funds invested with them and sole responsibility for the implementation of their investment objectives. With respect to assets held in client accounts managed by third-party investment advisers, Inverness will not place orders for transactions in the clients' accounts or otherwise exercise trading authority over such accounts.

Inverness also manages some accounts in a manner that does not constitute providing "investment supervisory services," if specifically requested to do so by clients. This type of relationship generally involves providing administrative and supervisory oversight and general investment advice. The Company does not participate in any "wrap fee" programs.

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.**

To the extent requested by a client, Inverness may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Inverness **does not** serve as an attorney, accountant, or insurance agency, and no portion of our services should be construed as such. Accordingly, Inverness **does not** prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). You are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation that we make. **Please Note:** If the client engages any unaffiliated recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. At all times, the engaged licensed professional[s] (i.e. attorney, accountant, insurance agent, etc.), and **not** Inverness, shall be responsible for the quality and competency of the services provided. **Please Also Note:** It remains the client's responsibility to promptly notify Inverness if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Inverness' previous recommendations and/or services.



**Please Note: Retirement Rollovers-Potential for Conflict of Interest:**

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Inverness recommends that a client roll over their retirement plan assets into an account to be managed by Inverness, such a recommendation creates a conflict of interest if Inverness will earn new (or increase its current) compensation as a result of the rollover. When acting in such capacity, Inverness serves as a fiduciary under the Employee Retirement Income Security Act (ERISA), or the Internal Revenue Code, or both. **No client is under any obligation to rollover retirement plan assets to an account managed by Inverness.**

**ERISA / IRC Fiduciary Acknowledgment.** If the client is: (i) a retirement plan ("Plan") organized under the Employee Retirement Income Security Act of 1974 ("ERISA"); (ii) a participant or beneficiary of a Plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code, with authority to direct the investment of assets in his or her Plan account or to take a distribution; (iii) the beneficial owner of an Individual Retirement Account ("IRA") acting on behalf of the IRA; or (iv) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Internal Revenue Code: then Inverness represents that it and its representatives are fiduciaries under ERISA or the Internal Revenue Code, or both, with respect to any non-discretionary investment advice provided by Inverness or its representatives or with respect to any investment recommendations regarding an ERISA Plan or participant or beneficiary account.

**Please Note: Use of Mutual and Exchange Traded Funds:**

In addition to Inverness' investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). **Custodian Charges-Additional Fees:** As discussed below, when requested to recommend a broker-dealer/custodian for client accounts, Inverness generally recommends that accounts be maintained at various firms depending upon the client's situation, needs and preferences. Broker-dealers/custodians generally charge transaction fees for effecting securities transactions. In addition to Inverness' investment advisory fee referenced in Item 5 below, the client will also incur transaction fees to purchase securities for the client's account (i.e., mutual funds, exchange traded funds, individual equity and fixed income securities purchased by Inverness).

**Client Obligations.** In performing our services, Inverness shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify us if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Inverness) will be profitable or equal any specific performance level(s).

## **Tailored Relationships**

We seek to understand the individualized financial and personal circumstances of our clients and tailor our recommendations predicated on this understanding. Our advisory services are based primarily on the articulated objectives, financial and other circumstances, and risk profiles of our clients. Our goal is to provide advice and services to our clients that are effective and adapted to their specific requirements and circumstances.

## **Client Assets**

As of December 31, 2020, Inverness managed client assets of \$3,229,075,164 on a discretionary basis and client assets of \$621,415,681 on a non-discretionary basis.

## **FEES AND OTHER COMPENSATION**

### **Fees Payable**

Other than fixed fees payable by certain of its clients (as discussed below), Inverness is compensated for its investment advisory services generally by its clients' payment of annual fees based on a percentage of the appraised value of their assets under management ("AUM"). The specific fees payable for such services are negotiated in advance by the Company with its clients, subject to adjustment in any renewal agreement(s). The fees payable for new and existing high net worth individual clients range from 0.5% to 1.5% of AUM per annum, depending on a number of factors and circumstances, including the size of the account, the account's asset composition and mix, any pre-existing client relationships, and the nature and extent of the client services to be rendered.

The fees payable for new and existing institutional clients range from 0.3% to 0.6% of AUM per annum, also depending on a number of factors and circumstances, including the size of the account and its asset composition and mix. As a general matter, larger accounts are subject to lower annual rates. Because the

fees payable by the Company's clients are negotiated and based on varying factors, clients with similarly-sized accounts often pay advisory fees at different rates. In some limited cases, Inverness has negotiated fixed fee arrangements for managed assets and services and also services provided by Inverness consisting essentially of investment consultation services.

Clients may make additions to and withdrawals from their accounts at any time, subject to our right to terminate an account. Additions may be in cash or securities, except that the Company reserves the right, following consultation with the client, to liquidate any transferred securities or decline to accept particular securities in a client's account. Clients may withdraw account assets on notice to Inverness, subject to usual and customary securities settlement procedures. However, Inverness notes that it generally constructs its clients' portfolios as long-term investments and, accordingly, often indicates to its clients that the withdrawal of assets may negatively impact the achievement of their objectives. The Company may also discuss with its clients the alternatives to, and implications of, transferring securities to or from their accounts.

