

**Part 2A of Form ADV: Firm Brochure
Dated March 30, 2023**

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This brochure (“Brochure”) provides information about the qualifications and business practices of Inverness Graham Investments, Inc. (“Inverness Graham”). If you have any questions about the contents of this Brochure, please contact us at 610.722.0300. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Any reference to Inverness Graham as being “registered” or a “registered investment adviser” should not be construed as any level of expertise.

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

Item 2: Material Changes

There have been no material amendments to Inverness Graham's Disclosure Brochure. Recipients of this Brochure are encouraged to read the Brochure in its entirety.

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Item 4: Advisory Business

Inverness Graham Investments, Inc., a Pennsylvania corporation (“Inverness Graham, the “Firm” or “we”), is a Philadelphia based buyout firm that acquires innovative companies where technology is transforming traditional industry. Inverness Graham focuses on high-growth businesses leveraging technology in Healthcare, Software, and Advanced Manufacturing. In addition, the Firm now targets technology-enabled businesses where Environmental Sustainability is a key driver of accelerating growth. In March 2023, Inverness Graham sponsored the formation of the Inverness Graham Green Light Fund, L.P., to target the aforementioned opportunity. Inverness Graham was formed in 1996. Inverness Graham is wholly owned by Kenneth A. Graham, its Senior Managing Principal.

We provide investment advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended, and whose securities are not registered under the Securities Act of 1933, as amended. As of December 31, 2022, we provide investment advice to Inverness Graham Investments II, L.P., Inverness Graham Investments III, L.P., Inverness Graham Investments III-A, L.P., Inverness Graham Investments III-B, L.P., Inverness Graham Investments III-C, L.P., Inverness Graham Investments IV, L.P., Inverness Graham Investments IV-A, L.P., Inverness Graham Investments IV-B, L.P., Inverness Graham Investments IV-C, L.P., IGI I Annex Fund, L.P., Datasource Co-Invest (IGI-II), L.P., Swipeclock Co-Invest (IGI III), L.P., GPS Co-Invest (IGI III), L.P., and EiKO Co-Invest (IGI III), L.P. As of March 13, 2023, Inverness Graham also managed the Inverness Graham Green Light Fund, L.P., and its parallel partnerships (the “Green Light Fund” and collectively, the “Funds”).¹ We may advise other funds in addition to those listed herein in the future.

From time to time, co-investors can invest directly or indirectly into the Funds’ portfolio companies. We intend to advise other funds in addition to those listed herein. In the future, we may also advise other funds on bespoke investment strategies that include potential “GP-led” secondary transactions, other continuation vehicles, or related transactions, including co-investments made alongside investors such as family offices, independent sponsors, and private capital fund managers, or strategies that may include “GP stakes” and “GP seeding” transactions.

As investment adviser for each Fund, Inverness Graham identifies investment opportunities and participates in the acquisition, management, monitoring, and disposition of investments for each Fund. Inverness Graham provides these investment advisory services to each Fund pursuant to separate investment advisory agreements (each an

¹ With respect to certain of the Funds, Inverness Graham provides its services indirectly through wholly owned subsidiaries.

"Advisory Agreement").² The terms of the investment advisory services to be provided by Inverness Graham to a Fund, including any specific investment guidelines or restrictions, are set forth in such Fund's Advisory Agreement and/or in its Limited Partnership Agreement (collectively, the "Fund Documents"). We tailor our advisory services to the individual needs of each of the Funds, not to each underlying investor. Individual needs are identified through a review of each Fund's overall investment guidelines and objectives, as well as specific investment goals.

Inverness Graham has entered, and may in the future enter, into side letters or other similar arrangements with certain investors that have the effect of establishing rights under, supplementing, or altering a Fund's partnership agreement or an investor's subscription agreement. Such rights or alterations could be regarding economic terms, fee structures, excuse rights, information rights, co-investment rights (including the provision of priority allocation rights to limited partners who have capital commitments in excess of certain thresholds to one or more Funds), or transfer rights. For the most part, any right established, or any term altered or supplemented, will govern only the investment of the specific investor and not the terms of a Fund as a whole. Certain such additional rights, but not all rights, terms, or conditions, may be elected by certain investors with "most favored nation" rights pursuant to their own side letters.

We do not participate in any wrap fee programs.

As of December 31, 2022, our regulatory assets under management ("Regulatory AUM") totaled approximately \$918,054,000. This Regulatory AUM figure represents the sum of the fair market value of the assets held by the Funds as of December 31, 2022, plus the aggregate amount of uncalled capital commitments to the Funds. We manage all of the assets in the Funds on a discretionary basis. As of March 13, 2023, an affiliate of the Manager held a first closing of aggregate commitments of \$50,761,000 in the newly formed fund of Inverness Graham Green Light Fund, L.P., and affiliated entities. We do not manage any assets on a non-discretionary basis.

We intend to advise other investment entities that are forecasted to be formed after the date of the filing of this Form ADV. Such additional future investment entities may include and are not limited to, (i) entities formed in connection with the formation of a General Partner led transaction in which ownership of an investment from an existing Fund is sold to a newly created Special Purpose Vehicle (SPV), (ii) a "Strip Sale" transaction in which secondary investors contribute new capital to a Fund, which is utilized to execute a distribution to the Fund's Limited Partners, (iii) continuation vehicle transactions, (iv) other types of transactions as secondary markets continue to evolve, and (v) future co-investment vehicles. Some of these future investments may include involvement with other members of the Graham Group alliance.

² With respect to certain of the Funds, Inverness Graham provides its services indirectly through wholly owned subsidiaries.

As of March 2023, we manage two separate Funds that are targeting different investment strategies. Since 2003, Inverness Graham has focused on its historical “Flagship Funds” investment strategy, in which it targets lower middle market businesses, primarily high growth, technology-enabled manufacturing and service companies. Our second investment strategy, for the Green Light Fund, focuses on pursuing investments in lower middle market buyouts of businesses where environmental sustainability is a key driver of growth, and such companies help achieve a reduced carbon footprint and/or protect and maximize natural resources as we serve ancillary non-environmental end markets.

Item 5: Fees and Compensation

Management Fees

We are compensated for our investment advisory services based on a percentage of committed capital or invested capital. Generally, each Fund pays a management fee based on committed capital during its investment period and thereafter pays us a management fee based on invested capital. The general partner of the applicable Fund negotiates the rate with investors in each Fund at the time such Fund is established.

