

Blue Helm Capital Management LP

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This brochure provides information about the qualifications and business practices of Blue Helm Capital Management LP. If you have any questions about the contents of this brochure, please contact the Chief Compliance Officer Guilherme Decca at (646) 588-8328 or guilherme.decca@bluehelmcapital.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("**SEC**") or by any state securities authority.

Additional information about Blue Helm Capital Management LP is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

There have been no material changes to the business of Blue Helm Capital Management LP since our last Form ADV filing.

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Item 4: Advisory Business

Blue Helm Capital Management LP (“**Blue Helm**” or the “**Investment Manager**”), a Delaware limited partnership formed in August 2014, provides discretionary investment advisory services to Blue Helm Global Macro Master Fund LP (the “**Master Fund**”) and two feeder funds, Blue Helm Global Macro Fund LP and Blue Helm Global Macro Offshore Fund Ltd. (herein collectively referred to as the “**Fund**”). The Investment Manager may also provide discretionary investment advisory services to separately managed accounts (each, an “**SMA**”, and together with the Fund, the “**Clients**”). Blue Helm Advisors LLC (the “**General Partner**”) manages the day-to-day activities of the Master Fund and serves as the general partner of the Master Fund.

The Clients follow a global macro strategy and Blue Helm invests in both emerging and developed markets. Using a wide array of financial instruments, investments are made in accordance with the stated investment objectives, strategies, restrictions and guidelines found in the confidential private placement memorandum (“**PPM**”) or investment management agreement, as appropriate.

The Fund is not tailored to the needs of any particular private fund investor (each an “**Investor**”). Additionally, Blue Helm or the General Partner may agree with certain Investors to a variation of the terms set forth in the PPM, including different fees or withdrawal rights. Such different rights may be effected through a side letter agreement or by issuance of a separate class of interests or any other permissible means. As Blue Helm does not provide individualized advice to Investors, you should consider whether the Fund meets your investment objectives and risk tolerance prior to investing.

Any SMA will be managed based on the objectives and guidelines set forth in the investment management agreement.

Liran Blum is the sole owner of the Investment Manager.

As of March 1, 2015, Blue Helm managed regulatory assets under management of approximately \$137,200,000 on a discretionary basis.

Item 5: Fees and Compensation

Management Fee

Blue Helm receives a management fee from the Master Fund. This fee is generally equal to an annual rate of 1.5% - 2.0%, depending on the investment tranche, of the net asset value attributable to the capital account of each Investor. Management fees are calculated and paid in advance quarterly and are deducted from the Master Fund.

Investors are generally allowed to withdraw capital after any required soft lock-up period, as of the last business day of a calendar quarter and upon at least 65 days’ notice. At this time, there are no prepaid fees. However, the Investment Manager may refund a portion of the management fee, if the Fund allows an Investor to withdraw or redeem as of any date other than calendar quarter-end.

Subject to certain consent rights of the Initial Investors (defined below), Blue Helm, in its sole discretion, may waive, reduce, or calculate differently the management fee of certain Fund Investors.

Blue Helm will also receive a specified management fee from any SMA, as agreed.

Expenses

Each feeder fund will bear its own expenses and its *pro rata* share of the Master Fund's expenses, including, without limitation, the management fee; investment expenses (e.g., expenses that, in the General Partner's or the Investment Manager's discretion, are related to the investment of the Master Fund's assets, whether or not such investments are consummated, such as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses); professional fees (including, without limitation, expenses of investment bankers, attorneys, accountants and other experts) relating to investments; administrative expenses (including, without limitation, fees and expenses of the Administrator); legal expenses; external accounting and valuation expenses (including, without limitation, costs relating to valuation software); audit and tax preparation expenses; costs of errors and omissions and directors and officers insurance for the General Partner, the Investment Manager and any members of any Advisory Committee; costs of printing and mailing reports and notices; entity-level taxes; regulatory expenses (including, without limitation, expenses related to preparing and making regulatory and compliance filings associated with the Fund and its investment activities, such as filing fees); organizational expenses; expenses incurred in connection with the offering and sale of the interests and other similar expenses related to the feeder fund; fees of members of any advisory or similar committee of the feeder fund; indemnification expenses; and extraordinary expenses. Generally, expenses, other than the management fee and any expenses which the General Partner determines in its sole discretion should be allocated to a particular Investor (including Investor-related taxes), will be charged to the capital accounts of all the Investors on a *pro rata* basis. To the extent that expenses to be borne by the Fund are paid by the General Partner or the Investment Manager, the Fund will reimburse such party for such expenses.

