

Fort Point Capital Partners

Fort Point Capital Partners LLC
275 Sacramento Street, 8th Floor
San Francisco, CA 94111

(415) 645-0909

www.fortpointcap.com

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This Brochure provides information about the qualifications and business practices of Fort Point Capital Partners LLC ("Fort Point"). If you have any questions about the contents of this Brochure, please contact us at (415) 645-6503 or email us at info@fortpointcap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Fort Point is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

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

Item 2 – Material Changes

Since the filing of our most recent amendment dated March 2018, we have the following material changes to report:

Item 10 – Other Financial Industry Activities and Affiliations and Item 12 – Brokerage Practices were updated to disclose conflicts of interest that result from certain supervised persons acting as registered representatives of Uhlmann Prices Securities, LLC (“UPS”) an unaffiliated broker-dealer.

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Item 4 – Advisory Business

Fort Point Capital Partners LLC (“Fort Point”), a California Limited Liability Company established in October 2008, is an SEC-registered Investment Advisor, CFTC-registered Commodity Trading Advisor and member of the National Futures Association. Fort Point is currently owned by Ralph Drybrough, Paul Touchstone and Tim McDowell.

Ralph M. Drybrough III founded Fort Point in 2008. Prior to founding Fort Point, Mr. Drybrough was a financial advisor and principal with Presidio Capital Advisors from 2005 to 2008. Between 1999 and 2005, Mr. Drybrough was a registered representative and financial advisor with Merrill Lynch & Co. Mr. Drybrough began his career in the financial industry at UBS/PaineWebber in Chicago, Illinois, where he worked as a registered representative and financial advisor.

Mr. Drybrough received a B.A. in Journalism/History from Indiana University, Bloomington, Indiana in 1997. Mr. Drybrough holds FINRA Series 7 and 63 securities licenses and is a Registered Representative of Uhlmann Price Securities, LLC described in Item 10 below.

Paul R. Touchstone joined Fort Point in April 2012 and became a Managing Member in December 2017. Prior to joining Fort Point, Mr. Touchstone was a Vice President at Stifel Nicholas & Company from November 2011 to March 2012. Between 2009 and 2011, Mr. Touchstone was Vice President/Senior Investment Strategist with Stone & Youngberg. From 2007 to 2009, Mr. Touchstone was a Vice President/Portfolio Manager at First Bank. Mr. Touchstone began his career in the financial industry in 2002 at Schroeder Capital Management, LLC, where he served as a Securities Analyst/Director of Operations. Mr. Touchstone was at Schroeder Capital Management until he joined First Bank.

Mr. Touchstone received a B.A. in Business with a minor in Computer Science in 2000 from Western State College of Colorado.

Tim McDowell joined Fort Point as a Managing Member in December 2017 as a result of the merger of Fort Point and Cypress Point Capital Management, LLC (“Cypress Point”). Prior to Fort Point, Mr. McDowell was Managing Member of Cypress Point from 2013 to 2017. Prior to joining Cypress Point, Mr. McDowell held consulting roles at Aperture Ventures LLC and Crestline Investors, Inc. where he evaluated and completed hedge fund secondary investments. Previously, Mr. McDowell was an analyst at Group G Capital Partners, LLC, a

hedge fund focused on distressed debt and special situation investments. Before Group G, Mr. McDowell was an associate at Tailwind Capital, a private equity fund focused on middle market transactions across growth sectors of the economy. Mr. McDowell began his career as a financial analyst at Bowles Hollowell Conner & Co., an investment bank focused on mergers and acquisitions.

Mr. McDowell received an MBA from Harvard Business School and a B.S. in Business Administration, with highest distinction, from the University of North Carolina at Chapel Hill.

Advisory Services

Fort Point offers investment management services to family offices and high net worth individual clients, referred to herein as “Clients.” Additionally, Fort Point is the Program Manager and provides investment management services to Investment Partners, LLC, a series of private funds. Each series is herein referred to as a “Private Fund.” Fort Point acts in a fiduciary role for its Clients and Private Funds and generally offers its investment services on a fully discretionary basis as described below.

Fort Point provides financial planning and investment supervisory services regarding equities, exchange traded funds, investment company shares, options, fixed-income, and cash equivalent securities to Clients with individually-managed accounts. At times, we may select other investment advisers to supervise all or a portion of a Client’s account. We generally recommend a portion of Client assets be invested in private placements offered through the Investment Partners, LLC series of Private Funds.

With the exception of investments in Private Funds, account supervision is on a discretionary basis with Clients granting Fort Point a limited power of attorney to trade Client securities. Client securities are held by qualified custodians, or in the case of private placements, are subject to an annual audit by an outside certified public accountant. Account supervision by us is guided by the stated objectives of the Client, taking into consideration the Client’s risk profile and financial status. Clients may impose restrictions on investing in certain securities or types of securities. Each Client’s financial goals and needs are assessed and the investment advice given is tailored towards those goals.

