



**LICR FUND, INC.**

Financial Statements

December 31, 2024 and 2023

(With Independent Auditors' Report Thereon)



KPMG LLP  
One Financial Plaza, Suite 2300  
Providence, RI 02903

## **Independent Auditors' Report**

The Board of Directors  
LICR Fund, Inc.:

### *Opinion*

We have audited the financial statements of LICR Fund, Inc. (the Fund), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*KPMG LLP*

Providence, Rhode Island  
May 7, 2025

**LICR FUND, INC.**

## Balance Sheets

December 31, 2024 and 2023

<b>Assets</b>	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	\$ 31,955	126,927
Interest and dividends receivable	442,752	504,200
Other receivables	45,369	59,454
Investments (notes 3 and 4)	<u>1,936,152,388</u>	<u>1,805,570,542</u>
Total assets	<u><u>\$ 1,936,672,464</u></u>	<u><u>1,806,261,123</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 674,531	805,365
Due to affiliate	5,000,000	4,000,000
Administrative service fees payable to affiliate (note 5)	<u>1,009,950</u>	<u>928,657</u>
Total liabilities	6,684,481	5,734,022
Net assets without donor restrictions	<u>1,929,987,983</u>	<u>1,800,527,101</u>
Total liabilities and net assets	<u><u>\$ 1,936,672,464</u></u>	<u><u>1,806,261,123</u></u>

See accompanying notes to financial statements.

**LICR FUND, INC.**

## Statements of Activities

Years ended December 31, 2024 and 2023

	<b>2024</b>	<b>2023</b>
Revenue:		
Net investment return	\$ 192,792,411	153,067,125
Contributions	24,044	73,466
Total revenue	<u>192,816,455</u>	<u>153,140,591</u>
Expenses and transfers:		
Administrative expenses (notes 5 and 6)	(2,355,573)	(1,869,906)
Transfers to Ludwig Institute for Cancer Research Ltd	<u>(61,000,000)</u>	<u>(69,000,000)</u>
Total expenses and transfers	<u>(63,355,573)</u>	<u>(70,869,906)</u>
Increase in net assets	129,460,882	82,270,685
Net assets without donor restrictions at beginning of year	<u>1,800,527,101</u>	<u>1,718,256,416</u>
Net assets without donor restrictions at end of year	<u><u>\$ 1,929,987,983</u></u>	<u><u>1,800,527,101</u></u>

See accompanying notes to financial statements.

**LICR FUND, INC.**

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	<u><b>2024</b></u>	<u><b>2023</b></u>
Cash flows from operating activities:		
Increase in net assets	\$ 129,460,882	82,270,685
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Net realized gains on investments	(76,292,021)	(31,456,748)
Net unrealized appreciation of investments	(119,476,136)	(125,199,192)
Decrease (increase) in interest and dividends receivable	61,448	(29,928)
Decrease (increase) in other receivables	14,085	(1,599)
Increase in accounts payable, accrued expenses, and due to affiliates	869,166	3,948,011
Increase in administrative service fees payable	81,293	153,208
Net cash used in operating activities	<u>(65,281,283)</u>	<u>(70,315,563)</u>
Cash flows from investing activities:		
Proceeds from sales of investments	424,771,361	390,138,643
Purchases of investments	<u>(359,585,050)</u>	<u>(319,716,179)</u>
Net cash provided by investing activities	<u>65,186,311</u>	<u>70,422,464</u>
Cash flows from financing activities:		
Proceeds from debt	15,000,000	25,000,000
Repayment of debt	<u>(15,000,000)</u>	<u>(25,000,000)</u>
Net cash used in financing activities	<u>—</u>	<u>—</u>
Net (decrease) increase in cash and cash equivalents	(94,972)	106,901
Cash and cash equivalents at beginning of year	<u>126,927</u>	<u>20,026</u>
Cash and cash equivalents at end of year	<u><u>\$ 31,955</u></u>	<u><u>126,927</u></u>

See accompanying notes to financial statements.