We are entitled to collect management fees from the Funds on a semi-annual basis pursuant to the relevant Management Agreement. As described below, the management fee will be offset in connection with the receipt by Inverness Graham or its affiliates of various fees paid by actual or prospective portfolio companies as governed by the provisions of each limited partner agreement. The management fee may be waived by the general partner of the applicable Fund, in its sole discretion, with respect to some or all of the investors in the Fund (including in connection with investments in the applicable Fund made by the general partner of the Fund or its affiliates). In connection with new investment vehicles which Inverness Graham may raise, we may offer an inducement to investors that commit to such vehicles in the early stages, including terms such as reduced management fees for stated periods of time, varying levels of carried interest determination, and other terms that may vary from the terms which subsequent investors receive. In addition, we may incur costs associated with engaging placement agents in connection with the formation of new investment vehicles. Such offerings are determined by Inverness Graham at its sole discretion.

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

Fund Expenses

The Funds bear all expenses and costs which are incidental or related to the maintenance of the Fund as governed by the provisions of each Limited Partnership Agreement and Private Placement Memorandum. Such fees, liabilities, expenses, and costs

which the Fund incurs include, as detailed in the operating and offering documents of each fund, the following:

- (i) all fees, costs and out-of-pocket expenses and liabilities associated with the sourcing, evaluation, acquisition, holding, development, management, monitoring, and disposition of investments or prospective investments (including expenses incurred in relation to prospective investments prior to the Fund's initial closing date) and follow-on investments including, without limitation, (A) legal, accounting, consulting, investment banking, environmental evaluation and other professional costs, including those provided by affiliates of Inverness Graham or the Fund's general partner; (B) travel (including commercial airfare (business and first class), private or chartered air travel (as needed), ground transportation, lodging, accommodation, meal and entertainment costs); (C) engaging third-party firms to assist in identifying prospective investments and travel (including airfare), accommodation, meal, entertainment and other expenses related to attendance of industry conferences and similar networking events; (D) private placement fees, syndication fees, bank charges, depository fees, appraisal fees and taxes, underwriting commissions and discounts, brokerage fees, sales commissions, finder's fees, closing and execution costs, costs of consultants and the Fund's allocable portion of costs of information subscription services; (E) fees, costs and expenses associated with financing, refinancing, pledging or disposition of or proposed financing, refinancing, pledging or disposition of all or any portion of investments and (F) fees, costs and expenses related to structuring and maintaining investment vehicles, including the organization and operation of any alternative investment vehicle ("AIV") or any vehicle through which the Fund directly or indirectly participates in investments;
- (ii) principal and interest on borrowings;
- (iii) costs of administering the Fund, including, without limitation, legal, accounting, audit, consulting, custody, third-party administration, tax (including tax compliance), depository, safekeeping, marketing, valuation, and other professional fees and expenses;
- (iv) Insurance premiums, including errors, omissions, fidelity, crime, general partner liability, directors' and officers' liability, and similar coverage for any Protected Person acting on behalf of the Fund;
- (v) costs of the Fund's advisory board;
- (vi) taxes, fees, or other governmental charges;
- (vii) costs related to failed co-investments;
- (viii) costs related to dissolution;
- (ix) costs related to amendments to the Fund's partnership agreements;
- (x) research or information services with respect to the Fund, including fees, costs, and expenses related to licensing, development, purchasing,

- programming, and operation of computer software in connection with executing the Fund's investment strategy and subscriptions for asset management or other information services;
- (xi) costs related to collecting from defaulting partners;
- (xii) costs related to regulations and filings;
- (xiii) costs related to the Directive on Alternative Investment Fund Managers;
- (xiv) costs related to the Foreign Account Tax Compliance Act and similar laws;
- (xv) costs related to administrative filings in foreign jurisdictions required by applicable laws, rules, and regulations;
- (xvi) costs related to indemnification obligations;
- (xvii) costs related to expenses associated with unconsummated deals ("broken deal expenses");
- (xviii) all third-party fees, costs, and expenses incurred in connection with establishing, implementing, and/or measuring the impact of environmental, social, and governance ("ESG") policies and programs with respect to the Funds or their portfolio investments, including without limitation all third-party fees, costs, and expenses incurred in connection with climate risk assessments and other assessments, advice, or reports conducted as part of the General Partner's promotion or evaluation of ESG factors
- (xix) costs related to parallel vehicles and AIVs; and
- (xx) placement fees.

For the avoidance of doubt, the Funds will be responsible for all broken-deal expenses related to unconsummated transactions, notwithstanding the anticipated potential participation of co-investors in such transaction, except as otherwise provided in the Funds' governing documents or as otherwise determined by the general partners of the Funds.

Portfolio Company Fees

Inverness Graham and its affiliates perform management, advisory, and other services for and receive fees from actual or prospective portfolio companies of the Funds. These supplemental fees may be significant. Fees that Inverness Graham receives from its Portfolio Companies are generally in the form of management fees or monitoring fees and are governed by the services and terms described in each contractual agreement that Inverness Graham has with its portfolio companies. Fees received by Inverness Graham are subject to offset provisions against Fund-level management fees based on the allocable share of that fee which pertains to the Fund's ownership interest in that portfolio company as provided under the terms of the applicable Fund's Limited Partnership Agreement. The portfolio company fees may be significant and may be paid in cash or securities of portfolio companies or investment vehicles (or rights thereto). Typically, the compensation to Inverness Graham for these services takes the form of a prepaid fee, paid by the portfolio company pursuant to a Management Services Agreement that the portfolio company enters into with Inverness Graham at the time a Fund initially invests in the portfolio company. Agreements with the portfolio companies generally involve an initial term of three years

and renew automatically for successive terms of one year each unless the parties agree to terminate the agreement. When a prepayment is fully utilized, the Portfolio Company will make periodic (typically quarterly) payments to Inverness Graham based on the Management Services Agreement. Inverness Graham will typically be compensated for the management services it provides during an initial ownership period at a rate that is in excess of the annual recurring management fee that it receives for subsequent periods to compensate for the efforts associated with the additional activities required during this period. The terms of the Management Agreement provide that Inverness Graham is entitled to increases in its fees to the extent that defined increases in EBITDA are achieved. In addition, Inverness Graham may amend the terms of its management agreements with its Portfolio Companies, including the amount of the annual recurring fee, at the time of an add-on acquisition, recapitalization, or another significant event. To the extent that a portfolio company has advanced payment for future periods for which services will not be provided, and the Management Services Agreement is in the process of being terminated in connection with the disposition of an investment, Inverness Graham will typically return the unutilized, unearned portion of any prepayment to the portfolio company.