**Fee Differentials.** Inverness can price its services based upon various objective and subjective factors. As a result, Inverness' clients often pay diverse fees based upon the market value of their assets, the complexity of the engagement, and the level and scope of the overall investment advisory and/or consulting services to be rendered. As a result of these factors, similarly situated clients often pay diverse fees, and the services to be provided by Inverness to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

**ANY QUESTIONS:** Inverness' Chief Compliance Officer, Charles D. Riviezzo, remains available to address any questions regarding Fee Differentials.

## Billing of Fees

The Company's investment advisory fees are payable quarterly, in advance. Other than fixed fees payable by certain of its clients (as discussed above), Inverness calculates client fees based on its appraised valuation of the client's AUM, utilizing the most recent market information reasonably available to it, determined as of the close of the last trading day immediately preceding the commencement of the billing period for which advisory services are to be provided. Securities for which there are not current market values are priced using reasonably available information or if not available in accordance with the methods described below under **Please also note: Valuation.** If assets are deposited in or withdrawn from an account after the commencement of a billing period, the fees payable with respect to such assets generally are not adjusted or *pro rated* to reflect any change in portfolio value.

Any client that terminates its relationship with Inverness prior to the end of a quarterly period will receive a refund of any unearned fees. The refund amount will be determined on a *pro rata* daily basis. Clients may either pay the advisory fees that they owe directly to Inverness or, which is generally the case, instruct the banks or other financial institutions that have custody of their assets to debit and deduct the fees from designated custody account(s) and pay Inverness on their behalf. Our investment advisory agreements with clients provide that any "assignment" of such agreement by Inverness will be made only in accordance with the Act and its applicable rules.

## Other Fees

The sole compensation received by Inverness for its investment advisory services is the investment advisory fees payable to it by its clients. Clients may, however, incur certain additional costs payable to third parties. For instance, our clients will generally be charged custody fees by the banks or other financial institutions maintaining custody of their assets under management

and may incur other related expenses. Our clients also pay brokerage fees and commissions (or mark-ups or mark-downs) and other transaction costs to the broker-dealers that effect transactions on their behalf. Please refer to the section of this Brochure below titled "*Selecting Broker-Dealers*" for a discussion of certain matters involving the selection and use of broker-dealers.

In certain circumstances, Inverness may advise its clients to invest in money market funds, mutual funds, exchange traded funds, or ETFs, and investment limited partnerships or limited liability companies, or LLCs, including hedge and private equity funds. Clients whose assets are invested in money market funds, mutual funds, ETFs and/or investment limited partnerships or LLCs often pay advisory fees to the managers of those investment vehicles. Accordingly, in such cases, clients pay fees both to Inverness and such outside managers. Client assets invested in these types of investment vehicles generally are included in calculating the value of a client's account for the purpose of computing the fees that Inverness charges for the investment advisory services that it provides, and the same assets could be subject to additional fees and expenses, as may be set forth in the offering or subscription documents of those investment vehicles.

The advisory fees payable to these entities can vary considerably. Generally, money market fund and ETF fees are significantly lower than those charged by managers of investment limited partnerships or LLCs. The managers of certain private investment partnerships and LLCs may be paid an additional amount equal to a percentage of the investment performance generated by such partnerships or companies. Furthermore, because the securities or other investments held by many of these private vehicles, such as hedge or private equity funds, often do not have readily available market prices, the managers of these companies charge fees on the basis of their own valuations of such securities. Such



valuations may be higher than the sales prices that such securities or other investments would actually realize if there were readily available trading markets. Inverness charges fees to its clients in respect of such securities on the basis of the same valuations made by such managers to the extent available.

Relative to its discretionary investment management services, when beneficial to the client, individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate “tradeaway” and/or prime broker fee charged by the account custodian.

No employee or officer of Inverness is permitted to accept compensation for the sale of securities or other investment products, including any asset-based charges or service or other fees from the sale of mutual funds.

## **PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT**

This section is not applicable to the policies, activities or practices of Inverness because Inverness does not charge or accept any performance-based fees.

## **TYPES OF CLIENTS**

### **General Description**

Inverness provides its investment advisory services to high net worth and other individuals and families, trusts, tax-exempt organizations, pension and profit sharing plans, and other institutional clients.

### **Account Minimum**

Inverness generally requires its clients to have a minimum AUM of \$1 million in order to open an account although, historically, it has made exceptions to such minimum on a case-by-case basis, taking into consideration such factors as whether there are accounts held by other family members or related

parties, the account’s asset composition and mix, and the types of client services to be rendered. Clients whose accounts hold less than the minimum AUM often pay fees to Inverness at higher rates than those who have more than the minimum AUM. **Please Note:** As result of the above, and **Fee Differentials** discussed above, similarly situated clients often pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS OF LOSS**

### **Methods of Analysis**

Inverness provides investment management services to a range of clients, including institutions and high net worth individual, family and trust clients. The Company recognizes that the requirements of its clients often may differ as to return objectives, risk tolerances and constraints, time horizons, liquidity needs and other matters. Client mandates, concentrated securities positions and related issues, as well as the amount of investable assets, are considered by us when constructing investment strategies for our clients. For the substantial majority of its clients, Inverness provides actively managed fixed-income and/or equity investment advisory services. Our active investment management services are driven by fundamental securities analyses. Various analytical tools are used and applied by Inverness’s personnel.