We tailor our advisory services to the individual needs of our Clients, viewing ourselves as risk managers with a threefold approach to our management style including, global diversification, active risk management and cost reduction through negotiating better pricing with our custodians and Underlying Fund Managers. In short, we seek to tightly control the controllable: risk, tax, cost and liquidity.

We build each portfolio based on the factors that we believe influence risk most. It is our belief that standard allocation models are too highly correlated. This high correlation, coupled with market volatility, may leave portfolios over-exposed at precisely the wrong time. As such, we generally utilize an enhanced option overlay strategy to systematically reallocate in any market environment, thus offering clients the benefit of broad-based index investing with risk management through utilizing options to hedge overall risk.

As mentioned above, Fort Point is also the Program Manager and Managing Member of Investment Partners, LLC (“IP”), an alternative investment program. The Program provides Investors with individualized allocations to a variety of underlying managers (each an “Underlying Manager”) and their associated funds (each an “Underlying Fund”) which seek to provide attractive risk-adjusted returns, compelling diversification attributes and low correlation to equities and fixed income and are generally not accessible through public markets.

IP is structured as a Delaware multi-series LLC which provides liability protection across multiple series while also promoting a more efficient cost structure by sharing Fund-level operating expenses and infrastructure across multiple Private Funds thus reducing the time and cost of launching and maintaining additional Private Funds. As of January 1, 2019, Fort Point managed the Private Funds detailed below.

- Asymmetric Return Fund (“ARF”): A single Underlying Manager global macro fund that utilizes a value-oriented approach to investing in derivative securities across global markets to exploit systematic mispricing and special situations.
- Hedged Strategies Funds (“HSF” and “HSF II”): Equity-oriented fund-of-hedge funds that partner with Underlying Managers who run limited net market exposure, short for profit, demonstrate tax awareness, and pursue capacity-constrained strategies where inefficiencies are likely to persist because large pools of capital logically elect not to participate. HSF and HSF II target this unique confluence of factors in an effort to provide investors with attractive, risk-adjusted returns in all market environments.
- Tactical Strategies Fund (“TSF”): A single Underlying Manager relative value strategy that seeks to exploit pricing inefficiencies in the closed-end fund (CEF) space. The fund has the ability to adjust its net exposure to CEFs based on their perceived relative attractiveness.

- Special Situations Fund (“SSF”): A fund-of-hedge funds designed to capitalize on arbitrage and/or special situations surrounding corporate actions for US publicly traded companies.
- Alternative Yield Funds (“AYF”, “AYF II” and “AYF III”): Fund-of-hedge funds designed to provide investors with exposure to various investment strategies with current income features that have minimal correlation to traditional fixed income securities.
- Tactical Alpha Program (“TAP”): Internally managed hedge fund that seeks a compelling and enduring risk-return profile by trading Standard & Poor’s 500 Index (the “S&P 500”) futures contracts over short timeframes. The strategy uses a model that produces signals which seeks to profit from the S&P 500’s non-normal distribution.

As of December 31, 2018, Fort Point has approximately \$592 million under management on a discretionary basis and approximately \$10 million on a non-discretionary for a total of \$602 million under management.

Item 5 – Fees and Compensation

Individually Managed Accounts

Management Fees

Below is our typical fee structure for individual clients, though fees may vary by individual client.

	Assets Under <u>Advisement</u>	<u>Fee</u>
First	\$1,000,000	1.25%
Next	\$9,000,000	0.90%
Next	\$40,000,000	0.60%
Next	\$50,000,000	0.40%
Over	\$ 100,000,000	Negotiable

We believe that our fees are competitive with those fees charged by other investment advisers for comparable services; however, comparable services may be available from other sources for lower fees than those that we charge. The fees charged by us are separate from and in addition to those fees which may be charged by a Client's subadviser(s) or any private placement(s) in which Client assets may be invested.

Fees are calculated based quarterly in advance on the gross settled asset value of the Client accounts as of the last day of the preceding calendar quarter. The specific manner in which fees are charged by us is established in a Client's written agreement. Clients may elect to be billed directly for fees or to authorize us to directly debit fees from Client accounts. Accounts initiated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any earned, unpaid fees will be due and payable and any prepaid fees will not be refunded.

In certain cases clients may request that we purchase or maintain pre-existing or other securities positions in custodial accounts maintained with us, or with limited partnerships and other private placements, that are not consistent with our investment strategy. In such cases, we typically agree not to charge a fee on such assets, but with the specific understanding that these are non-supervised assets for which the client is responsible for determining the suitability of maintaining such a position. We will not sell such securities without specific written instructions from the client.