## **LICR FUND, INC.**

### Notes to Financial Statements

December 31, 2024 and 2023

#### **(1) Organization**

LICR Fund, Inc. (the Fund) is a nonprofit corporation incorporated in the state of Delaware. The Fund was established solely to further the charitable and scientific purposes of the Ludwig Institute for Cancer Research Ltd (the Institute) by receiving, holding, and investing funds on behalf of the Institute. Funds are transferred to the Institute on a monthly basis, as requested. The Institute is a Swiss nonprofit stock company. The Fund is a membership corporation with no authority to issue capital stock. The members of the board of directors of the Institute are the members of the Fund and constitute the board of directors of the Fund. The Fund commenced operations upon the receipt of gift without donor restrictions of \$500 million on July 31, 1990, with additional gifts without donor restrictions of \$24 million and \$48 million received in 1991 and 1992, respectively.

#### **(2) Summary of Significant Accounting Policies**

The significant accounting policies followed by the Fund are described below:

##### **(a) Basis of Presentation**

The financial statements of the Fund are prepared on the accrual basis of accounting in accordance with US generally accepted accounting principles. The Fund utilizes the US dollar as both the functional and reporting currency.

##### **(b) Use of Estimates**

The preparation of financial statements in accordance with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. The significant estimates made in the preparation of these financial statements include the fair value of alternative investments. Actual results could differ from those estimates.

##### **(c) Fair Value**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction among market participants on the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date or published net asset value for certain investments with characteristics similar to mutual funds.
- Level 2 inputs are inputs other than quoted or published prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement.

## **LICR FUND, INC.**

### **Notes to Financial Statements**

December 31, 2024 and 2023

#### **(d) Investments**

Investments with readily determinable fair values in debt and equity securities are reported at fair value based upon the last quoted market price or published net asset value for certain investment funds with characteristics similar to a mutual fund.

Publicly traded investments are valued at the last reported sales price on the date of valuation, as quoted on major securities exchanges. Securities that are not traded on major securities exchanges are valued based on quotations received from leading vendors. Forward foreign currency contracts are valued based on the average of closing bid and asked quotations from banks and brokers. Pooled investments are funds that are not held at the Fund's custodian bank. These funds are part of multiple investors' commingled funds, which are invested in one or more asset classes by a fund manager. These investments are valued at their closing published net asset value per share on the valuation date, which is their redeemable value.

The Fund invests in limited partnerships formed for the purpose of earning returns from alternative investment strategies. Investments in limited partnerships held by the Fund are reported at net asset value as a practical expedient for fair value, which generally represents the Fund's proportionate share of the net assets of the investee partnerships as reported by them and reviewed by management for reasonableness.

The underlying partnerships in which the Fund invests may hold nonmarketable securities, the fair value of which has been determined by the general partners of the respective partnerships. The Fund's proportionate share of net asset values may differ significantly from the fair values that would have been used had a ready market existed. The Fund's proportionate share of the change in values of the investee partnerships is recorded as an increase or a decrease in the net investment return in its statements of activities.

Investments in mutual funds are valued at their closing published net asset value per share on the valuation date, which is their redeemable value.

#### **(e) Foreign Currency Transactions**

Assets and liabilities denominated in foreign currencies are translated into US dollars at the closing middle rate of exchange at December 31.

Interest income is translated at the average rate of exchange for the month in which such income was earned. Dividend income is translated at the prevailing foreign exchange rate on the ex-dividend date.

Purchases and sales of investment securities are translated at the rate of exchange prevailing on the respective dates of such transactions.

Realized and unrealized foreign exchange gains and losses include gains and losses on foreign currency transactions and changes in the value of other assets and liabilities arising as a result of changes in exchange rates.



## **LICR FUND, INC.**

### **Notes to Financial Statements**

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#### **(f) *Securities Transactions and Investment Income***

Securities transactions are recorded on the trade date. Realized gains and losses from securities transactions are calculated on an average-cost basis. Dividend income is recorded on the ex-dividend date, and interest income is recorded on the accrual basis. Realized gains and losses and changes in unrealized gains and losses in investments are included in net investment return in the accompanying statements of activities.

#### **(g) *Cash and Cash Equivalents***

Cash and cash equivalents consist of cash and money market instruments, except for those instruments held by investment managers for long-term investment purposes.

#### **(h) *Forward Foreign Currency Contracts***

The Fund enters into forward foreign currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its assets and liabilities denominated in foreign currency. A forward contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. Risks associated with such contracts include the movement in the value of the foreign currency relative to the US dollar and the ability of the counterparty to perform. The fair value of the contract will fluctuate with changes in currency exchange rates. The gain or loss arising from the difference between the settlement value of the foreign currency purchased or sold under the contract and the fair value of such currency is included in net investment return.