When Inverness Graham receives such supplemental fees, it will generally reduce future Fund-level management fees in connection with the receipt of these supplemental fees under the terms of the applicable Limited Partnership agreements of the Funds. In addition, the supplemental fees and the applicable offset amounts are disclosed in the quarterly financial statements and the annual audited financial statements issued by each Fund. The calculation of the reduction in Fund-level management fees, described in the limited partnership agreements of each Fund, varies from Fund to Fund and may vary by partnership entity or investor within a Fund. In accordance with the terms of the applicable limited partnership agreements as of December 31, 2022, Inverness Graham retains all supplemental fees remaining after providing a fee reduction to reduce management fees equal to 80% (increasing to 100% in certain Funds upon certain thresholds being reached) of such supplemental fees allocable to the Fund's pro rata ownership interest in the portfolio company. During 2023, such fee reduction is equal to 100% of fees associated with certain portfolio companies. Such fees may be paid in cash or securities of portfolio companies or investment vehicles (or rights thereto).

Inverness Graham Operating Group

In accordance with the applicable Fund documents, Inverness Graham and its affiliates, including its wholly owned operational consulting subsidiary, Inverness Graham Operating Group, LLC ("IGOG"), doing business as the Inverness Graham Value Creation Group ("VCG") and other operating companies and unaffiliated executives with industry specific experience may be engaged to provide services to portfolio companies, and at times to the Funds directly. IGOG is an operational consulting entity formed to assist Inverness Graham in coordinating and overseeing operational consulting services. Services provided by IGOG include consulting provided by (i) Senior Operating Partners who have extensive private-equity backed CEO experience, including substantial exit experience,

and who serve as Chairman of the Board of certain portfolio companies and provide portfolio company oversight on a recurring monthly basis, (ii) employment of full-time functional Operating Partners who assist Portfolio Companies in a number of strategic objectives (“Internal Operating Partners”) and operational consulting services associated with developing and implementing ESG policies, as well as, (iii) third party consultants typically engaged on a limited scope defined project basis over shorter periods of time (“External Operating Partners”). Senior Operating Partners may receive options or profits interest grants in the Portfolio Companies. Certain limited partnership agreements of the Funds state that no substantial net income shall be generated for Inverness Graham or any affiliate thereof through the services provided by such Operating Executives to the portfolio companies or the Funds, and other limited partnership agreements state that such services are to be billed at or below market rates. The Portfolio Companies, and sometimes the Partnership itself, may directly engage an External Operating Partner. IGOG’s billing for services to the Funds’ portfolio companies, and the Funds (where applicable), are disclosed in the quarterly financial statements and annual audited financial statements of the Funds and, in accordance with the terms of the applicable limited partnership agreements, are reimbursable expenses that are not subject to the off-set.

IGOG will bill the Portfolio Companies for its services at cost or at or below market rates charged by unaffiliated service providers with comparable expertise and experience based upon the terms of each limited partnership agreement. IGOG primarily focuses on providing these operational consulting advisory services to portfolio companies; however, IGOG also provides these services directly to the Funds. Services provided by IGOG in connection with the diligence of an investment opportunity that is not consummated are charged to the Fund. Although the use of an affiliated service provider presents a conflict of interest, Inverness Graham believes that this conflict is mitigated and the use of IGOG is beneficial to the Funds to provide consistent quality of service at a cost that is at or below what a non-affiliated provider would charge. The Funds’ limited partnership agreements permit IGOG to perform the services identified above and bill the Portfolio Companies and/or the Funds, as applicable, for such services. From time to time, an employee of Inverness Graham may become an employee of IGOG, or an IGOG employee may become an employee of Inverness Graham.

In addition, portfolio companies of the Funds customarily grant stock options and other incentive equity directly to management, unaffiliated board members, and other parties (“Portfolio Company Stock Options”). Further, Portfolio Company Stock Options, and other compensation, including but not limited to other forms of profit sharing and co-investment rights, are granted to certain employees of IGOG or an affiliate for the benefit of its employees. Such activity is not subject to offset. Payments related to these equity incentive programs impact distributions made by the portfolio companies and indirectly impact the distributions the Fund is entitled to receive. The valuation of the Fund’s investments considers the impact of all equity incentives and other provisions that would impact the distributions the Fund is entitled to receive.

In addition, certain entities that are part of an alliance of independently owned and operated industrial and investment management businesses known as “The Graham Group,” which are not affiliates of Inverness Graham under the Funds’ limited partnership agreements, may provide operations-related consulting services to portfolio companies of the Funds which was infrequent during the year ended December 31, 2022. The provision of such services is intended to be on an arms-length basis. Certain Graham Group entities own limited partnership interests in and have advisory board representation for certain of the Funds. From time to time, certain Graham Group entities have been offered the opportunity to co-invest in portfolio companies in which a Fund with remaining available capital is making an investment, particularly in instances in which the general partner of such Fund seeks operational expertise that can benefit the Fund making the investment. If a Graham Group entity does co-invest with one of the Funds in an investment, such transaction is disclosed in the quarterly financial statements and annual audits of the applicable Fund. Pursuant to the terms of the limited partnership agreements of the Funds, the general partner of each Fund may only offer co-investment to the extent such general partner believes it is appropriate to do so and, in any case, the general partner may not reduce a Fund’s level of investment in a transaction below that which the general partner deems appropriate. The Graham Group manages pools of capital from investors that are independent of the Funds. When a Graham Group entity has been involved in a co-investment with the Funds, it traditionally actively assists Inverness Graham with pre-closing operational due diligence and post-closing portfolio company matters, which may include participation on portfolio company boards.

The terms of the agreements into which Inverness Graham has entered with the Funds’ portfolio companies may require that Inverness Graham act as an agent in advancing payment for third-party services related to the portfolio companies’ activities, and such portfolio companies subsequently reimburse Inverness Graham in full. Further, in accordance with the terms of the management service agreements between Inverness Graham and the Funds’ portfolio companies, out-of-pocket costs related to the portfolio companies’ activities, including travel costs of the Inverness Graham employees incurred in connection with such portfolio companies’ activities, are initially paid by Inverness Graham and subsequently charged to and expensed by the portfolio companies.

The applicable limited partnership agreements for each Fund have provisions that allow such partnerships to borrow money for investment and other purposes. Such borrowings may be made prior to capital being called from the Fund’s investors or in lieu of calling capital. This mechanism may defer investor capital calls and provides a form of leverage that can have the effect of amplifying a Fund’s reported net internal rate of return (“IRR”), particularly in the early years of a Fund’s investment cycle. Such borrowings can also accelerate the date upon which a Fund’s preferred return will be achieved for purposes of determining when the General Partner (or affiliates which earn carried interest) are entitled to begin receiving carried interest payments on distributions from a Fund. In accordance with the terms of the applicable limited partnership agreements, interest payments and other fees and expenses incurred in respect of such borrowings are partnership expenses, and such expenses will decrease a Fund’s net returns over time. The

terms of each Fund's borrowing arrangement and borrowings outstanding, if any, are disclosed to the investors in the quarterly and annual financial statements of each Fund. Such interest costs may be a significant cost that the Fund incurs during periods of high interest rates.