Additionally, any SMA will bear its own operating expenses.

For further details on the Investment Manager's brokerage practices refer to Item 12 of this Brochure.

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

The General Partner is entitled to receive an annual performance-based fee ("**Incentive Allocation**"), ranging from 15% - 20%, that is calculated based upon the net capital appreciation of each Investor's capital account. The Incentive Allocation is determined by the Investor's particular investment tranche and is calculated and payable at the Master Fund level. Subject to certain consent rights of the Initial Investors the General Partner, in its sole discretion, may waive, reduce, or calculate differently the management fee of certain Fund Investors.

Additionally, Blue Helm will generally receive an annual performance-based fee from any SMA equal to an agreed-upon percentage of the net profits of the account for the year.

All performance-based fees will be charged in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). Additional details regarding performance allocations are available to prospective investors and clients through the Fund's PPM or the relevant investment management agreement.

Performance-based fee arrangements may create an incentive for the General Partner or Investment Manager to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee

arrangements may also create an incentive to favor higher fee paying accounts over others in the allocation of investment opportunities. Blue Helm will allocate investment opportunities on a fair and equitable basis, subject to applicable law and Client guidelines. Please note Blue Helm may make certain decisions for a particular Client that may differ, from time to time, from decisions made for another Client.

Item 7: Types of Clients

The Clients of Blue Helm include the Fund and any future SMA.

Investors in the Fund include institutional investors meeting the terms of the exceptions and exemptions under which the Fund operates. Although the Investment Manager has the authority to accept subscriptions for a lesser amount, the required minimum investment in the Fund is generally \$1,000,000.

With respect to any SMA, the Client of such account must be deemed a "Qualified Client" as defined in Rule 205-3 under the Advisers Act, as well as meet certain sophistication requirements. Minimum initial investment requirements for any SMA will vary depending on the agreement with the Client and are at Blue Helm's discretion.

Blue Helm has entered into arrangements with a seed capital provider and an initial founding Investor (collectively, the "**Initial Investors**"), whereby the Initial Investors have made significant investments in the Fund. In consideration for such investments, the Initial Investors are entitled to be allocated a portion of the management fee and portion of the Incentive Allocation and have received certain additional rights, including, without limitation: (i) consent rights over certain actions related to the Fund (including certain tax elections) and the Investment Manager, (ii) advance notice with respect to certain events or actions related to the Investment Manager and the Fund, (iii) information and transparency rights, (iv) special withdrawal and redemption rights, (v) capacity rights, and (vi) certain other rights that are in addition to, and may be more favorable than, the rights of other Investors in the Fund. Absent certain limited exceptions, the Fund has agreed to exculpate the Initial Investors from liability and to indemnify the Initial Investors for losses (which does not include losses resulting from any investments by any Fund) and/or claims arising out of their respective relationship with the Fund and the rights granted to them in connection with those investments. The Initial Investors have no role in the day-to-day business of the Investment Manager, are not sponsors or promoters of the Fund, have no duties to other Investors in the Fund, and will not be liable to other Investors in the Fund for exercising or not exercising any rights that they may have. The Initial Investors, their respective affiliates and investors may employ strategies substantially similar to the strategy of the Fund, trade in the same financial instruments as the Fund and/or take positions in such financial instruments that are opposite to the positions taken by the Fund which, in each case, could adversely affect the Fund's portfolio. The Initial Investors, their respective affiliates and investors may conduct any other business, including any business within the securities industry, whether or not such business is in competition with the Fund or the Investment Manager.

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

Methods of Analysis and Investment Strategy

Blue Helm will manage a discretionary global macro strategy and construct an opportunistic trading portfolio within a fundamental, thematic context. The Investment Manager will combine strategies in volatility, derivatives, and cash instruments to create a diverse

portfolio aimed at generating positive returns, while maintaining solid risk-management principles and discipline.

The investment process begins with fundamental analysis, which allows the Investment Manager to compose a global macro view using four primary building blocks:

- Define the primary drivers of economic growth
- Assign each driver into a matrix of potential economic states
- Analyze global debt dynamics
- Assess current and future political climate

In-house analysis will be focused on seeking undervalued assets in transitory phases, as the Investment Manager believes that some of the most lucrative opportunities are found during these transitions between macro-economic states. In addition to traditional consultants and economic statistics, the Investment Manager's research relies on in-country visits to discover opportunities not yet known by the wider market.