Although no two equity investments are completely alike, we review and emphasize such significant factors as an issuer’s financial condition, the amount and quality of its earnings, the nature and value of its assets, its prospects, the strength of its management team, the competitive environment, its competitive position and advantages, prevailing industry and market conditions, and the investment’s liquidity. In selecting fixed-income securities, the Company takes into account a number of factors, including the credit risk of the issuer, maturities, macro-economic issues and preservation of

capital and generation of income. When reviewing potential fixed-income securities, the Company generally takes a “laddered” approach in selecting the maturities/duration of such investments. With respect to certain client accounts, the Company may, if not precluded by any client-imposed investment restrictions, purchase debt securities that are not investment-grade.

To a significantly lesser extent, we may evaluate certain technical and/or trading methods of analyses. These analyses involve the examination and interpretation of past and current market data in helping to determine our investment recommendations for clients and often involve the use of mathematically-based indicators and charts designed to identify apparent market patterns and trends.

### **Investment Strategies and Risks of Loss**

The Company’s principal investment strategy is to identify and purchase high-quality investments for its clients and hold them for significant periods. However, we believe that short-term trading of securities may be appropriate in certain circumstances.

There are limitations inherent in describing any investment strategy. Depending on conditions and trends in securities markets, changes in pertinent economic, financial and political circumstances and the economy in general, Inverness may pursue any objective or use any strategy or technique that it considers appropriate and to be in its clients’ interests. As a result, Inverness may use any number of trading or investment strategies or techniques, whether or not presently contemplated by its principal investment strategy. All of these factors may affect returns.

The principal investment strategy pursued by Inverness seeks to generate long-term growth. However, every investment involves some risk of loss. A buy and hold investment strategy creates specific risks to a securities

portfolio because the Company may not take advantage of short-term gains in a security that could be profitable to a client. Additionally, the Company recognizes that efforts to limit down-side risk through our investment strategy may, at times, result in clients foregoing opportunities for potentially higher gains that are sometimes associated with higher risk investment strategies. No assurance can be made, however, that our investment strategy will actually limit such down-side risk or result in superior investment results to the client.

The exact structure and composition (including types and mix) of securities held in a client’s account vary, primarily based on the client’s individual investment objectives, financial and personal circumstances, risk orientation and any restrictions or limitations imposed by the client. The primary risks associated with our principal investment strategy are active management risk, which has been the subject of significant discussion vs. passive investing, interest rate changes and issuer-specific matters and developments.

Active Management Risks: Active portfolio management relies largely on the Company’s ability to define, formulate and execute on an investment strategy that performs well during various economic periods. Any factors that impede the Company’s ability to perform the foregoing on a consistent and ongoing basis could adversely affect its ability to successfully realize on such strategy. Performance could also be affected if key personnel were to resign or otherwise leave Inverness. Clients should evaluate whether an active management style is right for them.

Fixed-Income Securities Risks: The values of fixed income securities are primarily affected by changes in interest rates and credit quality. In addition, general market risks, macro-economic factors and liquidity issues can adversely affect the value of fixed income securities. Typically, a general rise in interest rates causes the trading prices of debt securities to decline.

Generally, the longer the maturity of a debt security, the more sensitive such security is to changes in interest rates. There are also risks that the financial condition of the issuer of a debt security will worsen, it will not timely pay all or a portion of the borrowed principal and/or accrued interest when due or there is a concern that this will occur.

Equity Securities Risks: The values of equity investments are subject to issuer-specific matters such as its financial and other condition, operating results and prospects. A company's trading price can be negatively impacted by competitive developments, product demand or supply problems, general industry problems or issues, litigation and regulatory matters, and various other circumstances and events. Also, there are situations where significant problems or other matters will affect a particular sector, or where returns from that sector will be less than returns from the overall equities markets. Short-term fluctuations in specific market sectors may be more extreme than fluctuations in the overall stock market.

The prices of equity securities also fluctuate based on the overall condition of, and prospects for, the general economy and the financial markets. In this regard, a risk associated with relying on fundamental analyses in respect of equity securities is that, while the overall condition and position of an issuer may be positive, evolving market and/or technical conditions and considerations may negatively impact its trading price. Certain clients, by virtue of their legacy holdings or otherwise, are also exposed to the risk that their portfolios are concentrated in fewer positions. This concentration may lead to more volatility and vulnerability than might be the case with a diversified portfolio.

Additionally, investing substantially in publicly-traded equity securities, as the Company does, may limit opportunities to be invested in other asset classes that

are considered non-correlated and might otherwise be considered in a diversification strategy. Conversely, under certain market conditions, publicly-traded equity securities may be correlated very closely with other asset classes and, as a result, declines in the prices of such securities may not be offset by investments in other asset classes. In any event, there can be no assurance that investing in other asset classes will limit overall down-side risk.

Alternative Investment Risks: For certain clients, Inverness may recommend investing a portion of their funds in alternative investments including providing investment advice regarding unaffiliated private investment funds and recommending that certain qualified clients consider an investment in such funds. Inverness' role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of Inverness calculating its investment advisory fee and such investments will generally be "non discretionary" assets. Inverness' clients are under absolutely no obligation to consider or make an investment in a private investment fund(s). Access to these managers may require the client to meet additional SEC-imposed requirements, such as being a qualified investor with a minimum net worth or amount of assets under management. These managers may also impose substantial minimum investment and other requirements that limit client access.