Expenses

Our fees on individually managed accounts are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients will incur additional charges from their custodian such as brokerage commissions, custodial fees, deferred sales charges, and wire transfer and electronic fund fees. Mutual funds and exchange traded funds charge internal management fees, which are disclosed in a fund's prospectus. Private Funds charge internal fees which are disclosed in the confidential offering memorandum or program documents.

Item 12 further describes the factors that Fort Point considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Private Funds

Management and Incentive Fee

For IP Private Funds, Fort Point is compensated in one of two ways:

- Fee participation in which Fort Point participates in the Underlying Manager's fees and does not charge a fee to Fund investors, or;
- Fee overlay in which Fort Point charges Fund-level management and/or incentive fees in addition to fees charged by the Underlying Managers.

The details of any such arrangement with respect to a particular Private Fund will be disclosed in the relevant offering documents. Alternatively, or, in addition to the fees charged by the Underlying Manager, Fort Point may charge a management and/or administrative fee.

ARF: Beginning in March 2014, Investment Partners began offering a Class B interest in ARF. Such Class B interests are subject to an administration fee up to 0.25% in addition to the management and incentive fees of the Underlying Manager as described above. Fort Point receives 100% of management fees earned by the Underlying Manager for the first 12 months of a Class B investor's investment period.

HSF and HSF II: With respect to HSF and HSF II, Fort Point receives a monthly management fee, as defined in the offering documents, which may differ for each class of interests. With respect to any investor holding Founders' Class interests, the annual management fee is up to 0.75% of each investor's capital account. With respect to any investor holding Class A interests, the annual management fee is up to 1.0% of each investor's capital account. The management fee will be paid monthly in advance, based on the value of each investor's capital account, as of the first day of the month.

In addition, Fort Point is entitled to receive an annual allocation of the net income allocated to each investor if the net income allocated to such Investor exceeds the trailing twelve month change in the Consumer Price Index, All Urban Consumers, a U.S. inflation index calculated by the U.S. Department of Labor Bureau of Labor Statistics, for the same period. The incentive allocation may be different for investors holding different classes of interests. With respect to any investor holding Founders' Class interests, Fort Point will receive an incentive allocation equal to 7.5%. With respect to any investor holding Class A interests, Fort Point will receive an incentive allocation equal to 10%.

TSF: With respect to TSF, Fort Point receives an administration fee up to 0.25%. Separately, the Underlying Manager charges a 0.60% annual management fee (payable monthly in

advance) and 10% of gross profits earned. The administration fee will be paid monthly in advance, based on the value of each investor's capital account, as of the first day of the month.

SSF: With respect to SSF, Fort Point receives no monthly management fee. However, Fort Point is entitled to receive an incentive allocation of the annual net income allocated to each investor up to 15%. From time to time, SSF investors are permitted to invest in “excess funds” trades at their own discretion. Fort Point is entitled to receive an incentive allocation of the annual net income allocated to each investor related to these “excess funds” trades up to 25%.

AYF, AYF II, and AYF III: With respect to AYF, AYF II and AYF III, Fort Point receives a monthly management fee, as defined in the offering documents, which may differ for each class of interests. With respect to any investor holding Class A or Class B interests, there is no annual management fee. With respect to any investor holding Class I interests, the annual management fee is up to 0.5% of each investor’s capital account. The management fee will be paid monthly in advance, based on the value of each investor's capital account, as of the first day of the month.

In addition, Fort Point is entitled to receive an receive an incentive allocation of up to 5.0%. With respect to any investor holding Class A interests, Fort Point will receive an incentive allocation equal to 20.0%.

TAP: With respect to TAP, Fort Point receives a monthly management fee, as defined in the offering documents, which may differ for each class of interests. With respect to any investor holding Founders’ Class interests, the annual management fee is up to 1.00% of each investor’s capital account. With respect to any investor holding Class A interests, the annual management fee is up to 1.5% of each investor’s capital account. The management fee will be paid monthly in advance, based on the value of each investor's capital account, as of the first day of the month.

With respect to any investor holding Founders’ Class interests, Fort Point will receive an incentive allocation equal to 10%. With respect to any investor holding Class A interests, Fort Point will receive an incentive allocation equal to 20%.

Expenses

Each Private Fund is responsible for start-up expenses (amortized over 60 months) and Fund-level operational expenses including: legal fees; expenses of the continuous offering of its interests, including the cost of producing and distributing its offering documents and other marketing materials; any due diligence and other investment research expenses incurred on

behalf of such Private Fund; printing and mailing costs; filing fees and expenses; accounting, audit, and tax preparation expenses; computer software, licensing, programming, and operating expenses; data processing costs; legal fees and expenses; consultant fees; tax, litigation, indemnification, and other extraordinary expenses, if any; interest expenses (including interest due to repurchase agreements and borrowing for investment purposes by such Private Fund, if any); and insurance expenses, custody fees, bank charges, and other investment and operating expenses.