Risk Factors

Investing in securities involves risk of loss that Investors and Clients should be prepared to bear. The following are certain material risks involved in the Investment Manager's investment strategy. This list does not purport to be a complete enumeration or explanation of the risks involved in such strategy.

Risks Relating to Investment Strategies

Risk of Loss. No guarantee or representation is made that the Clients' investment program, including, without limitation, the investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. *No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of investments made by the investment professionals of the Investment Manager are not necessarily indicative of their future performance.*

General Economic and Market Conditions. The success of the Clients' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of the Clients' investments. Volatility or illiquidity could impair profitability or result in losses. The Clients may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

Global Macro. The success of the Clients' global macro investment strategy depends upon the Investment Manager's ability to identify and exploit perceived fundamental, economic, financial and political imbalances that may exist in and between markets throughout the world. Identification and exploitation of such imbalances involves significant uncertainties. There can be no assurance that the Investment Manager will be able to locate investment opportunities or to exploit such imbalances. In the event that the theses underlying the Clients' positions fail to be borne out in developments expected by the Investment Manager, the Clients may incur losses, which could be substantial.

Long-Term. The success of the Clients' long-term investment strategy depends upon the Investment Manager's ability to identify and purchase financial instruments that are undervalued and hold such investments so as to maximize value on a long-term basis. In pursuing any long-term strategy, a Client may forego value in the short-term or temporary investments in order to be able to avail the Client of additional and/or longer-term opportunities in the future. Consequently, the Client may not capture maximum available value in the short-term, which may be disadvantageous, for example, for those who withdraw before such long-term value may be realized.

Short-Term Market Considerations. The Investment Manager's trading decisions may be made on the basis of short-term market considerations, and the portfolio turnover rate could result in significant trading related expenses.

Currencies. A principal risk in trading currencies is the rapid fluctuation in the market prices of currency contracts. Prices of currency contracts traded by the Clients are affected generally by relative interest rates, which in turn are influenced by a wide variety of complex and difficult to predict factors such as money supply and demand, balance of payments, inflation levels, fiscal policy, and political and economic events. In addition, governments from time to time intervene, directly and by regulation, in these markets, with the specific effect, or intention, of influencing prices which may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Interest Rate Risk. Changes in interest rates can affect the value of a Client's investments. For example, equity securities purchased for their dividend yield are sensitive to interest rate movements. When interest rates go up, the value of these securities historically has gone down. Although the average dividend yield of industry stocks has been higher than those of other companies, the total return of these securities has historically underperformed those of other securities not linked to this dividend yield.

Commodities. The Clients may invest in financial instruments that may be influenced by fluctuations in commodities prices. The values of commodities which underlie the commodity futures contracts and other types of financial instruments are generally affected by, among other factors, the cost of producing commodities, changes in consumer demand for commodities, the hedging and trading strategies of producers and consumers of commodities, speculative trading in commodities by commodity pools and other market participants, disruptions in commodity supply, weather and climate conditions, changes in interest rates, rates of inflation, currency devaluations and revaluations, embargoes, tariffs, regulatory developments, governmental, agricultural, trade, fiscal, monetary and exchange control programs and policies, political and other global events and global economic factors. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in certain markets and this intervention may cause these markets to move rapidly. The Clients and the Investment Manager have no control over the factors that affect the price of commodities. Accordingly, the value of a Client's investments could change substantially and in a rapid and unpredictable manner.

Leverage. The use of leverage will allow a Client to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Client's portfolio. The effect of the use of leverage by a Client in a market that moves adversely to its investments could result in substantial losses, which would be greater than if the Client were not leveraged.