Investments in hedge funds and other private LLCs and limited partnerships have both issuer-and security-specific risks, including those mentioned above. In addition, these investments may have risks associated with a lack of liquidity, short selling, limited liquidity and pricing difficulties. These private LLCs and limited partnerships may use leverage and have significant

exposure to contingent and unknown operational and counter-party risks. Some of these LLCs and partnerships may also employ derivative instruments, such as options, swaps, futures, structured securities or similar instruments, that have certain additional inherent risks and increase volatility. Additionally, many private equity, hedge and other funds impose significant restrictions on the rights of investors to redeem all or any portion of their investments or to otherwise withdraw funds, including their capital. Finally, many of these private LLCs and partnerships may hold securities or instruments for which market quotations are not readily available. Valuations of such securities are often made by the general partner(s) or manager(s) of these entities which may result in a conflict of interest.

**Please Note:** A complete discussion of the terms of these investments is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

**Please Also Note: Valuation.** In the event that Inverness references private investment funds owned by the client on any supplemental account reports prepared by Inverness, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If no subsequent valuation post-purchase is provided by the fund sponsor, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date), or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be

**significantly more or less** than original purchase price. The client's advisory fee shall be based upon reflected fund value(s). Dispositions of alternative investments may be protracted and/or result in undesired distributions in-kind to investors. Many of these private LLCs and limited partnerships are not registered under the Investment Company Act of 1940 and, accordingly, investors do not have the protections afforded by such Act and the rules thereunder. There often may be other structural and taxation issues that clients should consider and review, a number of which may be disclosed in the subscription and offering documents for such investments.

**Conflict of Interest:** Inverness may introduce clients to Overlook Partners Fund, a private fund that is affiliated with the brother of Inverness' Chief Executive Officer, who is also, in his individual capacity, an Inverness client, thereby creating a **conflict of interest** relative to Inverness' introduction of the fund. Inverness has an **economic incentive** to introduce the fund to the client (i.e., as result of the introduction, Inverness will assist an existing client from whom it currently earns, and anticipates it will continue to earn, investment advisory fees). Given the **conflict of interest**, Inverness advises that clients consider seeking advice from independent professionals (i.e., attorney, CPA, etc.) of their choosing prior to becoming a Fund investor. **No client is under any obligation whatsoever to become a fund investor.**

**IC Hedge Fund Series, LP.** Inverness may introduce clients to IC Hedge Fund Series, LP, a private investment fund for which Inverness serves as a sub-adviser. Inverness does not receive a separate sub-advisory fee for its sub-advisory services to the fund, nor any other type compensation from the fund. Rather, Inverness' only compensation is the advisory fee that it receives from the client as discussed above at **Fees and Compensation.**

Inverness does not offer advisory services in respect of initial public offerings. If, however, any of its clients seeks to purchase securities in initial public offerings, Inverness will transmit their requests to the appropriate persons and, to the extent practicable, effect the execution of purchases on their behalf.

## **DISCIPLINARY INFORMATION**

### **Legal and Disciplinary Events**

Neither Inverness nor any of its management personnel or employees has been involved in any legal or disciplinary event that is material to an evaluation of its investment advisory business or the integrity of its management.

### **Criminal or Civil Actions**

Neither Inverness nor any of its management personnel or employees has been involved in any criminal or civil action that is material to an evaluation of its investment advisory business or the integrity of its management.

### **Administrative Proceedings**

Neither Inverness nor any of its management personnel or employees has been involved in any administrative proceeding that is material to an evaluation of its investment advisory business or the integrity of its management.

### **Self-Regulatory Proceedings**

Neither Inverness nor any of its management personnel or employees has been involved in any self-regulatory proceeding that is material to an evaluation of its investment advisory business or the integrity of its management.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

This section is not applicable to the policies, activities or practices of Inverness.

## **CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

In accordance with applicable federal securities laws, Inverness has adopted and maintains a written Code of Ethics that sets forth specific legal and ethical requirements and restrictions designed to ensure high standards of conduct by its employees. Inverness requires its employees to comply with all laws, rules and regulations applicable to its business and operations, as well as certain policies and practices of the Company. All employees are responsible for reviewing the Code of Ethics, or the Code, and acting in compliance with its policies, practices and restrictions in their day-to-day activities. The Code covers all officers and other employees of the Company; accordingly, all of them are deemed “access persons” for purposes of the Code and the Act. The Code expressly provides that the interests of our clients take clear precedence over the interests of the Company and its employees. In particular, all access persons are prohibited from using or communicating information, particularly any material non-public information, for their personal benefit or otherwise to the detriment of any clients of Inverness.

Inverness will provide a copy of its Code of Ethics to existing or prospective clients upon their request.

### **Recommending Securities with Material Financial Interest**

Neither Inverness nor any of its employees or officers is permitted to recommend to clients, or to buy or sell for clients’ accounts, securities in which any of them or any related person has a material financial interest.



## **Investing in Same Securities Recommended to Clients**

All employees of Inverness are directed to avoid investments in their personal accounts that could impair their ability to make disinterested investment judgements or recommendations to clients. However, Company employees are permitted to buy or sell securities that they also may have recommended to clients if such transactions are effected in compliance with the Code.

All Company employees are required to report their personal holdings and transactions to the Company regularly and that activity is reviewed by and, as applicable, subject to the approval of our Chief Compliance Officer. Subject to certain prescribed exceptions, all Company employees must obtain pre-approval of securities investments that they seek to make, including in any initial public and private offerings. The Company monitors the transactions of its employees both through an automated system that it has installed and direct reviews by designated personnel, including the Company's Chief Compliance Officer and its head trader. Upon discovery, any violations or conflicts with the Code must be promptly reported to, and addressed by, our Chief Compliance Officer or Chief Executive Officer. In such events, these officers will determine the appropriate sanctions to be imposed on non-complying employees, which may include forfeiture of privileges and/or compensation, lack of promotion, demotion or termination.