Additionally, unless otherwise noted, the fees described above are solely fees charged by Fort Point and are not inclusive of fees and expenses incurred for Underlying Managers. Investors may not be made aware of the specifics of these expenses directly, but performance information presented will be net of all such fees and expenses.

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

Fort Point does not charge performance fees on individually managed accounts.

Fort Point does not receive performance-based fees or incentive allocations on some of the Private Funds as described above in Item 5 – Fees and Compensation.

Performance-based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Fort Point has implemented procedures designed to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

We typically provide portfolio supervision services to high net worth individuals and family offices. Generally, account minimums are \$1,000,000, although this minimum may be waived by us.

Fort Point also provides investment management services to Private Funds. An investor in a Private Fund must invest a minimum of \$250,000 unless waived by us. Additionally, each investor must be an “accredited investor” as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”); a “qualified client”, as that term is defined in Rule 205-3(d)(1) of the Investment Advisers Act of 1940;

and/or a “qualified purchaser”, as applicable, as that term is defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”); and meet other criteria as specified in the offering documents of Private Funds.

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

Investment Strategies

We strive to provide each Client with a sustainable investment experience by pursuing a consistent strategy tailored to each Client’s risk tolerance described in each Client’s investment profile as we build our Client portfolios. We take into consideration the following factors when building a Client’s portfolio:

- Identify Client’s risk tolerance
- Define the Client’s time horizon
- Ensure that the Client’s liquidity needs are assessed and met
- Define market metrics which include volatility and correlation

Because volatility and correlation of asset classes change over time, these changes can cause a Client’s risk profile to change as well. As such, we regularly rebalance our Clients’ portfolios in an attempt to mitigate this change. Our method of analysis involves using hedging strategies that reduce volatility. Because owning a portfolio of complimentary highly correlated assets over time may increase the risk of financial catastrophe and a coordinated drawdown, we generally employ an enhanced option overlay strategy to systematically reallocate in any market environment, thus offering our clients the benefit of broad-based index investing with calculated risk management. This allows us to hedge our Clients’ positions in securities, exchange traded and mutual funds and, in some instances, limited partnerships.

Utilizing Tax Alpha

Another strategy that we employ is tax loss harvesting which is the one predictable and reliable source of “alpha” in portfolio management. We pursue this strategy aggressively and systematically and it is best executed in a portfolio employing an indexed approach to asset class exposure, where fungible replacement instruments are available to limit tracking error. We find that the rapid growth in the exchange traded funds (ETFs) market has provided us with a deep taxonomy of ETFs available as swap candidates when a tax loss harvesting opportunity presents itself.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Fort Point cannot assure Clients that:

- it can achieve Clients' investment objectives;
- its investment strategies will prove successful; or
- Clients will not lose all or part of their investment.

The following discussion describes some of the principal risks relevant to Clients of Fort Point.

General Securities Investment Risks

Markets for securities, in general, are subject to fluctuations and the market value of any particular investment may vary substantially, including a total loss of principal invested. No assurance can be given that the Client's portfolio will generate any income or will appreciate in value or that the Client will be able to realize any appreciation that may occur.

Change in Sentiment

Changes in investor sentiment on the market, an industry or sector, or an individual stock can have pronounced effects on securities prices. Rapid changes in investor sentiment cannot be predicted and can be severe.

Economic Conditions

Changes in economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, trade relationships, political and diplomatic events and trends, developments in governmental regulation, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of a Client's portfolio.

Options Trading

With any investment there are material risks involved when utilizing option overlay strategies and these strategies may not achieve the stated goals and the Client risks the loss of his/her investment and the Client should be prepared to bear such losses. The trading of options and other derivatives is highly speculative and may entail risks that are greater than those present when investing in other securities.

Clients may buy or sell (write) both call options and put options, and when they write options, they may do so on a "covered" or an "uncovered" basis. A call option is "covered" when the writer owns securities of the same class and amount as those to which the call option applies.

A put option is covered when the writer has an open short position in securities of the relevant class and amount. Clients' option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another securities position) or a form of leverage, in which the client has the right to benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

In general, without taking into account other positions or transactions a Client may enter into, the principal risks involved in options trading can be described as follows: When a Client buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of their investment in the option (including commissions). A Client could mitigate those losses by selling short, or buying puts on, the securities for which it holds call options, or by taking a long position (e.g., by buying the securities or buying calls on them) in securities underlying put options.

When a Client sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is "covered." If it is covered, the Client would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the client might suffer as a result of owning the security.

If prospective Clients do not understand options, we strongly encourage them to read CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS. The document may be obtained by contacting us directly or may be obtained by going to the following link: <http://www.optionsclearing.com/about/publications/character-risks.jsp>.