#### **(i) *Taxes***

The Fund qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income taxes on its activities that contribute substantially to its tax-exempt purposes, and is a supporting organization under Section 509(a)(3) of the Internal Revenue Code.

The Fund recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Fund's exempt purpose is subject to tax under Internal Revenue Code Section 511. The Fund did not recognize any unrelated business income tax liability for the years ended December 31, 2024 and 2023.

Withholding taxes on foreign dividends and interest have been provided for in accordance with the applicable country's tax rates. Dividend and interest income is presented net of any applicable withholding taxes.

#### **(j) *Risks and Uncertainties***

The Fund invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and could materially affect the amounts reported in the balance sheets.

Investments in foreign securities may involve considerations different from investments in domestic securities due to various factors, which may include, without limitation; limited publicly available information; nonuniform accounting standards; lower trading volumes and lower liquidity; the possible imposition of withholding, confiscatory, and other taxes; the possible adoption of foreign governmental restrictions affecting the payment of principal and interest; changes in currency exchange rates and

# LICR FUND, INC.

## Notes to Financial Statements

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currency exchange control regulations; expropriation; or other adverse political or economic developments.

In addition, it may be more difficult to obtain and enforce a judgment against a foreign issuer or a foreign branch of a domestic bank. Further, to the extent investments in foreign securities are denominated in currencies of foreign countries, the Fund may be affected favorably or unfavorably by changes in currency exchange rates and in exchange control regulations and may incur costs in connection with conversion among currencies.

The geographic composition of the investments held is primarily in North America and emerging markets with the remaining spread across developed Europe and Asia. Global financial markets may experience volatility related to various events occurring around the world.

### (k) Functional Allocation of Expenses

The Fund presents expenses by function and natural classification. Natural expenses are accounted for on a direct cost basis to the function upon which the expense is incurred. Expenses directly attributable to generating investment returns are considered investment expenses and are reported as part of net investment return. Those expenses attributable to general administration of the Fund are reported as administrative expenses. Transfers to Ludwig Institute for Cancer Research programs are funded through net investment return.

### (3) Investments

Investments, at fair value, held at December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Level 1 investments:		
Cash and cash equivalents:		
US dollars	\$ 17,981,799	9,833,865
Foreign currencies	7,491	2,199,710
Equity investments - Domestic	45,309,420	41,492,243
Fixed-income investments:		
Government	22,481,432	25,509,880
Corporate	5,164,132	4,340,968
Pooled equity investments at published NAV	67,219,056	68,393,921
Due from brokers, net	22,213,472	1,905,370
Net unrealized (losses) gains on foreign currency contracts	(801,734)	383,267
	<u>179,575,068</u>	<u>154,059,224</u>
Investments at NAV:		
Pooled equity investments	450,291,892	421,489,078
Pooled fixed-income investments	10,872,665	10,843,611
Alternative investments – principally, limited partnerships	<u>1,295,412,763</u>	<u>1,219,178,629</u>
	<u>1,756,577,320</u>	<u>1,651,511,318</u>
Total investments	<u>\$ 1,936,152,388</u>	<u>1,805,570,542</u>

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Invested cash and cash equivalents include cash, money market funds, and commercial paper held by the Fund's investment managers.

Equity investments include multiple diversified strategies that comprise large-cap, mid-cap, and small-cap holdings.

Pooled equity investments are \$517,510,948 and \$489,882,999, including pooled equity investments at published NAV of \$67,219,056 and \$68,393,921, at December 31, 2024 and 2023, respectively. The underlying securities of these investments are primarily publicly traded. Pooled fixed-income investments are \$10,872,665 and \$10,483,611 at December 31, 2024 and 2023, respectively. The pooled investments at December 31, 2024 included above have a redemption period less than one year, with the exception of \$21,696,694, which is subject to redemption lockup set to expire in 2025.

Alternative investments are \$1,295,412,763 and \$1,219,178,629, respectively, as of December 31, 2024 and 2023. The Fund's alternative investments are diversified across four basic investment strategies, as follows:

**Market neutral hedge funds** (2024: \$250,158,611; 2023: \$226,942,678) – represent investments in a broad range of investment strategies that seek to exploit opportunities as they occur in the markets due to temporary dislocations or structural inefficiencies and include event-driven strategies, distressed debt, long/short credit, merger and other arbitrage, and value investing.