It is possible that Company employees may seek to effect transactions at the same time(s) as transactions for clients are being effected by Inverness. Inverness may often also encounter situations when it is appropriate for more than one client to purchase or sell a particular security at the same time(s), but the investment opportunity is limited. In such situations, Inverness employees are not permitted to trade for an appropriate period of time in order to first afford clients

the investment opportunity. Inverness allocates trading opportunities among its clients in such situations on a *pro rata* basis, based on relative client demand, in order to make equitable allocations. Please refer to the section of this Brochure below titled "*Brokerage Practices*" for more information regarding order aggregation.

## **BROKERAGE PRACTICES Selecting Broker-Dealers**

In the event that the client requests that Inverness recommend a broker-dealer/custodian for execution and/or custodial services, Inverness generally recommends that investment advisory accounts be maintained at various firms depending upon the client's situation, needs and preferences. The client will be required to enter into a formal Investment Advisory Agreement with Inverness setting forth the terms and conditions under which Inverness shall advise on the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian. Inverness does not maintain any soft dollar arrangements with any custodians. Factors that Inverness considers in recommending a broker-dealer/custodian to clients include historical relationship with Inverness, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions, transaction and/or custodial fees paid by Inverness' clients shall comply with Inverness' duty to obtain best execution, a client may pay a commission, transaction or custodial fee that is higher than another qualified broker-dealer/custodian might charge to effect the same transaction where we determine, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's/custodian's services, including the value of research provided, execution capability, fees, and responsiveness. Accordingly, although Inverness will

seek competitive rates, it may not necessarily obtain the lowest possible rates or fees for client account transactions. The brokerage commissions, transaction or custodial fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Inverness' investment advisory fee.

### **Non-Soft Dollar Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Inverness can receive from a broker-dealer/custodian, investment manager, platform or fund sponsor, or vendor without cost (and/or at a discount) support services and/or products, certain of which assist Inverness to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by Inverness may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support-including client events, computer hardware and/or software and/or other products used by Inverness in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist Inverness in managing and administering client accounts. Others do not directly provide such assistance, but rather assist Inverness to manage and further develop its business enterprise.

Inverness' clients do not pay more for investment transactions effected and/or assets maintained at a broker-dealer/custodian as a result of this arrangement.

There is no corresponding commitment made by the Inverness to broker-dealer/custodian, or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**Inverness' Chief Compliance Officer, Charles D. Riviezzo, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the corresponding conflict of interest presented by such arrangements.**

### **Directed Brokerage**

In a directed brokerage arrangement, a client requires that account transactions be effected through a specific broker-dealer. In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Inverness will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Inverness. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note:** In the event that the client directs Inverness to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Inverness. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Order Aggregation**

Inverness generally purchases or sells the same securities for clients at approximately the same time. Inverness often combines or “bunches” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Inverness’s client’s differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Inverness shall not receive any additional compensation or remuneration as a result of such aggregation. In some cases, Inverness effects transactions in client accounts independently, depending on a number of factors including portfolio manager discretion and client specific issues.

**REVIEW OF ACCOUNTS**  
**Periodic Reviews**

The Company periodically reviews clients’ accounts as frequently as appropriate, based on a number of factors. Restrictions on client accounts are adjusted and refined to meet our clients’ objectives and directions, as set forth in their respective investment advisory agreements and as otherwise communicated to us.

Investment Committee meeting time is divided between the review and discussion of issues relating to the Company’s high net worth individuals and their families and trusts and those relating to the Company’s pension and profit sharing plans, tax-exempt organizations and other institutions comprising the client base of the Company’s institutional management business.

The portfolio managers and analysts of Inverness meet weekly to share and evaluate new investment opportunities, as well as to discuss existing portfolio investments of the Company’s managed accounts.

These meetings serve as forums for both discussion and education where investment proposals are presented, analyzed and debated by the Investment Committee members. These meetings also serve as a forum to discuss general economic, financial, political, and market events and various other factors that might influence the Company’s investment strategy, and to develop guidelines, limitations and restrictions for its investment decisions and recommendations.

The Investment Committee of Inverness is composed of the following five persons:

<b>Philip S. Lawrence</b> <i>(President and CEO)</i>	<b>Adrian Sancho</b> <i>(Vice President)</i>
<b>Richard H. Chesterton</b> <i>(Chief Investment Officer)</i>	<b>Burt Kobylivker</b> <i>(Vice President)</i>
<b>Robert K. Maddock III</b> <i>(Senior Vice President)</i>	

**Review Triggers**

Additional Company account reviews may be triggered by client requests, changes in or adjustments to our investment recommendations, policies or restrictions or certain changes in economic or financial conditions. These reviews can result in changes in the size, composition and mix of an account’s holdings. Each client is responsible for keeping Inverness informed of any changes in the client’s financial condition, investment objective(s) or risk tolerance.

**Regular Reports**

We furnish our clients with account statements of their assets under management on at least a quarterly basis (and more frequently if requested by a client). Our clients have the option to receive their account statements through a secure Company portal.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

### **Economic Benefit**

As referenced above, Inverness may receive from a broker-dealer/custodian, without cost (and/or at a discount), support services and/or products. Inverness' clients do not pay more for investment transactions effected and/or assets maintained at any such firm as result of this arrangement. There is no corresponding commitment made by Inverness to any such firm to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements. **Inverness' Chief Compliance Officer, Charles D. Riviezzo, remains available to address any questions that a client or prospective client may have regarding the above arrangements and the corresponding conflict of interest presented by such arrangements.**

### **Solicitors**

Except for firm employees, Inverness does not currently compensate any individual or entity for client introductions.