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

Subscription Credit Lines

The applicable limited partnership agreements for each Fund partnership entity have provisions that allow such partnerships to borrow money for investment and other purposes. Such borrowings may be made prior to capital being called from the Fund's investors or in lieu of calling capital. Borrowings on the Partnership's credit facility may defer investor capital calls and provides a form of leverage that can have the effect of amplifying a Fund's reported net IRR, particularly in the early years of a Fund's investment cycle. Such borrowings can also accelerate the date upon which a Fund's preferred return will be achieved for purposes of determining when its general partner (or affiliates that earn carried interest) is entitled to begin receiving carried interest payments on distributions from a Fund. In accordance with the terms of the applicable limited partnership agreements, interest payments and other fees and expenses incurred in respect of such borrowings are partnership expenses, and such expenses will decrease a Fund's net returns over time.

The terms of each partnership's borrowing arrangement and borrowings outstanding, if any, are disclosed to the investors in the quarterly and annual financial statements of each partnership entity. The Funds may also guarantee the obligations of portfolio companies.

Brokerage Costs

Brokerage costs may be incurred in accordance with the practices set forth in Item 12 below, "Brokerage Practices."

The expenses described above are detailed but do not include every possible expense a Fund may incur. Investors should review the applicable Fund's offering materials and limited partnership agreement for further details.

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

Affiliated or related entities of Inverness Graham and some of our supervised persons receive carried interest distributions from the Funds, which are based on a share of realized gains from an investment that has been disposed from such Fund. Such carried ownership interests may be held by entities formed by such persons for estate planning purposes. The amounts of such distributions are set forth in the limited partnership

agreements of the Funds. As provided under the applicable limited partnership agreements of the Funds, carried interest is generally subject to waiver, deferral, recontribution, or reduction by the general partner of the applicable Fund, in its sole discretion, with respect to some or all of the investors in the Fund (including in connection with investments in the applicable Fund made by the general partner or its affiliates).

Carried interest may create an incentive to make investments on behalf of the Funds that may be riskier or more speculative than would otherwise be the case. In addition, the payment by some but not all of the Funds of carried interest may create an incentive for the disproportionate allocation of an investment to Funds paying carried interest versus Funds that do not pay carried interest or Funds which may pay a lesser amount of carried interest. To mitigate this potential conflict of interest, the allocation of investment opportunities among the Funds is made by general partners of the Funds in accordance with the applicable limited partnership agreements of the Funds. The general partners of the Funds make allocations, taking into account multiple criteria to derive an allocation that, in the general partners' judgment, is fair and equitable to each Fund relative to other Funds over the life of each Fund, taking into account all relevant facts and circumstances. The general partners of the Funds take a similar approach with respect to the allocation of follow-on investment opportunities, co-investment opportunities, and divestment opportunities, provided that the applicable limited partnership agreement of a Fund may specify how co-investment opportunities with such Fund will be allocated. In certain instances, a portion or all of one Fund's investment in a given portfolio company may be junior or senior in priority to another Fund's or the co-investment's investment in the same portfolio company, which may present a conflict of interest. Such conflict is mitigated as such transactions are required to be reviewed by the Limited Partner Advisory Committee ("LPAC") of each Fund.

Kenneth A. Graham may transfer certain of his direct or indirect interests in certain of the Funds, with the entitlement to receive carried interest distributions, to certain affiliated entities and estate planning vehicles established for the benefit of his heirs.

As noted above, Inverness Graham may cause the Funds to borrow money prior to capital being called from the Fund's investors or in lieu of calling capital. Such borrowings may accelerate the date upon which a Fund's preferred return will be achieved for purposes of determining when the General Partner (or affiliates which earn carried interest) are entitled to begin receiving carried interest payments on distributions from a Fund. See "Item 5: Fees and Compensation" above.

Inverness has developed policies and procedures that provide that it will seek to allocate investment opportunities between Flagship and Green Light Funds considering the nature of the investment opportunity and an assessment of the appropriateness of that opportunity, taking into consideration the various characteristics associated with the investment opportunity.

Item 7: Types of Clients

We provide investment advice to the Funds. Investors in the Funds include high-net-worth individuals, college and university endowments, public and private pension plans, funds-of-funds, and other institutional investors. Fund interests are offered and sold generally to investors that are (i) “accredited investors” as defined under Regulation D of the Securities Act and (ii) “qualified clients” as defined under the Advisers Act or other “knowledgeable employees” of Inverness Graham.

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

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

We provide investment advisory services to the Funds, which include the strategies and methods of analysis in the following summary, further described in the applicable private placement memorandum and limited partnership agreements for each Fund. Beginning in March 2023, we manage the investment strategies of the Flagship Funds, which target lower middle market buyouts of high-growth businesses leveraging technology in Healthcare, Software, and Advanced Manufacturing, as well as the investment strategy targeting technology-enabled businesses where Environmental Sustainability is a key driver of accelerating growth for the Green Light Fund.

Flagship Funds

The Flagship Fund’s investment objective is to make investments in lower middle market buyouts, primarily targeting high-growth businesses leveraging technology in Healthcare, Software, and Advanced Manufacturing. Our primary focus is on creating value by pursuing strategic platform builds and driving operational improvements at all of our Funds’ portfolio companies. In evaluating potential portfolio companies, we conduct extensive due diligence to analyze, among other characteristics, the company’s market and competitive position within that market, cost and revenue structures, unique assets, such as brand strength, distribution capability, and intellectual property, management team and compensation structure, contingent liabilities (environmental, regulatory, accounting or otherwise), potential growth opportunities and potential exit strategies. Investment decisions of the Flagship Funds are made by a 5-member committee comprised of senior members of the Inverness Graham team.

Green Light Funds

The Green Light Fund’s investment objective is to make investments in lower middle market buyouts, primarily targeting technology-enabled businesses where

Environmental Sustainability is a key driver of accelerating growth, and such companies help achieve a reduced carbon footprint and/or protect and maximize natural resources as we serve ancillary non-environmental end markets. Similar to that of the Flagship Funds, we seek to create value by pursuing strategic platform builds and driving operational improvements at all of our Funds' portfolio companies. Green Light Fund investment due diligence will follow substantially the same process as that of the Flagship Funds; however, there will be a stronger emphasis on ESG considerations and potential environmental impact. Investment decisions of the Green Light Fund are made by a 5-member investment committee comprised of senior members of the Inverness Graham team, of which four of the five members are also members of the Flagship Fund Investment Committee.