Exchange Traded Funds

Due to fees, expenses, and availability of shares of the underlying portfolio securities of the particular benchmark, the performance of a particular ETF may not equal or track the performance of the underlying benchmark. A decline in the value of the benchmark will result in a decline in the value of the ETF. In addition, leverage employed by an index aggregate fund will multiply the losses of an index. Some ETFs are subject to the additional risks generally presented by derivatives use, an enhanced risk of an imperfect correlation between the

market value of securities in an index and the prices of futures and other derivatives purchased in lieu of the securities of an index, and other risks.

Leverage

Leveraging strategies can increase risk of loss and volatility. In addition, margin trading requires the pledge of assets of the Client as collateral, and margin calls can result in the Client being required to pledge additional collateral or in liquidation of the Client's holdings, which can result in selling, closing or covering portfolio positions at substantial losses that would not otherwise be realized.

Technology Effects on Volatility

The rapid advent of technology in trading and exchanges may have made securities more volatile and periodically subject to wild swings with limited liquidity.

Market Disruptions

The global financial markets have in the past few years gone through pervasive and fundamental disruptions. A Client may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. Market disruptions may from time to time cause dramatic losses for a Client account, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

Past Performance Not Necessarily Indicative of Future Results

The past performance of the Fort Point or any subadvisor engaged by Fort Point on behalf of a Client is not necessarily indicative of how they will perform in the future. While generally mitigated through thoughtful and detailed due diligence, some strategies may be subject to the possibility of incurring sudden and dramatic losses despite years of positive past performance.

Other Accounts Advised by Subadvisors

Any subadvisors selected by Fort Point may supervise other funds and/or accounts (including other accounts in which such subadvisors may have an interest) which, together with funds and/or accounts already being supervised, could increase the level of competition for the same trades a Client might otherwise make, including the priorities of order entry. This could make it difficult or impossible to take or liquidate a position in a particular security or futures contract at a price indicated by a subadvisor's strategy.

Risks Associated with Investments in Private Investment Programs

Fort Point may recommend Client's invest assets in limited partnerships, private investment programs, and other private placements (including through third parties). Such investments may be subject to a variety of risks, including, but not limited to, lack of operating history, reliance on key personnel of the investment program or limited partnership, absence of regulatory oversight, limited withdrawal rights, substantial fees and expenses, illiquidity of interests, and potential mandatory withdrawal. Fort Point strongly encourages Clients to carefully consider the risk disclosures contained in the offering and program documents, which clients sign and agree to before any investments in such private investment programs are made.

Specific Risks Associated with Investments in Private Funds

Underlying Fund and Underlying Adviser Risk. Some Private Funds invest in Underlying Funds and Managed Accounts with Underlying Advisers, both of which are subject to risk. Underlying Fund risks encompasses the possibility of loss due to Underlying Adviser's fraud, intentional or inadvertent deviations from a predefined investment strategy (including excessive concentration, directional investing outside of predefined ranges, excessive leverage or new capital markets), or simply poor judgment. During the lifetime of each Private Fund, there could be material changes in one or more Underlying Funds or Underlying Advisers, including changes in control, initial public offerings and mergers. The effect of such changes on an Underlying Fund or Underlying Adviser cannot be predicted but could be material and adverse. Given the limited liquidity of certain Underlying Funds, the Private Fund may not be able to quickly alter its portfolio allocation quickly in response to any such changes, resulting in substantial losses from Underlying Fund risk.

Illiquid Investments. The Private Funds invest some of their assets in Underlying Funds. For such investments, Fort Point has no control over the trading policies or strategies of such entities and does not have the same ability as with separate accounts to react quickly to changing investment circumstances due to the limited liquidity of these types of investments.

Private investment funds may have liquidity constraints, such as "gates," "side pockets," suspension of withdrawals/net asset value calculations, withdrawals in kind, special liquidity vehicles, lock-ups, withdrawal fees and less frequent withdrawal rights. Fort Point has no control over the liquidity of the Underlying Funds (except at original investment) and depends on the Underlying Fund to provide valuations as well as liquidity in order to process withdrawals. Investors must recognize that under certain circumstances, repurchases may be materially restricted or delayed due to the Underlying Funds' illiquidity. In some cases, Fort

Point may have allocated Fund assets to Underlying Funds from which Fort Point later intends to liquidate but the Private Fund is unable to do so promptly due to liquidity constraints imposed by such Underlying Funds. To the extent that a material portion of the Private Fund's assets are allocated to Underlying Funds that take such actions, the Private Fund will likely be unable to withdraw from such Underlying Funds for an extended period of time notwithstanding a desire to do so. Such inability to withdraw from such Underlying Funds could expose the Private Fund to losses it may have avoided if it had been able to allocate away from such Underlying Funds. Fort Point, at its discretion, may elect to leverage or borrow on behalf of the Fund in order to meet withdrawal requests.