## **CUSTODY**

### **Account Statements**

Inverness does not have physical custody of any of its clients' assets. Inverness also does not have direct access to its client funds as they are maintained with independent qualified custodians, in accordance with the Act. Pursuant to limited powers of attorney that they grant to the Company, clients authorize Inverness to effect the purchase of securities against payment by the client's account or the sale of securities from such account against receipt of payment. However, clients often also request and authorize Inverness to effect transfers or distributions of their assets to third parties in ways that extend beyond direction to broker-dealers to execute transactions, and that constitute "custody" under the Act. In certain circumstances, Inverness also

may be deemed to have custody when officers or other employees of the firm act as a trustee (or co-trustee), general partner or in a similar capacity in respect of client accounts.

In order to help ensure that client assets are secure from conversion or inappropriate use by its personnel, Inverness is subject to an annual surprise custody examination by an independent third party under the Act. Such examination reviews whether Inverness acted in compliance with the custody requirements set forth under the Act and the rules thereunder. Such a third party conducted an examination of the Company's compliance with applicable custody requirements as of April 17, 2020 and for the 12 month period then ended. It issued a report, dated as of July 2, 2020, stating its unqualified opinion that Inverness was in compliance with such requirements.

Inverness believes that the qualified custodians engaged by or on behalf of its clients send account statements (by mail or electronically) to such clients on at least a quarterly basis and that such statements identify the funds and securities held in the accounts as at the end of each period and set forth all transactions effected in the custodian accounts during the described period. Inverness performs reconciliations of its client statements and the clients' custody statements in order to help ensure their accuracy and consistency.

### **Privacy Policy**

We collect certain non-public personal information about our clients from information provided in clients' interviews, investment advisory agreements, financial profiles and other information provided to us in writing, in person, by telephone or electronically. Inverness is committed to protecting the confidentiality of the information furnished to us by our clients. We maintain physical, electronic and procedural safeguards designed to comply with applicable federal and state laws and regulations to protect our clients' non-public

personal information. In particular, Inverness, as required by federal law, provides its clients with initial and annual privacy notices even if it does not share client information with any other persons. Inverness provides an initial privacy notice no later than the outset of the client relationship.

The Company has also adopted and implemented policies, procedures and practices designed to comply with the requirements of federal Regulation S-ID concerning matters of identity theft and related issues. These policies, procedures and practices cover both new and existing accounts. The Company believes that the policies, procedures and practices it has adopted are reasonably designed to detect, prevent and mitigate instances of identity theft relating to its clients' accounts.

## **INVESTMENT DISCRETION**

### **Discretionary Authority for Trading**

Inverness generally accepts discretionary authority to manage securities accounts for and on behalf of its clients. In order to effectuate this authority, a client must execute and deliver a limited power of attorney to Inverness. This document affords Inverness the authority to act on behalf of a client in order to determine: (i) the types of securities to be bought and sold; (ii) the amounts of securities to be bought and sold; (iii) the timing of any transactions; (iv) the broker-dealers to be used for order execution; and (v) the commission rates (or mark-ups and mark-downs) to be paid.

### **Limited Authority**

Limitations on such grants of authority are set by the specific limitations and restrictions agreed to between Inverness and the client and the policies of our Investment Committee. The amounts and types of any

securities bought or sold are subject to these limitations and restrictions. In this regard, significant consideration is given by the Company to the diversification and asset distribution of our clients' discretionary accounts. The selection of investments and broker-dealers and the commission rates payable are governed by the internal policies and procedures of Inverness, which are implemented by the Investment Committee. Clients may impose additional restrictions and limitations on the investment and other authority granted to Inverness if they so elect.

## **VOTING CLIENT SECURITIES**

### **Proxy Voting**

Inverness has adopted proxy voting policies and procedures that cover the following actions relating to clients' proxies:

- voting, including abstentions, of proxies with respect to securities held by its clients;
- identifying and resolving any conflicts of interest between such clients and Inverness that may exist with respect to such voting;
- archiving of related records; and
- disclosing and producing records upon clients' requests.

For those clients that have directed (in writing) Inverness to vote their proxies, Inverness will vote such proxies in a manner that it believes to be in the clients' best interests. The Company's written proxy policies and procedures are designed to effectuate this objective. In particular, it is the policy of Inverness to identify and recommend actions to be taken for the benefit of the client if and when conflicts of interest arise. In the event of any conflict, clients may instruct Inverness, in writing, on how to vote their proxies and Inverness will comply with any such lawful instructions. If such written



instruction is not obtained in a conflict situation, Inverness will not vote any proxies on behalf of such clients in respect of any issue presenting a conflict. Inverness has an obligation to forward all proxy materials that it may receive to clients that do not authorize or direct it to vote their proxies. Clients may obtain information as to how Inverness voted proxies relating to their securities by contacting the Company directly.