Investment Opportunities

IGOG also utilizes a group of operating partners and external industry experts with significant career experience across a broad range of industries who assist us in the sourcing of investment opportunities, the due diligence of potential transactions, and the ongoing development of portfolio companies.

Our investment strategies are primarily long-term investments in privately held companies. It is possible that some investments may be held for less than a year, though this is not typical of our investment strategies.

Risks of Investment

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

Risks Associated with the Funds' Investment Strategies.

- o The investment strategies pursued by the Funds involve making illiquid private investments in a relatively small number of portfolio companies. As a result, each Fund's portfolio tends to be highly concentrated, and the failure of even one of these investments could have a materially adverse impact on a Fund's overall performance.
- o Sourcing investment opportunities for the Funds is highly competitive. There can be no assurance that Inverness Graham will be able to source enough suitable investments to achieve the Funds' investment objectives. As a result, performance may be negatively impacted.
- o The Funds' investment strategies often involve investing in portfolio companies with businesses that are subject to significant risks, including strategic, financial,

or other challenges. Some of these portfolio companies may be highly leveraged, and the Funds' exit strategies may be uncertain at the time the Funds make an investment. The success of the Funds' investments in its portfolio companies is highly dependent on the ability of its management teams of these companies to successfully navigate these and other challenges. The Funds have originated a fund-level subscription line of credit that is utilized out of administrative convenience to permit efficient funding of the Fund's investments and operations with subsequent repayment of this indebtedness funded by capital contributions from the Fund's investors. This type of facility is secured by the Fund's commitments from its investors and the related right to call capital which may occur on an accelerated basis if there is a default under the provisions of the loan documents. In addition, any credit facility or debt will be vulnerable to interest rate increases which could lower the return on the investment(s).

- o An investment in the Funds is a passive investment. As limited partners, investors in the Funds have no control over the day-to-day operations of the Funds and limited rights to protect themselves if they are dissatisfied with the manner in which a Fund is being operated. Limited partners are highly dependent on the investing skills and management abilities of Inverness Graham to achieve success. Investors will have no right or power to take part in the management of the Funds (outside of certain instances where matters may be referred to the Fund's limited partner advisory committee). Inverness Graham's operations are substantially dependent upon the skill, judgment, and expertise of certain key personnel and its employees or agents. The death, disability, departure, or other unavailability of any key personnel could have a material and adverse effect on the advisory clients managed by Inverness Graham.

Risks Associated with Investing in Interests in the Funds.

- o The success of Inverness Graham's investment strategies could be significantly impacted by changing external economic conditions in the United States and globally. The stability and sustainability of growth in global economies may be impacted by terrorism, acts of war, pandemics (including the COVID-19 pandemic), or acts of God. Changing economic conditions may potentially adversely impact the performance and valuation of Inverness Graham's portfolio companies. In addition, the availability, unavailability, or hindered operation of external credit markets, equity markets, and other economic systems which the Funds may depend upon to achieve its objectives may have a significant negative impact on the Funds' operations and profitability. There can be no assurance that such markets and economic systems will be available as anticipated or needed for the Funds to operate successfully.

- o In the event of unforeseen catastrophic events, such as natural disasters, terrorist attacks, and epidemics that may impact the Firm's ability to execute its existing operating plan, Inverness Graham may initiate its contingency and disaster recovery plans to provide access to the Firm's systems that are needed to execute its business plan. Such systems include the technology and other infrastructure necessary to continue the Firm's operations and address portfolio company, investor, and other stakeholder needs. However, the Firm is not able to predict the level of disruption that such unforeseen catastrophic events may have on the Firm's operations or the ability of the disaster recovery plan to succeed in a time of crisis. Thus, the Firm's contingency and disaster recovery plans may be insufficient to continue operating Inverness Graham's business as usual. Similar types of operational risks are also present at the portfolio companies in which the Funds invest and could have material adverse impacts on such portfolio companies and may cause the Funds' investments to lose value.
- o We may also, in the future, advise the Funds on potential transactions that may require LPAC approval based upon actual or perceived conflicts of interest, which may include: (i) General Partner led secondary transactions in which ownership of an investment is sold by the Fund to a newly created Special Purpose Vehicle (SPV), (ii) a "Strip Sale" transaction in which secondary investors contribute new capital to a Fund which is utilized to execute a distribution to the Fund's Limited Partners, (iii) Continuation Vehicle transactions, and (iv) other types of transactions as secondary markets continue to evolve.
- o Given that we manage two strategies, there are increased risks associated with investment allocations. Namely, there may be situations where one Fund is allocated a deal that could be allocated to multiple Funds. The result could be that one Fund unintentionally is allocated more profitable deals. Inverness Graham has implemented procedures to reduce the likelihood of this.
- o The Funds may hold investments in the same portfolio companies. In such cases, there is a risk that one Fund receives better terms than the other Fund(s). In addition, the Funds may invest in different parts of the capital structure. In either case, one Fund may have a more favorable outcome and/or return. Likewise, in a distressed situation, one Fund may recoup its investment before another Fund.
- o Information systems of Inverness Graham and each Fund's portfolio companies may be vulnerable to damage or interruption from an evolving landscape of cyber-security and related risks. To the extent an attack is deployed that our systems are not able to hinder, detect or mitigate in an appropriate amount of time, the systems may be subject to disruption and potential ransomware. If any systems designed to manage such risks are compromised or cease to function properly, Inverness Graham, a Fund, or a portfolio company may have to make

a significant investment to fix or replace them. The failure of these systems could cause significant interruptions in Inverness Graham, the Funds', or a portfolio company's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data. Such a failure could harm Inverness Graham, the Funds' or a portfolio company's reputation, subject them and their respective affiliates to legal claims, and otherwise affect their business and financial performance. While Inverness Graham and its portfolio companies will look to minimize the losses that occur from such an event through the coverages provided under cyber insurance policies, there can be no guarantee that such coverage will be able to be retained at commercially viable rates and even when certain coverage is obtained, there can be no guarantee that an insurance carrier would be able to provide proceeds to cover such losses.