The complicated and often protracted process of withdrawing from Underlying Funds could hinder the Private Fund's ability to adjust its Underlying Fund allocations. It could also cause the Private Fund to become unbalanced in the event the Private Fund withdraws from its more liquid Underlying Funds to fund the Private Fund's redemptions or expenses. Also, to the extent that a material portion of Underlying Funds suspend the calculation of net asset value, Fort Point may be unable to calculate the Fund's net asset value.

Investments in Underlying Funds. The investment performance of a Private Fund is affected by the investment performance of the Underlying Funds. Each Private Fund is subject to the risks of the Underlying Funds' investments and subject to the Underlying Funds' expenses. Additionally, the success of each Private Fund will depend on the investment skills of the Underlying Advisers. The return of any one of the Underlying Funds is impacted by the ability of the Underlying Advisers to successfully apply their investment techniques to generate profits for such fund. The volatility of the Underlying Fund will depend on the nature of the Underlying Fund's exposure to investments and on the Underlying Adviser's ability to reduce risk by trading, hedging, minimizing the use of leverage and utilizing arbitrage techniques. There can be no assurance that the Underlying Funds will achieve their objectives or avoid substantial losses.

Changes in Underlying Funds, Underlying Advisers and Allocations. Fort Point may from time to time select new or replacement Underlying Funds and/or Underlying Advisers and change the percentage of Private Fund assets allocated to each Underlying Fund. These changes will be made in Fort Point's sole discretion, subject to the Underlying Funds' liquidity constraints and other factors. The Private Fund's success depends, to a great extent, on Fort Point's ability to identify and allocate assets successfully among Underlying Funds.

Limited Withdrawal Rights. An investment in a Private Fund is suitable only for certain sophisticated investors who understand the liquidity constraints of the Private Fund and anticipate limited or preferably no need for liquidity. Furthermore, distribution of proceeds upon an Investor's withdrawal may be limited where, in the view of Fort Point, the disposal of all or part of the Private Fund's assets, or the determination of the value of the investor's capital account, among other reasons, would not be reasonable or practicable or would be prejudicial to the non-withdrawing Investors.

Limited Diversification. The LLC Agreement does not limit the amount of the Private Fund's capital that may be committed to any single investment, industry or sector. At any given time, it is therefore possible that Fort Point or an Underlying Adviser may select investments that are concentrated in a limited number or types of investments. This limited diversity could expose the Private Fund to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those investments.

Special Situations. The Private Fund or an Underlying Fund may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction will either be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price to the Private Fund or an Underlying Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Private Fund or an Underlying Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Fund or an Underlying Fund may invest, there is a potential risk of loss by the Private Fund of a significant portion of its investment in such companies.

Potential Inadequacy of Due Diligence Information. Fort Point is generally reliant on the information and disclosures furnished to it by the Underlying Managers it selects, which may subject a client to fraudulent misrepresentation and other similar risks of entrusting capital to unaffiliated parties. Generally, Fort Point seeks to avoid such risks by enforcing prudent due diligence and third-party verification wherever possible but may prove unable to obtain accurate information from an Underlying Manager under circumstances in which the

Underlying Manager has limited access to such information or provides inaccurate information.

Multiple Levels of Fees and Expenses; Underlying Advisers' Performance Fees. The Private Fund will incur management, performance, advisory, sponsorship or other fees and expenses when investing in or allocating assets to Underlying Funds. Further, if the Underlying Funds invest in exchange-traded funds or similar managed products, the Private Fund will be subject to the fees and costs associated with such investments. In addition, Investors in the Private Fund are subject to netting risk. Individual Underlying Advisers' performance fees are generally paid on an annual basis. An Underlying Adviser could receive performance fees in a year even though the Private Fund as a whole has negative performance or performance such that the amount of performance fees paid by the Fund exceeds the weighted average of performance fees for the Private Fund as a whole. In most cases, once a performance fee is paid, the Underlying Adviser retains the fee regardless of subsequent performance of its corresponding Underlying Fund. Performance fees will be calculated separately for each Underlying Fund, so the Private Fund could bear substantial performance fees in respect of Underlying Funds whose trading is profitable even when the Private Fund as a whole has a loss.

Item 9 – Disciplinary Information

Neither Fort Point nor any of Fort Point's management persons has had any legal or disciplinary events that would be material to a client's evaluation of Fort Point or the integrity of Fort Point's management.

Item 10 – Other Financial Industry Activities and Affiliations

In addition to our status as a registered investment advisor with the SEC, Fort Point is registered as a Commodity Trading Advisor with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association ("NFA").