**Long/short equity** (2024: \$563,416,559; 2023: \$522,585,688) – primarily, investments in funds that, in turn, invest in liquid, marketable securities, attempting to realize gains through the identification of mispriced securities, involving buying long equities that are expected to increase in value and selling short equities that are expected to decrease in value.

**Private equity** (2024: \$477,479,420; 2023: \$464,544,605) – consists of buyout and venture capital limited partnership and limited liability company investments. Private equity buyout typically involves the purchase of significant equity stakes in established companies with the goal of increasing value through financial, operational, and strategic changes. Venture capital typically involves providing capital and professional expertise to early stage businesses in exchange for equity ownership with the potential for significant growth and value creation.

**Real estate** (2024: \$4,358,173; 2023: \$5,105,658) – comprises limited partnership and limited liability company interests that focus on the purchase and development, improvement, and management of residential, commercial, and industrial real estate with value attempted to be realized through both rental income and gains from eventual property sales.

Included in net realized gains on investments are (\$1,359,887) and \$(1,920,865) of realized foreign exchange currency losses in 2024 and 2023, respectively. In addition, included in net unrealized appreciation of investments are (\$3,507,592) and \$4,109,773 of unrealized foreign exchange currency (losses) gains in 2024 and 2023, respectively.

**LICR FUND, INC.**

## Notes to Financial Statements

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Market neutral hedge funds, long/short equity investments, pooled fixed income, and pooled equity investments contain various monthly, quarterly, semiannual, and annual redemption restrictions with required written notice ranging from 14 to 120 days. In addition, certain of these investments are restricted by initial lockup periods. As of December 31, 2024, the following table summarizes the composition of \$1,341,958,783 at fair value of investments by the various redemption provisions and lockup periods:

<u>Redemption period</u>	<u>Amount</u>
Daily	\$ 67,219,056
Monthly	241,348,230
Quarterly	891,050,677
Semiannual	6,523,212
Annual	85,011,796
Lockup (a)	<u>50,805,812</u>
Total	<u>\$ 1,341,958,783</u>

(a) The amounts subject to redemption lockup are set to expire in 2025 (\$49,087,783) and pending liquidation \$(1,718,029).

The Fund's private equity and real estate limited partnership and limited liability company interests, of \$481,837,593, are generally for 7 to 10 year terms including extensions. These investments also contain minimum subscription or capital commitments. Unfunded capital commitments approximated \$176,296,474 at December 31, 2024. The Fund maintains sufficient liquidity in its investment portfolio to cover such capital commitments.

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Notes to Financial Statements

December 31, 2024 and 2023

**(4) Forward Foreign Currency Contracts**

The notional values of the forward foreign currency contracts held by the Fund, translated at the year-end exchange rates, were as follows:

<b>2024</b>				
	<b>Sales</b>		<b>Purchases</b>	
	<b>Local</b>	<b>US dollar</b>	<b>Local</b>	<b>US dollar</b>
Australian dollar	5,190,000	\$ 3,213,635	—	\$ —
Canadian dollar	1,210,000	842,080	—	—
Chilean peso	820,000,000	824,349	—	—
Colombian peso	2,080,000,000	470,365	(2,670,000,000)	(603,786)
Euro currency	5,430,000	5,630,189	(2,130,000)	(2,208,527)
Japanese yen	744,000,000	4,772,580	(113,000,000)	(724,868)
Mexican peso	15,100,000	722,831	—	—
New Zealand dollar	140,000	78,441	(306,478)	(171,715)
Norwegian krone	9,800,000	862,785	(9,800,000)	(862,785)
Pound sterling	—	—	(5,190,000)	(6,497,017)
South Korean won	1,590,000,000	1,076,689	(780,000,000)	(528,187)
US dollar	11,804,409	11,804,409	(19,503,202)	(19,503,202)

  