Use of Derivative Products. Since the introduction of the Dodd Frank Act in 2010, the CFTC has promulgated many final rules related to swaps and such regulations may negatively affect the Clients. Parties which act as dealers in swaps are subject to extensive business conduct standards, additional "know your counterparty" obligations, recordkeeping, reporting, portfolio reconciliation, documentation standards and capital requirements and, when regulations are finalized, will become subject to margin requirements. These requirements will raise the costs of entering into swap transactions, and these increased costs will likely be passed on to the Clients. The new rules also add additional operational and technological burdens. The Clients must engage in portfolio reconciliation, recordkeeping, reporting and other transaction level obligations, which may increase the compliance burdens and costs to Clients. These compliance obligations require certain training of employees and technology, and there are operational risks as the Clients implements procedures to comply with many of these additional obligations. Certain swap transactions have become (or will become) subject to anonymous "real time reporting," meaning that transactions entered into by a Client will become visible to the market in ways that may harm the Client's ability to enter into additional transactions at comparable prices or could enable competitors to "front run" or replicate the Client's strategies. In addition, certain swap transactions have become (or will become) subject to mandatory trading on regulated trading venues such as swap execution facilities ("SEFs"), which will require a Client to subject itself to regulation by these venues and subject the Client to the jurisdiction of the CFTC. It is not clear whether these trading venues will benefit or impede liquidity, or how they will fare in times of market stress. Trading on these trading venues may increase the pricing discrepancy between assets and their hedges as products may not be able to be executed simultaneously, therefore increasing basis risk. It may also become relatively expensive for a Client to obtain tailored swap products to hedge particular risks in its portfolio due to higher collateral requirements on bilateral transactions as a result of the new regulations. The SEC still is at a nascent stage for implementing rules related to security-based swaps. It is possible that security-based swaps will be subject to different rules and regulations than swaps. This may mean that the operational complexities of trading various derivative instruments is increased. Overall, new regulations may also render certain strategies in which the Clients might otherwise engage impossible or so costly that they will no longer be economical to implement. The impact of the Dodd-Frank Act or comparable regulations in other jurisdictions on the Clients is uncertain, and it is unclear how the over-the-counter derivatives markets will adapt to this new regulatory regime or any additional regulation in the future.

Lending of Portfolio Securities. A Client may lend securities on a collateralized and an uncollateralized basis from its portfolio to creditworthy securities firms and financial institutions. While a securities loan is outstanding, the Client will continue to receive the equivalent of the interest or dividends paid by the issuer on the securities, as well as interest on the investment of the collateral or a fee from the borrower. The risks in lending securities, as with other extensions of secured credit, if any, consist of possible delay in receiving additional collateral, if any, or in recovery of the securities or possible loss of rights in the collateral, if any, should the borrower fail financially.

Concentration. The Investment Manager may select investments that are concentrated in a limited number or types of financial instruments. In addition, a Client's portfolio may become concentrated in financial instruments related to a single or a limited number of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification and high concentration would likely result in a high concentration of risk, which, in turn, could expose a Client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such financial instruments.

Lack of Control. A Client may invest in debt instruments and equity securities of companies that it does not control, which the Client may acquire through market transactions or through purchases of securities directly from the issuer or other shareholders. Such financial instruments will be subject to the risk that the issuer may make business, financial or management decisions with which the Client does not agree or that the majority stakeholders or the management of the issuer may take risks or otherwise act in a manner that does not serve the Client's interests. In addition, the Client may share control over certain investments with co-investors, which may make it more difficult to implement its investment approach or exit the investment when it otherwise would. The occurrence of any of the foregoing could have a material adverse effect on the Client and the investments therein.

Hedging Transactions. Clients may utilize financial instruments for risk management purposes in order to: (i) protect against possible changes in the market value of the Client's investment portfolio resulting from fluctuations in the markets and changes in interest rates; (ii) protect the Client's unrealized gains in the value of its investment portfolio; (iii) facilitate the sale of any financial instruments; (iv) enhance or preserve returns, spreads or gains on any financial instrument in the Client's portfolio; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of the Client's financial instruments; (vii) protect against any increase in the price of any financial instruments the Client anticipates purchasing at a later date; or (viii) act for any other reason that the Investment Manager deems appropriate. A Client will not be required to hedge any particular risk in connection with a particular transaction or its portfolio generally. The Investment Manager may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to attempt to hedge against it. While a Client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Client than if it had not engaged in any such hedging transaction. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged.

Discretion of the Investment Manager; New Strategies and Techniques. While the Investment Manager will generally seek to employ the representative investment strategies and techniques discussed herein, the Investment Manager has considerable discretion in the types of financial instruments the Clients may trade and has the right to modify the investment strategies and techniques of the Clients without the consent of the Investors. New investment strategies and techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful trades and, ultimately, losses to the Clients. In addition, any new investment strategy or technique developed by the Clients may be more speculative than earlier investment strategies and techniques and may involve material and as-yet-unanticipated risks that could increase the risk of an investment in the Clients.