- o The Fund's leveraged buy-out investments may include portfolio company indebtedness that is more sensitive to fluctuations in financial performance given the defined reporting metrics, including fixed charge ratios, that may be present in the loan documentation that is required to maintain compliance. This indebtedness will result in interest expense and other costs incurred in connection with its origination that will reduce the company's available cash flow. Market conditions may impact the amount of leverage available, which may impact the investment returns as well as the valuation of our investments from prospective buyers based on the terms and availability of debt to finance such purchases.
- o Inverness Graham maintains the majority of their Funds' cash and cash equivalents in accounts with a major U.S. financial institutions, and deposits at these institutions can, from time to time, exceed the insured limit of \$250,000. Market conditions can impact the viability of these institutions. In the event of failure of a financial institution, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect the Funds' business and financial positions. The closing of SVB and Signature Bank, and any additional closures that could occur within the banking system, could significantly increase the Funds' costs and negatively impact the Funds' ability to execute on pending transactions, including with respect to the ability to draw down amounts under credit facilities and divert Inverness's time, attention and resources away from the pursuit of a Fund's investment strategy. Furthermore, these closures have the potential to also increase counterparty risk, including raising the likelihood of defaults or bankruptcies by counterparties and their major customers that rely on such bank relationships. Depending on ongoing developments, regulatory guidance, and timing, the closing of these banks could result in adverse changes to (i) general economic and market conditions; (ii) interest rates, (iii) availability of credit in certain markets; and (iv) laws, regulations and governmental policies.

- o Investments in the Funds are illiquid, and interests in a Fund may not be transferred without the prior consent of the general partner and the satisfaction of certain other conditions. Investors in the Funds should be able and prepared to maintain their investments in the Funds over the entire life of the Fund.
- o The valuation of the Fund's investments is a difficult task that relies heavily on Inverness Graham's business judgment. Although we maintain stringent policies, procedures, and financial controls over the valuation process (including independent review by the Funds' auditors), there can be no assurance that the Funds will be able to realize their investments at a price that is commensurate with the value at which such investments have been carried on the Funds' books. Given the nature of the Funds, the portfolio investments will be primarily in companies where pricing is not readily available and there are no market comparisons for the investment. Likewise, interest rate changes may affect the valuations of debt. In all cases, Inverness Graham is tasked with determining the fair market value of the investment. There is a risk that Inverness Graham employs valuation techniques that do not accurately reflect the price of an investment. In cases where an investment is overvalued, this may result in the fund paying a higher amount of management fees; in cases where the expense allocation is pro rata based on the assets of the Funds, the Fund may pay a greater amount of an expense that is allocated to it.
- o Inverness Graham manages each Fund in a manner that is consistent with the best interests of the Fund, which is not necessarily consistent with the best interests of each individual investor in the Fund. In particular, Inverness Graham may structure investments so as to maximize tax efficiency for the Fund, but which may not be the most tax advantageous structuring possible for an individual investor, depending on that investor's own particular facts and circumstances.
- o Some Funds have had cross-investments in certain portfolio companies with other Inverness Graham Funds, and in certain instances, a portion or all of one Fund's investment in a given portfolio company may be junior or senior in priority to another Fund's investment in the same portfolio company and a Fund may hold securities at a different purchase price which may impact that respective Fund's returns.
- o Prior to the date of the Green Light Fund's initial closing, Inverness Graham Investments IV, LP and its affiliates ("IGI IV") made certain investments in two portfolio companies that were designated as warehoused investments ("Warehoused Investments"). All Warehoused Investments were identified in the IGI IV limited partnership agreement amendment, which the IGI IV Limited Partners approved prior to the Green Light Fund's initial closing. Such investments are to be transferred to the Green Light Fund as described in the IGI

IV limited partnership agreement amendment. There is no assurance that the Green Light Fund will acquire the Warehoused Investments on favorable terms as there can be no assurance that the price at which the Green Light Fund acquires these investments will accurately reflect the fair market value of the Warehoused Investments at the time of sale.

- o The Funds are permitted to make bridge financings, subject to certain limitations, in anticipation of a future issuance of equity or long-term securities. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in the Funds' control, such long-term securities may not be issued, and such bridge loans may remain outstanding with increased levels of associated risk. Additionally, if a Fund makes an investment in a single transaction with the intent of refinancing or syndicating the portion of that investment constituting a bridge financing, there is a risk that such Fund will be unable to successfully complete such a refinancing. This could cause the Fund to be less diversified than Inverness Graham intended.
- o ESG matters have been the subject of increased focus by regulators in the United States and European Union, among other jurisdictions. While Inverness Graham strives to implement ESG policies and practices, there can be no assurance that we will be able to identify all ESG issues or will be able to successfully implement all ESG policies. The use of ESG metrics in the investment process may be subjective and are not subject to uniform standards, and, as such, there is no guarantee that we will be able to accurately assess and measure the ESG risks and compliance of a Fund's investments or potential investment opportunities. ESG due diligence may result in a Fund foregoing certain opportunities to make investments when it might otherwise be advantageous to do so or selling certain investments due to their ESG characteristics when it might be disadvantageous to do so. Further, the application of ESG considerations in the discovering, developing, negotiating, evaluating, acquiring, structuring, holding, carrying, monitoring, managing, and disposing of a Fund's investment could result in higher ESG compliance expenses or costs. The use of ESG considerations may affect a Fund's investment performance, and as such, a Fund may perform differently compared to similar funds that do not use such criteria. The impact following the occurrence of an ESG event may vary depending on the nature of the event, asset class, region, and applicable regulatory regime(s). Where such an event occurs, there could be a negative impact on the value of an underlying asset or other adverse impacts for the underlying asset, Inverness Graham, or the Funds, including as a result of reputational harm.
- o While Inverness Graham may implement ESG and environmental impact metrics, such determinations are extremely difficult to measure as there is a lack of relevant, comparable, reliable, tested, and publicly available data and metrics

in the market, and such measurements generally involve a number of assumptions, variables and other uncertainties that may not necessarily be objectively quantifiable or verifiable. The assessment of certain metrics is therefore dynamic and will change over time as data sources develop. In light of the foregoing, any such determination may be subject to dispute. Recent regulatory efforts to standardize the approach to related metrics and similar data collection may lead to improvements in the availability, scope, and accuracy of such data. Nonetheless, these factors will remain a potential constraint on the methodology. Therefore, there can be no assurance that the ESG metrics and environmental impact metrics, as determined by Inverness Graham, will be representative of the actual result with respect to such investment.