The Company has retained Broadridge Financial Solutions, Inc., specifically its Investment Communications Solutions Division (“Broadridge”), to support it in the client proxy voting process. Broadridge provides support in two discrete ways. First, it provides logistical support that enables the automatic execution of a substantial portion of the proxy voting process. Broadridge’s suite of electronic voting services, called ProxyEdge, manages the process of meeting notifications, voting, tracking, mailing, reporting and record maintenance. It supports Inverness by managing, reconciling and reporting the proxy voting process for its clients through the electronic delivery of ballots, on-line voting and integrated reporting and recordkeeping. ProxyEdge provides its information and other services through an automated interface mechanism based on share positions provided directly to Broadridge by the banks and other financial institutions that serve as custodians for the Company’s clients.

Second, Broadridge has partnered with Glass Lewis, a prominent proxy consultant (“GL”), to provide it with proxy voting *recommendations* in respect of those clients that have instructed Inverness to vote their proxies. As such, Inverness has available to it an integrated process for processing and voting its clients’ proxies. Broadridge generally automatically votes in accordance with GL’s “*Management Supportive Guidelines*” for its non-pension plan clients. In

accordance with these Guidelines, an investment manager, like Inverness, would be expected to vote in accordance with the recommendations of issuers’ management nearly all the time. However, Inverness retains both the right and ability to override such Guidelines and vote in a manner that it believes to be in its clients’ best interests.

A written copy of the Company’s proxy voting policies and procedures are available by contacting us at (212) 207-2102.

## **FINANCIAL INFORMATION**

### **Financial Condition**

Because Inverness neither maintains physical custody of client funds or securities nor requires or solicits the prepayment of fees amounting to more than \$1,200 per client for a period of six months or more in advance, a balance sheet of Inverness is not required by the Act to be included herewith.

Inverness has never been in a precarious financial condition and has never filed a bankruptcy petition.

**ANY QUESTIONS: Inverness’ Chief Compliance Officer, Charles D. Riviezzo, remains available to address any questions regarding this Part 2A.**

This brochure supplement provides some pertinent information about certain “supervised persons” of Inverness Counsel, LLC, a federally registered investment adviser (the “Company” or “Inverness”), that supplements the brochure of Inverness. You should have received a copy of the brochure. Please contact the Company, at (212) 207-2102, if you have not received a copy of such brochure or if you have any questions about the contents of this supplement.

**March 19, 2021**

**Philip S. Lawrence –  
President and Chief Executive Officer**

*Philip S. Lawrence (1965)*

**Education**

Columbia University, B.A. (1987)

**Five-Year Business Experience**

Philip S. Lawrence joined Inverness in 1992. He served as Executive Vice President of the Company from 2007 to 2010 and has been its President and Chief Executive Officer since December 2010.

**Disciplinary Information**

There are no legal or disciplinary events in Philip S. Lawrence’s background.

**Other Business Activities**

Philip S. Lawrence is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

**Additional Compensation**

Philip S. Lawrence has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

**Disciplinary Information**

There are no legal or disciplinary events in David W. Laughlin’s background.

**Other Business Activities**

David W. Laughlin is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

**Additional Compensation**

David W. Laughlin has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular reviews of the holdings of the Company’s clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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**David W. Laughlin –  
Chairman of Board of Managers**

*David W. Laughlin (1958)*

**Education**

New York University, B.A. (1983)  
American University (1977-1979)

**Five-Year Business Experience**

David W. Laughlin joined Inverness in 1983. He served as President of the Company from 1996 to 2009. He has been a Manager since 2010 and is presently the Chairman of the Company’s Board of Managers.

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**Robert B. Deans III –  
Senior Vice President and Manager**

*Robert B. Deans III (1954)*

**Education**

Fordham University, M.B.A. (1994)  
University of Virginia, B.A. (1978)

**Five-Year Business Experience**

Robert B. Deans III joined Inverness in 1990. He served as Executive Vice President and Treasurer of the Company from 2000 to 2009, its President and Treasurer in 2010, and has been a Senior Vice President and a Manager since 2010.

**Disciplinary Information**

There are no legal or disciplinary events in Robert B. Deans III’s background.

**Other Business Activities**

Robert B. Deans III is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

**Additional Compensation**

Robert B. Deans III has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular reviews of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

**Additional Compensation**

Richard H. Chesterton has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular review of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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**Richard H. Chesterton –  
Chief Investment Officer**

*Richard H. Chesterton, CFA (1975)*

**Education**

Columbia University, M.B.A. (2003)  
North Carolina State University, B.S. (1997)

**Five-Year Business Experience**

Richard H. Chesterton joined Inverness in 2007. He served as a Vice President and Portfolio Manager of United States Trust Company from 2003-2007. Mr. Chesterton served as a Vice President of Inverness from 2008 to 2010 and has been a Senior Vice President since December 2010 and its Chief Investment Officer since January 2015.

**Disciplinary Information**

There are no legal or disciplinary events in Richard H. Chesterton's background.

**Other Business Activities**

Richard H. Chesterton is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

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**Henry P. Renard – Executive Vice President**

*Henry P. Renard (1933)*

**Education**

Cornell University, M.B.A. (1955)  
Cornell University, B.A. (1954)

**Five-Year Business Experience**

Henry P. Renard joined Inverness in 1975. For over the past five years, he has served as an Executive Vice President of Inverness.

**Disciplinary Information**

There are no legal or disciplinary events in Henry P. Renard's background.

**Other Business Activities**

Henry P. Renard is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

**Additional Compensation**

Henry P. Renard has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular reviews of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

## **Robert K. Maddock III – Senior Vice President**

*Robert K. Maddock (1962)*

### **Education**

New York University, M.B.A. (1992)

University of Utah, B.A. (1985)

### **Five-Year Business Experience**

Robert K. Maddock III joined Inverness in 1994. For over the past five years, he has served as a Senior Vice President of Inverness.