American Depositary Receipts and Global Depositary Receipts. American Depositary Receipts ("ADRs") are receipts issued by a U.S. bank or trust company evidencing ownership of underlying securities issued by non-U.S. issuers. ADRs may be listed on a national securities exchange or may be traded in the over-the-counter market. Global Depositary Receipts ("GDRs") are receipts issued by either a U.S. or non-U.S. banking institution representing ownership in a non-U.S. company's publicly traded securities that are traded on non-U.S. stock exchanges or non-U.S. over-the-counter markets. Holders of unsponsored ADRs or GDRs generally bear all the costs of such facilities. The depository of an unsponsored facility frequently is under no obligation to distribute investor communications received from the issuer of the deposited security or to pass through voting rights to the holders of depositary receipts in respect of the deposited securities. Investments in ADRs and GDRs pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks relating to the underlying shares, which could include expropriation, confiscatory taxation, imposition of withholding or

other taxes on dividends, interest, capital gains, other income or gross sale of disposition proceeds, political or social instability or diplomatic developments that could affect investments in those countries, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding the underlying shares of ADRs and GDRs, and non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. companies. Such risks may have a material adverse effect on the performance of such investments and could result in substantial losses.

Debt Securities Generally. Debt securities of all types of issuers may have speculative characteristics, regardless of whether they are rated. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal in accordance with the terms of the obligations.

Interest Rate Risk. Changes in interest rates can affect the value of the Clients' investments. For example, equity securities purchased for their dividend yield are sensitive to interest rate movements. When interest rates go up, the value of these securities historically has gone down. Although the average dividend yield of industry stocks has been higher than those of other companies, the total return of these securities has historically underperformed those of other securities not linked to this dividend yield.

Risks Relating to Specific Investments

Derivative Instruments Generally. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, credit risk, legal risk and operations risk. The regulatory and tax environment for derivative instruments in which the Clients may participate is evolving, and changes in the regulation or taxation of such financial instruments may have a material adverse effect on the Clients.

Index Futures. The price of index futures contracts may not correlate perfectly with the movement in the underlying index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, participants may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Second, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Successful use of index futures contracts by a Client also is subject to the Investment Manager's ability to correctly predict movements in the direction of the market.

Swaps. Whether a Client's use of swap agreements or swaptions will be successful will depend on the Investment Manager's ability to select appropriate transactions for the Client. Swap agreements and options on swap agreements ("swaptions") can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, swap agreements may increase or decrease the holder's exposure to, for example, equity securities, long-term or short-term interest rates, non-U.S. currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Client's portfolio. Moreover, the Client bears the risk of loss of the amount

expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. The Client will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Client to post or maintain required collateral. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Client's ability to terminate swap transactions or to realize amounts to be received under such transactions.

Credit Default Swaps. Credit default swaps can be used to implement the Investment Manager's view that a particular credit, or group of credits, will experience credit improvement or deterioration. In the case of expected credit improvement, a Client may sell credit default protection in which it receives a premium to take on the risk. In such an instance, the obligation of the Client to make payments upon the occurrence of a credit event creates leveraged exposure to the credit risk of the referenced entity. The Client may also buy credit default protection with respect to a referenced entity if, in the Investment Manager's judgment, there is a high likelihood of credit deterioration. In such instance, the Client will pay a premium regardless of whether there is a credit event.

Futures Contracts. The value of futures contracts depends upon the price of the financial instruments, such as commodities, underlying them. The prices of futures contracts are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, as well as national and international political and economic events and policies. In addition, investments in futures contracts are also subject to the risk of the failure of any of the exchanges on which a Client's positions trade or of its clearing houses or counterparties. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Client from promptly liquidating unfavorable positions and subject the Client to substantial losses or prevent it from entering into desired trades. Also, low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

Non-U.S. Futures Transactions. Foreign futures transactions involve executing and clearing trades on a foreign exchange. This is the case even if the foreign exchange is formally "linked" to a domestic exchange, whereby a trade executed on one exchange liquidates or establishes a position on the other exchange. No domestic organization regulates the activities of a foreign exchange, including the execution, delivery, and clearing of transactions on such an exchange, and no domestic regulator has the power to compel enforcement of the rules of the foreign exchange or the laws of the foreign country. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, the Clients may not be afforded certain of the protections which apply to domestic transactions, including the right to use

domestic alternative dispute resolution procedures. In particular, funds received from customers to margin foreign futures transactions may not be provided the same protections as funds received to margin futures transactions on domestic exchanges. In addition, the price of any foreign futures or option contract and, therefore, the potential profit and loss resulting therefrom, may be affected by any fluctuation in the foreign exchange rate between the time the order is placed and the time the foreign futures contract is liquidated or the time the foreign option contract is liquidated or exercised.