Ralph Drybrough and certain supervised persons are also registered representatives of Uhlmann Price Securities, LLC ("UPS"), an SEC registered and FINRA member broker-dealer unaffiliated with Fort Point. From time to time, Fort Point may recommend that a Client execute certain transactions through UPS. In those instances, a portion of the transaction fee paid by clients to UPS for transactions executed by Fort Point employees in their capacity as

registered representatives of UPS, will be received by Fort Point. Due to this arrangement, Fort Point has a conflict of interest in recommending Clients use the services of UPS. Notwithstanding this conflict of interest, Fort Point will only recommend executing transactions through UPS when it believes the investment to be in the best interest of a Client and they can achieve best execution through UPS. Refer to Item 12 below for more information regarding Fort Point's selection of broker-dealers.

Item 11 – Code of Ethics

Fort Point has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

We anticipate that, in appropriate circumstances, consistent with Clients' investment objectives, Fort Point will cause accounts over which we have management authority to effect, and will recommend to investment advisory Clients or prospective clients, the purchase or sale of securities in which we, our affiliates and/or Clients, directly or indirectly, have a position of interest. Our employees and persons associated with us are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Fort Point and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Fort Point's Clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Fort Point will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Under the Code transactions in certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our Clients. Employees are required to report personal securities holdings annually and securities transactions quarterly.

Certain affiliated accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with Fort Point's obligation of best execution. In such circumstances, the affiliated and Client accounts will share commission costs equally and

receive securities at a total average price. Fort Point will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Our Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Fort Point using the contact information on the cover page of this Brochure.

Item 12 – Brokerage Practices

Fort Point generally recommends that Clients establish brokerage accounts with TD Ameritrade Inc. "TD Ameritrade," an unaffiliated SEC-registered broker-dealer, member FINRA/SIPC. In selecting TD Ameritrade, Fort Point considered a number of factors, including, for example, past success in obtaining net prices on transactions, custody services, online access to client account data, reputation, financial strength and stability, efficiency of execution and error resolution, inventory and depth of investment products, the ability of securities to borrow for short sales, order routing capabilities, and willingness to execute related or unrelated difficult transactions in the future.

Fort Point participates in the institutional advisor program offered by TD Ameritrade Institutional, a division of TD Ameritrade Inc., Fort Point receives some benefits through its participation in this program. There is no direct link between Fort Point's participation in this program and the investment advice Fort Point gives to our Clients, although we receive economic benefits through our participation in the program. These benefits may include the following products and services (provided without cost or at a discount):

- receipt of duplicate client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving such program participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts);
- the ability to have advisory fees deducted directly from client accounts;
- access to an electronic communications network for client order entry and account information;

- access to mutual funds with no transaction fees and to certain institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors.

Some of the products and services made available through this program may benefit Fort Point but may not benefit our Client accounts. However, we believe these products or services assist us in managing and administering Client accounts. Other services made available by the program are intended to help us manage and further develop our business enterprise. The benefits received by Fort Point or our personnel through participation in such programs do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, Fort Point endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Fort Point or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of brokerage firm for custody and brokerage services.

As mentioned in Item 10 - Other Financial Industry Activities and Affiliations, certain supervised persons of Fort Point are also registered representatives of UPS, an SEC registered and FINRA member broker-dealer unaffiliated with Fort Point. From time to time, Fort Point may recommend that Clients execute certain transactions through UPS. In those instances, a portion of the transaction fee paid by Clients to UPS for transactions executed by Fort Point employees in their capacity as registered representatives of UPS, will be received by Fort Point. Due to this arrangement, Fort Point has a conflict of interest in recommending Clients use the services of UPS. Notwithstanding this conflict of interest, Fort Point will only recommend executing transactions through UPS when it believes the investment to be in the best interest of a Client and they can achieve best execution through UPS.

The brokers selected by us generally do not charge separately for custody but are compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed by the broker or settle into custodial accounts.

Principal and Cross Transactions

It is policy that the Firm will not affect any principal or cross securities transactions for Client accounts.

Item 13 – Review of Accounts

Periodic Client Account Reviews and Meetings

Fort Point will perform Client account reviews on at least a quarterly basis, or more frequently as a result of a dramatic change in economic or market conditions or changes in a Client's personal or financial circumstances. Reviews are conducted by the Client's primary Advisor at Fort Point.

On at least an annual basis, Fort Point offers a face-to-face meeting with each of its Clients. At that time, the client is also asked to update changes in its risk profile, balance sheet, income statement, tax situation, and any investment objectives, as applicable. Fort Point reviews with the client the performance of the Client's account and discusses any changes to client restrictions or portfolio rebalancing.

Client Reports

Fort Point provides clients with written quarterly performance reports showing consolidated performance for accounts as well as investments in Private Funds.