- o It is expected that employees, officers, directors, agents, managers, members, representatives, partners, investors, and shareholders of Inverness Graham and its respective affiliates may serve as directors of certain of the portfolio companies and, as such, may have duties to persons other than a Fund. Although such positions in certain circumstances may be important to a Fund's investment strategy and may enhance Inverness Graham's ability to manage investments, they may also have the effect of impairing a Fund's ability to sell the related securities when, and upon the terms, it may otherwise desire, and may subject Inverness Graham and the Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify employees, officers, directors, agents, managers, members, representatives, partners, investors, and shareholders of Inverness Graham and its respective affiliates from such claims.
- o The Green Light Fund's investment strategy is focused on businesses with Environmental Sustainability as a key driver of accelerating growth while targeting a return profile consistent with IGI's historical performance. While the Green Light Fund's objective is to maximize financial performance and invest in companies that help achieve Environmental Sustainability, as more fully described in the Fund documents, there is no guarantee that such outcomes will be achieved. Green Light Fund's dual mandate of sustainability and financial returns may result in lower performance than may have otherwise been achieved without the sustainability mandate in place. In executing its strategy, the Green Light Fund may invest in strategic add-ons that present attractive financial returns but may decrease the percentage of the overall business that serves sustainable end markets. As a result of its dual mandate, the Green Light Fund may be offered fewer investment opportunities than may be offered to a fund or client with a less restrictive investment mandate. As a result, the Green Light Fund's portfolio may be highly concentrated.

- o Inflationary conditions in any market in which the Fund operates or in which its investments are located. Deterioration in economic conditions could cause bankruptcy and insolvency filings to increase, and the ability of borrowers to pay their debts or counterparties to satisfy their obligations could be adversely affected. This may, in turn, adversely impact a Fund's business and financial results. If global credit market conditions and the stability of global banks deteriorate, the amount of lending and financing could be reduced, thus reducing the volume of investments available for purchase, which could adversely affect a Fund's business, financial results, and ability to succeed in various markets. Other factors associated with the economy that could influence a Fund's performance include the financial stability of the lenders on any bank loans and credit facilities and a Fund's access to capital and credit. Furthermore, inflationary pressures may result in the reduction of the value and relative performance of a Fund's portfolio companies.
- o The Funds we manage may be party to service agreements that benefit each of the separate Funds strategies, requiring Inverness Graham to develop a policy to determine the amount of expense that each Fund should incur as a result of such services. Expenses will typically be allocated among all relevant Funds based upon Inverness Graham's discretion with the goal of being fair and reasonable and having regard to all relevant and available information, including the extent to which the relevant Funds benefitted from the good or service giving rise to the expense and whether all or a portion of a multiple-purpose expense should be viewed. The allocations of such expenses will not always be proportional, and any such determinations involve inherent matters of discretion, including in determining whether to allocate pro rata based on the number of Funds proportionately in accordance with asset size or, in certain circumstances, determining whether a particular expense has greater benefit to a Fund.

No guarantee or representation can be made that a Fund will achieve its investment objective or that limited partners will receive a return of their capital. All investing involves a risk of loss, and the investment strategies pursued by the Funds could lose money over short or even long periods. Past performance is not necessarily indicative of future returns. Prospective and existing investors are advised to review the offering materials and other constituent documents for full details on each applicable Fund's investment, operational, and other actual and potential risks.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities and Affiliations

We nor any of our management persons are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

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

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

Inverness Graham acts as investment adviser to the Funds, and certain related persons act as general partners of the Funds. Additionally, certain related persons serve as management companies to the Funds and provide administrative and managerial services. The Investment Committee of Inverness Graham is currently comprised of the managing principals and the Chief Executive Officer of IGOG. In addition, as described in Item 5 above and Item 11 below, IGOG and other entities within the Graham Group provide various services to the Funds and their portfolio companies.

Except as described in the next paragraph, we do not recommend or select other investment advisers for the Funds or have other business relationships with other investment advisers that create a conflict of interest.

Kenneth A. Graham controls, and a trust of which Mr. Graham is the beneficiary and has a majority economic interest, an investment vehicle (“Investor LLC”) that owns a passive minority interest (five percent or less) in another SEC-registered investment adviser (the “Other Advisor”).

Upon its formation during 2011, the Investor LLC held this interest as further described below, however on December 28, 2021, the Investor LLC sold the interest that entitled it to the cash flows from the net income attributable to the management fees that the Other Advisor’s Funds incur as well as any potential future carried interest distributions from Investor Funds that are originated after December 31, 2021. The Investor LLC retained both (i) its capital and carried interest in the Other Advisor’s Funds originated before December 31, 2021, and (ii) its right to continue to have a capital investment in the Other Advisor’s Funds that are originated after December 31, 2021.

Prior to December 28, 2021, the Investor LLC was entitled to a portion of the net income generated from the management fees and the carried interest generated from investment dispositions that are received by the Other Advisor. Investment funds managed by the Other Advisor (the “Other Advisor’s Funds”) are limited partners in two Funds which Inverness Graham manages and participate in co-investments offered to certain limited partners. A conflict of interest in the allocation of co-investment opportunities existed because Mr. Graham may benefit from the Other Advisor’s Funds’ participation in these prior co-investments through his indirect economic interest in the Other Advisor, a benefit that does not exist with respect to other potential co-investors. We address this conflict as follows: (i) the limited partnership agreement of the Fund specifies that limited partners that meet a certain commitment threshold have priority regarding co-investment opportunities and, although the Other Advisor’s Funds are among those limited partners with such priority with respect to the Fund, the terms of the limited partnership agreement obligates the General Partner to offer any co-investment opportunity to all limited partners meeting such threshold pro rata in accordance with each such limited partner’s aggregate commitment, (ii) after complying with such priority allocation obligation, co-investment opportunities are offered broadly to all institutional limited partners of the Fund that have indicated an interest in co-investment and have the ability and experience to act quickly on such opportunities and (iii) allocations of co-investment opportunities are reviewed by our Chief Compliance Officer if the Other Advisor’s Fund is participating. The Other Advisor does not have a commitment to Inverness Graham Investments IV, LP, and the Other Advisor’s investments into the Funds represent less than 3% of the Other Advisor’s investment activity.

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

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

From time to time, we may cause one of the Funds to buy or sell securities in which one of our officers or directors or their Affiliates (as defined in the Funds’ limited partnership agreements) has a material financial interest. The existence of such relationships may create a conflict of interest between the Fund and the relevant officer, director, or Affiliate. Pursuant to the limited partnership agreements of the Funds, such

transactions must be approved, prior to execution, by either the Fund's advisory board or a subcommittee of the Fund's advisory board made up of non-affiliated limited partners. Limited partners with advisory board representation in a given Fund may have holdings in other Inverness Graham Funds and/or may have made co-investments alongside one or more of the Inverness Graham Funds and may thus consider factors that are different from those of other limited partners who have advisory board representation in such Fund but have no cross-holdings or co-investments. While this could create potential conflicts of interest between a given Fund and the relevant advisory board member, such potential conflicts are addressed in accordance with the applicable provisions of the Funds' limited partnership agreements.