Forward Contracts. The Clients may enter into forward contracts and options thereon, including non-deliverable forwards, which are currently not traded through clearinghouses, although this is expected to change. The principals who deal in the forward contract market are not required to continue to make markets in such contracts. There have been periods during which certain participants in forward markets have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. The imposition of credit controls or price risk limitations by governmental authorities may limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of a Client. In its forward trading, the Client will be subject to the risk of the failure of, or the inability or refusal to perform with respect to its forward contracts by, the principals with which the Client trades. Client assets on deposit with such principals will also generally not be protected by the same segregation requirements imposed on certain regulated brokers in respect of customer funds on deposit with them. The Investment Manager may order trades for a Client in such markets through agents. Accordingly, the insolvency or bankruptcy of such parties could also subject a Client to the risk of loss.

Failure to Enter into Offsetting Trade. To the extent a Client invests in a futures contract or long option, unless an offsetting trade is made, the Client would be required to take physical delivery of the commodity underlying the future or option. To the extent the Investment Manager fails to enter into such offsetting trade prior to the expiration of the contract, a Client may suffer a loss since neither the Client nor the Investment Manager has the operational capacity to accept physical delivery of commodities.

Exotic Options. Exotic options are typically, but not always, traded over-the-counter ("OTC"). OTC contracts may not trade in a liquid market and pricing may be opaque. The illiquidity of these markets can be exacerbated in times of market stress. The Clients may incur substantial costs entering into and exiting positions which could have a material impact on performance. Exotic options may be subject to a higher degree of pricing risk as demonstrated by instances in which different counterparties in the market employ different valuation and pricing methodologies to the same exotic option. Because exotic options can often be highly customised, there is lower visibility with respect to the pricing and valuation of these instruments. Exotic options may be subject to high levels of price volatility.

Exchange Traded Funds. Exchange Traded Funds ("ETFs") are publicly traded unit investment trusts, open-end funds or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF shareholders are generally subject to the same risk as holders of the underlying financial instruments they are designed to track. ETFs are also subject to certain additional risks, including, without limitation, the risk that their prices may not correlate perfectly with changes in the prices of

the underlying financial instruments they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. Generally, each shareholder of an ETF bears a *pro rata* portion of the ETF's expenses, including management fees. Accordingly, in addition to bearing their proportionate share of a Client's expenses, Investors may also indirectly bear similar expenses of an ETF.

Micro-, Small- and Medium- Capitalization Companies. Although not anticipated, the Clients may invest in securities of micro- and small-capitalization companies. Investments in securities of micro- and small-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies. For example, prices of securities of micro- and small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. Finally, due to thin trading in the securities of some micro- and small-capitalization companies, an investment in those companies may be illiquid.

Equity Securities Generally. Although not anticipated, the Clients may invest in equity securities. The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the Clients may suffer losses if they invest in equity instruments of issuers whose performance diverges from the Investment Manager's expectations or if equity markets generally move in a single direction and a Client has not hedged against such a general move. The Clients also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Initial Public Offerings. Although not anticipated, the Clients may invest in initial public offerings. Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of a Client's interests.

Preferred Stock. Although not anticipated, the Clients may invest in preferred stock. Investments in preferred stock involve risks related to priority in the event of bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared. Preferred stock ranks junior to debt securities in an issuer's capital structure and, accordingly, is subordinate to all debt in bankruptcy. Preferred stock generally has a preference as to dividends. Such dividends are generally paid in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's

common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory redemption provisions.