### **Disciplinary Information**

There are no legal or disciplinary events in Robert K. Maddock's background.

### **Other Business Activities**

Robert K. Maddock is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

### **Additional Compensation**

Robert K. Maddock has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular reviews of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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## **Adrian K. Sancho – Senior Vice President**

*Adrian K. Sancho, M.B.A (2008)*

### **Education**

Brandeis University, B.A (2001)

### **Five-Year Business Experience**

Adrian K. Sancho joined Inverness in 2010. He served as a Vice President and Portfolio Manager of United States Trust Company from 2001-2008. Mr. Sancho served as a Vice President and Portfolio Manager of Inverness from 2001 to 2008 and has been a Senior Vice President since January 2021.

### **Disciplinary Information**

There are no legal or disciplinary events in Adrian K. Sancho's background.

### **Other Business Activities**

Adrian K. Sancho is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

### **Additional Compensation**

Adrian K. Sancho has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular review of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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## **Timothy M. Ghriskey – Chief Investment Strategist – Institutional**

*Timothy M. Ghriskey, CFA, CIC (1955)*

### **Education**

University of Virginia, M.B.A. (1985)

Trinity College, B.A. (1977)

### **Five-Year Business Experience**

Timothy M. Ghriskey joined Inverness in 2018. He served as a Managing Partner and Founder of The Solaris Group LLC, and Chief Investment Officer of Solaris Asset Management from 2003-2017.

### **Disciplinary Information**

There are no legal or disciplinary events in Timothy M. Ghriskey's background.

### **Other Business Activities**

Timothy M. Ghriskey is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

### **Additional Compensation**

Timothy M. Ghriskey has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face

meetings and discussions, as well as regular review of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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## **Lauren E. Waldo – Vice President of Wealth Management**

*Lauren E. Waldo, CFP® (1983)*

### **Education**

Marist College, B.S. (2005)

### **Five-Year Business Experience**

Lauren E. Waldo joined Inverness in 2015 and serves as a Vice President of Wealth Management for Inverness since 2015. Mrs. Waldo served as a Client Associate for Rockefeller & Co., Inc. from 2012 to 2015.

### **Disciplinary Information**

There are no legal or disciplinary events in Lauren E. Waldo's background.

### **Other Business Activities**

Lauren E. Waldo is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

### **Additional Compensation**

Lauren E. Waldo has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular reviews of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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## **Richard W. Hagner – Vice President**

*Richard W. Hagner (1954)*

### **Education**

Franklin & Marshall College, B.A. (1976)  
Lubin School of Business, M.B.A. (1980)

### **Five-Year Business Experience**

Richard W. Hagner joined Inverness in 2005. For over the past five years, he has served as a Vice President of Inverness.

### **Disciplinary Information**

There are no legal or disciplinary events in Richard W. Hagner's background.

### **Other Business Activities**

Richard W. Hagner is not actively engaged in any other investment-related business or any non-investment-related business activities or occupation that involves a substantial amount of time or pay.

### **Additional Compensation**

Richard W. Hagner has no other business affiliations and receives no economic benefits (commissions, bonuses or similar payments) based on the sale of securities or other investment products.

The Company monitors the advice provided by this employee on a regular basis, through and at formal Investment Committee meetings and face-to-face meetings and discussions, as well as regular review of the holdings of the Company's clients. Philip S. Lawrence, the Chief Executive Officer and President of the Company, is the supervisor of such person. He can be contacted at the general telephone number set forth on the cover page.

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## **PROFESSIONAL DESIGNATION QUALIFICATIONS**

### **CFA Certification Requirements**

The CFA designation stands for Chartered Financial Analyst and is a professional designation given by the CFA Institute (formerly AIMR) that measures the competence and integrity of financial analysts. Candidates are required to pass three levels of exams covering areas such as accounting, economics, ethics, money management and security analysis. Before one can become a CFA charter holder, they must have four years of investment/financial career experience. To enroll in the program, one must hold a bachelor's degree. CFA charter holders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct. The CFA charter is one of the most respected designations in finance, considered by many to be the gold standard in the field of investment analysis.

### **CFP® Certification Requirements**

CFP® professionals must develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by CFP Board. CFP® practitioners must pass a comprehensive two-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. CFP® professionals must have three years' minimum experience in the financial planning process prior to earning the right to use the CFP® certification marks. As a result, CFP® practitioners possess financial counseling skills in addition to financial planning knowledge. As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct, known as CFP Board's Code of Ethics and Professional Responsibility, which sets forth their ethical responsibilities to the public, clients and employers. CFP Board also performs a background check during this process, and each individual must disclose any investigations or legal proceedings related to their professional or business conduct. Once certified, CFP® practitioners are required to maintain technical competence and fulfill ethical obligations. Every two years, they must complete a minimum of 30 hours of continuing education to stay current with developments in the financial planning profession and better serve clients. Two of these hours are spent studying or discussing CFP Board's Code of Ethics or Practice Standards. In addition to the biennial continuing education requirement, all CFP® practitioners voluntarily disclose any public, civil, criminal or disciplinary actions that may have been taken against them during the previous two years as part of the renewal process.



845 Third Avenue  
New York, NY 10022

(212) 207- 2102 (Telephone)  
(212) 207- 2165 (Fax)

[www.invernesscounsel.com](http://www.invernesscounsel.com)

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