<b>2023</b>				
	<b>Sales</b>		<b>Purchases</b>	
	<b>Local</b>	<b>US dollar</b>	<b>Local</b>	<b>US dollar</b>
Australian dollar	4,740,000	\$ 3,240,576	(130,000)	\$ (88,877)
Chilean peso	1,280,000,000	1,463,450	(50,000,000)	(57,184)
Colombian peso	1,730,000,000	444,132	(3,720,000,000)	(955,013)
Euro currency	2,170,000	2,400,373	(1,120,000)	(1,238,902)
Indian rupee	74,000,000	886,708	—	—
Japanese yen	937,000,000	6,720,873	—	—
Malaysian ringgit	7,200,000	1,571,170	(3,000,000)	(654,654)
Mexican peso	17,200,000	1,011,350	(28,200,000)	(1,658,143)
New Zealand dollar	980,000	620,509	(280,000)	(177,288)
Norwegian krone	32,000,000	3,153,223	(500,000)	(49,244)
Pound sterling	40,000	51,009	(1,330,000)	(1,696,047)
South African rand	—	—	(17,600,000)	(958,891)
US dollar	7,232,442	7,232,442	(20,878,305)	(20,878,305)

These forward foreign currency contracts mature on varying dates through March 13, 2025. The net unrealized (losses) gains on forward foreign currency contracts of (\$801,734) and \$383,267 at December 31, 2024 and 2023, respectively, are included in investments and represent the changes in the aggregate fair value of these instruments from the time of the Fund's investment. The ultimate gain or loss on the disposition or the execution of these contracts may differ from the amount recorded in the balance

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## Notes to Financial Statements

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sheets at December 31, 2024 and 2023 due to subsequent changes in exchange rates or due to counterparty nonperformance. The gross unrealized gain on forward foreign currency contracts of \$214,030 and \$685,232 and gross unrealized loss of \$1,015,764 and \$301,965 represent the Fund's aggregate risk of counterparty nonperformance at December 31, 2024 and 2023, respectively.

### (5) Administrative Service Fees

The Fund has no employees. An affiliated entity, The Ludwig Group, Inc. (LGI), provides management and administrative services to the Fund under an administrative services agreement. Fees are determined by time allocated to the Fund by LGI employees. Administrative service fees of \$1,585,416 and \$1,186,379 are included in administrative expenses in 2024 and 2023, respectively.

### (6) Functional Allocation of Expenses

Administrative expenses at December 31, 2024 and 2023 are classified as follows:

	<u>2024</u>	<u>2023</u>
Professional services	\$ 1,639,108	1,277,396
Occupancy costs	615,576	531,555
Taxes	79,513	20,169
Insurance	<u>21,376</u>	<u>40,786</u>
	\$ <u>2,355,573</u>	<u>1,869,906</u>

### (7) Liquidity and Availability

The Fund transfers cash to its administrative account on a quarterly basis to cover general administrative expenses. Included within investments are cash and cash equivalents available to satisfy obligations related to investing. Any obligations due that exceed the cash and cash equivalents component of investments are met by redeeming a portion of invested funds while taking into consideration the redemption periods discussed in note 3. Financial assets available for general expenditures within one year of December 31 are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 31,955	126,927
Interest and dividends receivable	442,752	504,200
Other receivables	45,369	59,454
Investments:		
Cash and cash equivalents	17,989,290	12,033,575
Equity and fixed – income investments	72,954,984	71,343,091
Due from brokers, net	22,213,472	1,905,370
Alternative investments redeemable within one year	1,291,152,971	1,209,984,321
Investments with lock-ups expiring within one year	49,087,783	8,196,100
Less collateralized qualifying assets (line of credit)	<u>(58,500,000)</u>	<u>(59,500,000)</u>
Total financial assets available for general		
expenditures within one year	\$ <u>1,395,418,576</u>	<u>1,244,653,038</u>

## **LICR FUND, INC.**

### **Notes to Financial Statements**

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#### **(8) Line of Credit**

In April 2019, the Fund entered into an advised line of credit, which provides for borrowings up to \$35,000,000 and is available through August 25, 2025. The agreement may be terminated by either party with written notice. Interest on the unpaid principal balance is equal to the Overnight Rate plus 1%. As of December 31, 2024 and 2023, the recorded interest expense amounted to \$650,000 and \$800,000, respectively, with no amount drawn down on the credit. The line of credit is collateralized by qualifying assets with a fair value of approximately \$58,500,000 and \$59,500,000 at December 31, 2024 and 2023, respectively.

#### **(9) Subsequent Events**

In connection with the preparation of the financial statements, the Fund evaluated subsequent events after the balance sheet date of December 31, 2024 through May 7, 2025, which was the date the financial statements were available to be issued, and determined that there were no matters that are required to be disclosed.