Illiquid Securities. Although not anticipated, the Clients may invest in financial instruments which are illiquid. Certain financial instruments may be illiquid because, for example, they are subject to legal or other restrictions on transfer or there is no liquid market for such financial instruments. Valuation of such financial instruments may be difficult or uncertain because there may be limited information available about the issuers. The market prices, if any, for such financial instruments tend to be volatile and may not be readily ascertainable and a Client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid financial instruments often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of financial instruments eligible for trading on national securities exchanges or in the over-the-counter markets. A Client may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. As a result, a Client may be required to hold such financial instruments despite adverse price movements. Even those markets which the Investment Manager expects to be liquid can experience periods, possibly extended periods, of illiquidity. Occasions have arisen in the past where previously liquid investments have rapidly become illiquid.

Restricted Securities. Although not anticipated, the Clients may invest in restricted securities. Restricted securities cannot be sold to the public without registration under the Securities Act. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (e.g., under Rule 144A of the Securities Act). Although these securities may be resold in privately negotiated transactions, because there is often little liquidity for these securities, they may be difficult and take a substantial amount of time to sell, and the prices realized from these sales could be less than those originally paid by a Client. Restricted securities may involve a high degree of business and financial risk which may result in substantial losses.

Repurchase and Reverse Repurchase Agreements. Although not anticipated, the Clients may invest in repurchase and reverse repurchase agreements. In a reverse repurchase transaction, the Client "buys" securities issued from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Client, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by the Client involves certain risks. For example, if the seller of securities to the Client under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Client will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganization under applicable bankruptcy or other laws, the Client's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Client may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Client may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller. Similar elements of risk arise in the event of the bankruptcy or insolvency of the buyer.

Risks Relating to Non-U.S. Investments and Non-U.S. Jurisdictions

Non-U.S. Exchanges. The Clients may trade on exchanges or markets located outside the U.S. Trading on such exchanges or markets is not regulated by the SEC and the CFTC and may, therefore, be subject to more risks than trading on U.S. exchanges,

such as the risks of exchange controls, expropriation, burdensome taxation, moratoria and political or diplomatic events. Risks in investments in non-U.S. financial instruments may also include reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees.

Non-U.S. Investments. Investing in the financial instruments of companies (and, from time to time, governments) outside of the United States involves certain considerations not usually associated with investing in financial instruments of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict a Client's investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S. As a result, the Client may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce the Client's rights in such markets. For example, financial instruments traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the CFTC or the securities and commodities laws and regulations of the U.S. Accordingly, the protections accorded to the Clients under such laws and regulations are unavailable for transactions on non-U.S. exchanges and with non-U.S. counterparties.

Investments in Emerging Markets. Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (viii) increased likelihood of governmental involvement in and control over the economy; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the markets; (xii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (xiv) certain considerations regarding the maintenance of the Clients' investments with non-U.S. brokers and securities depositories.

Repatriation of investment income, assets and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging countries. A Client could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation or by withholding taxes imposed by emerging market countries on interest or dividends paid on investments held by the Client or gains from the disposition of such investments.

In emerging markets, there is often less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. The Clients may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a Client's or prospective client's evaluation of Blue Helm's advisory business or the integrity of Blue Helm's management.

Item 10: Other Financial Industry Activities and Affiliations

Blue Helm and its employees do not have any relationships or arrangements with other financial services companies that could pose material conflicts of interest to the Investment Manager or the Clients.

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

Code of Ethics Pursuant to Rule 204A-1 of Advisers Act

Blue Helm strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, Blue Helm has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are expected to uphold:

- employees must at all times place the interests of Clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided;
- employees must not take any inappropriate advantage of their positions;
- information concerning the identity of securities and financial circumstances of the Clients, including the Fund's Investors, must be kept confidential; and
- independence in the investment decision-making process must be maintained at all times.
- Investors and any SMA Client may request a copy of the Code by contacting Blue Helm at the address or telephone number listed on the first page of this document.

Participation/Interest in Client Transactions

Blue Helm serves as the Investment Manager to the Clients. Aside from investments in the Fund, related persons may not invest in the same securities (or related securities) that are recommended to the Clients. Such practices could present a conflict, where a related person is in a position to trade in a manner that could adversely affect a Client (e.g., by placing its own trades before or after Client's trades are executed in order to benefit from any price movements). Blue Helm has adopted a personal trading policy, summarized below, in an effort to minimize such conflicts.