From time to time, our officers or directors or their Affiliates may wish to co-invest in a transaction in which one of the Funds is making an investment. This may create a conflict of interest between the Fund and the relevant officer, director, or Affiliate. Pursuant to the limited partnership agreements of the Funds, such transactions must be approved, prior to execution, by either the Fund's advisory board or a subcommittee of the advisory board made up of non-affiliated limited partners, provided that approval is not required if the officer, director or Affiliate acquires such securities in the public securities markets or if the officer, director or Affiliate acquires such securities in their capacity as a director of a portfolio company. Certain members of the advisory boards may be employed by firms that provide or have in the past provided services to the Funds or portfolio companies, such as legal services or operational consulting services. While this could create potential conflicts of interest between a given Fund and the relevant advisory board member, such potential conflicts are addressed in accordance with the applicable provisions of the Funds' limited partnership agreements.

From time to time, one of our Funds may co-invest with another of our Funds. In the event such a co-investment is made, both Funds must invest in and dispose of such investment at the same time and on the same terms and conditions.

In accordance with the limited partnership agreements of the Funds, certain Graham Group entities and other related persons (the "Legacy Graham Entities"), which are deemed not to be affiliates of Inverness Graham under the Funds' limited partnership agreements, have historically owned limited partnership interests in the Funds and have often held advisory board representation with the Funds alongside other limited partners. The Legacy Graham Entities and other investors have also historically been offered the opportunity to co-sponsor or co-invest (collectively "Co-Invest") in a portfolio company in which a Fund with remaining available capital is making an investment, particularly in instances in which the general partner seeks operational expertise or other expertise which can benefit the Fund that will be making the investment. Opportunities to Co-Invest are offered in accordance with the terms of the applicable limited partnership agreements of the Funds and generally do not require advisory board consent for the Funds. Pursuant to the limited partnership agreements of the Funds, the general partner of each Fund may only offer opportunities to Co-Invest to the extent the general partner believes it is appropriate to do

so, and the general partner may not reduce a Fund's level of investment in a transaction below that which the general partner deems appropriate or as required by the Funds' applicable governing documents. If a Legacy Graham Entity does Co-Invest with one of the Funds in a portfolio company, the transaction is disclosed in the quarterly financial statements and annual audited financial statements of the applicable Fund. No such investment activity is active as of December 31, 2022.

The Legacy Graham Entities manage pools of investor capital independent from the Funds. When a Legacy Graham Entity has Co-Invested with the Funds, it has traditionally actively assisted Inverness Graham with pre-closing operational due diligence and post-closing portfolio company matters, which may include participation on portfolio company boards and received compensation for these services. We believe the expertise available to our Funds and portfolio companies through the Legacy Graham Entities has provided our Funds with a significant edge in a competitive marketplace and that our access to the expertise offered by the Legacy Graham Entities has provided key advantages to each of our Funds in sourcing, pre-investment diligence, and portfolio company oversight.

To the extent a Fund agrees or indicates an interest to participate in a co-investment or other investment alongside one or more third parties, it may be required to commit to bear a share of any transaction expenses, including financing fees and expenses and any reverse termination or similar fees, that would exceed such Fund's pro rata portion of such investment. In certain cases, a Fund may be required to bear co-investment expenses (including costs of negotiating with and forming investment vehicles relating to co-investors or co-bidders that do in fact invest alongside such Fund). This is expected, at the least, to be the case in all instances where potential co-investors or co-bidders have not fully committed to participating in a co-investment opportunity, but may also be the case where co-investors or co-bidders have made such commitment. As a result, a Fund may be required to bear significant costs, expenses, and fees in relation to consummated or unconsummated co-investments, which will adversely impact the overall returns to investors in such Fund.

As the market for secondary transactions continues to evolve, Inverness Graham may consider future transactions that could include a sale of a partial indirect passive minority interest ownership in Inverness Graham to third parties or companies included in the Graham Group alliance.

Item 12: Brokerage Practices

Inverness Graham provides investment advice with respect to private investments. As such, the Firm's transactions are privately negotiated and do not involve the use of a broker or dealer for the execution of transactions. Due to the nature of the Firm's investment advice and relationship with the Funds, the Firm does not expect to recommend or select broker-dealers for transactions in the Funds.

To the extent we make investments across more than one Fund, we will aggregate such investments as we deem appropriate and in accordance with the Funds' limited partnership agreements and in the best interest of each Fund.

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

Item 13: Review of Accounts

We manage the Funds on a day-to-day basis, as needed. The Funds' portfolio companies are closely reviewed by our Managing Principals and investment professionals.

Audited financial statements are prepared for each of the Funds following the end of each fiscal year, and unaudited financial statements are prepared for each of the Funds following the end of the first three fiscal quarters, in each case in accordance with the terms of the Funds' limited partnership agreements.

Item 14: Client Referrals and Other Compensation

Inverness Graham or IGOG provides certain operational consulting and other specialized advisory services to the Funds and their portfolio companies and receives compensation from the Funds and their portfolio companies in connection with such services. These fees may be in addition to management fees. See Item 5 above for additional information.

Neither Inverness Graham nor any affiliate directly or indirectly compensates any person other than our officers, partners, directors, or employees for investor referrals.

Item 15: Custody

As required by the Advisers Act, Inverness Graham has established custody accounts with one or more qualified custodians to hold funds and securities on behalf of each of the Funds for which Inverness Graham is deemed to have custody. The Funds receive monthly or quarterly account statements from their respective qualified custodians, which we review carefully and reconcile periodically to our internal records of the Funds' assets. In addition, independent public accountants audit each Fund's financial statements annually, and such audited financial statements are distributed to the Investors in each Fund within 120 days of fiscal year-end.

Item 16: Investment Discretion

Inverness Graham and its affiliates generally have the authority to make all investment determinations on behalf of the Funds. The limited partnership agreements of the Funds generally impose some limitations on our investment discretion, which

limitations can only be waived by a Fund's LPAC, a subcommittee of the LPAC, or all of the limited partners.

Item 17: Voting Client Securities

The Firm's investment strategies do not generally involve the acquisition of public securities with voting authority, making it unlikely that a Fund will be placed in a position of proxy voting authority. However, if a Fund does come into possession of securities with voting rights, the Firm will implement the appropriate policies and procedures and seek to vote proxies in the best interests of the Fund.

Item 18: Financial Information

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

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

Item 19: Requirements for State-Registered Advisers

Not applicable.