Personal Trading

Employees must obtain preclearance from the Chief Compliance Officer ("CCO") prior to transacting in certain securities, including private investments and initial public offerings, and all transactions are subject to a 90 day holding period. Additionally, employees must provide periodic holdings reports and duplicate copies of brokerage statements to the CCO. These records are used to monitor compliance with Blue Helm's policies. In addition, where the activities of the CCO require pre-approval, that approval will be provided by Blue Helm's Principal.

Item 12: Brokerage Practices

In selecting brokers and negotiating commission rates, Blue Helm will take into account the financial stability and reputation of brokerage firms and the brokerage, research and related services provided by such brokers. Blue Helm is authorized to determine the broker or dealer to be used for each securities transaction for the Clients. In selecting brokers or dealers to execute transactions, the Investment Manager need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

Soft Dollars

Although not anticipated, from time to time the Investment Manager may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for effecting Client transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. The Investment Manager will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended and subject to prevailing guidance provided by the SEC regarding Section 28(e). The Investment Manager believes it is important to its investment decision-making processes to have access to independent research.

Also, consistent with Section 28(e), research products or services obtained with "soft dollars" generated by the Clients may be used by the Investment Manager to service one or more other accounts, including Clients that may not have paid for the soft dollar benefits. The Investment Manager will not seek to allocate soft dollar benefits to Clients in proportion to the soft dollar credits the accounts generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to the Investment Manager (i.e., a "mixed use" item), the Investment Manager will make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of the Investment Manager's allocation of the costs of

such benefits and services between those that primarily benefit the Investment Manager and those that primarily benefit the Clients.

When the Investment Manager uses brokerage commissions (or markups or markdowns) generated by any Client to obtain research or other products or services, the Investment Manager receives a benefit because it does not have to produce or pay for such products or services. The Investment Manager may have an incentive to select or recommend a broker-dealer based on the Investment Manager's interest in receiving research or other products or services, rather than on a Client's interest in receiving most favorable execution.

At least annually, the Investment Manager considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of its Clients on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will the Investment Manager make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.

Aggregation

The aggregation or blocking of client transactions allows an adviser to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to the investment vehicles. Blue Helm will aggregate trades only when doing so will facilitate best execution including negotiating more favorable prices, obtaining more timely or equitable execution, or reducing overall commission charges.

Item 13: Review of Accounts

Review of Accounts

Blue Helm reviews the Client accounts on a continual basis to ensure conformity with investment objectives and guidelines. Additionally, the Investment Manager engages in active management and accordingly reviews all transactions, positions and cash balances on a daily basis.

Reporting

Blue Helm will distribute an audited financial report for the Fund with respect to the previous fiscal year to all Investors within 120 days of year-end. Additionally, an independent administrator will send monthly unaudited reports reviewing the Fund's performance to Investors. Any SMA will receive a quarterly statement from the qualified custodian.

Item 14: Client Referrals and Other Compensation

We do not compensate, either directly or indirectly, persons for prospective investor or client referrals.

Item 15: Custody

Blue Helm is deemed to have custody of Client funds and securities because it has the authority to obtain Client funds or securities, for example, by deducting advisory fees from a client's account or otherwise withdrawing funds from a client's account. Account statements related to the clients are sent by qualified custodians to Blue Helm.

Blue Helm is subject to Rule 206(4)-2 under the Advisers Act (the "**Custody Rule**"). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to the Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that the Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the Fund distribute audited financial statements to all Investors within 120 days of the end of its fiscal year.

Each SMA client will receive a quarterly statement from the relevant qualified custodian.

Item 16: Investment Discretion

Blue Helm has discretionary authority to determine, without obtaining specific consent, securities to be bought or sold, the amount of securities to be bought or sold, the broker-dealer to be used and the commission rates paid. This discretionary authority is provided through Blue Helm's investment management agreements with its Clients.

Item 17: Voting Client Securities

To the extent that Blue Helm has been delegated proxy voting authority on behalf of a Client, the Investment Manager will comply with proxy voting policies and procedures that are designed to ensure that proxies are voted in the best interest of the Client. The Investors in the Fund and SMA clients may not direct voting of proxies.

If a material conflict of interest between Blue Helm and the Client exists, the Investment Manager will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interest of the Client, or take some other appropriate action.

Upon request, Blue Helm will provide Investors and any SMA client with a copy of the proxy voting policies and a record of all proxy votes cast on behalf of the relevant Client.

Item 18: Financial Information

Blue Helm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its Clients and has not been the subject of a bankruptcy proceeding.