Item 14 – Client Referrals and Other Compensation

Fort Point employ solicitors to whom it will pay cash or a portion of the advisory fees paid by clients referred to it by these solicitors. Such solicitation arrangements are made in compliance with Rule 206(4)-3 of the Investment Advisers Act, including the acknowledgement of receipt by solicited clients of Fort Point's ADV Part 2 and the solicitor's written disclosure document.

TD Ameritrade Institutional

Fort Point receives from TD Ameritrade an additional economic benefit ("Additional Services") that includes access to Advent, Inc. DBA Black Diamond Performance Reporting, LLC, a portfolio monitoring and performance tracking system that we use for a substantial number of our Client portfolios. The Additional Services may or may not be offered to any other independent advisers participating in TD Ameritrade's institutional advisor program. TD Ameritrade provides the Additional Services to Fort Point in its sole discretion and at its own expense, and Fort Point does not pay any fees to the brokerage firm for the additional service. Fort Point and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services. TD Ameritrade has the right to discontinue providing the additional service, in its sole discretion, provided

certain conditions are met. The receipt of this additional economic benefit may pose a potential conflict of interest. TD Ameritrade considers the amount of and profitability to itself from our clients' accounts when determining whether to provide the portfolio monitoring system. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Fort Point may have an incentive to recommend to its Clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Our receipt of this additional economic benefit does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

TD Ameritrade AdvisorDirect

Fort Point may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Fort Point may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Client accounts maintained with TD Ameritrade. TD Ameritrade is a broker/dealer independent of and unaffiliated with Fort Point and there is no employee or agency relationship between them.

Fort Point pays TD Ameritrade an ongoing fee for each successful Client referral. This fee is typically 0.25% of assets under management and is a portion of the advisory fee that the client pays to Fort Point ("Solicitation Fee"). Fort Point will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Fort Point from any of a referred Client's family members, including a spouse, child or any other immediate family member who resides with the referred Client and hired Fort Point on the recommendation of such referred Client. Fort Point will not charge Clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its Clients or otherwise pass Solicitation Fees paid to TD Ameritrade through to its Clients.

Fort Point's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain Client referrals from TD Ameritrade, Fort Point may have an incentive to recommend TD Ameritrade to Clients as a broker and/or custodian. In addition, Fort Point has agreed not to solicit Clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Fort

Point's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for Client accounts.

Item 15 – Custody

Clients receive quarterly statements from the qualified custodian that holds and maintains the Client's investment assets. We urge clients to carefully review such statements and compare such official custodial records to the performance reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Client assets are generally held at TD Ameritrade, Inc. or other qualified custodians chosen by the Client. Clients generally will have on-line access to their accounts at the custodian. This allows Clients to view statements and move money, among other functionalities, at the Clients' convenience.

Fort Point, as Managing Member of Investment Partners, LLC, is deemed to have custody of assets maintained by the Private Funds. All Private Fund investors will receive capital statements from the fund administrator on a monthly basis and audited financial statements of the Private Fund within 180 days of the end of the fiscal year.

Item 16 – Investment Discretion

Our Clients execute investment advisory agreements with Fort Point, which typically give Fort Point complete discretion over the selection and amount of securities to be bought or sold, without obtaining prior specific Client consent (except as noted in the above in Item 4 regarding non-supervised assets). In cases where Fort Point is engaged solely to supervise an options overlay strategy, Clients will maintain sole discretion over trading any underlying securities. Because Fort Point supervises more than one account, there may be conflicting demands on Fort Point's time and potential conflicts regarding the allocation of investment opportunities. Fort Point will attempt to resolve all such conflicts in a manner that is generally fair to all of its Clients.

However, Fort Point may take action with respect to any of its Clients which differs in timing or nature from the action taken with respect to another Client. Advice offered to one Client may differ from that offered to another for a variety of reasons.

It is Fort Point's policy, to the extent practical, to allocate investment opportunities over a period of time on a fair and equitable basis among its clients.

However, we assert absolute discretion to determine whether an investment is practical or desirable for any particular client. Fort Point may acquire securities for one Client that are not deemed appropriate for another. Fort Point takes into account Clients' investment objectives when making investment decisions.

Item 17 – Voting Client Securities

The exercise of proxy voting authority in respect to Client securities is the responsibility of our Clients. As part of their agreements with custodians, Clients will direct custodians to send all necessary proxy voting materials and notices directly to the Clients from the custodians holding such securities. Fort Point believes that Clients, after reviewing such proxy materials, can then decide and vote issues in their own best interest.

Proxy Voting Policies for IP Private Funds

Generally, Private Funds are Funds of Funds and Underlying Managers are responsible for voting with regard to securities they manage, as applicable.

When the above is not applicable, and currently only for TAP, Fort Point has adopted and implemented policies and procedures that we believe are reasonably designed to ensure that proxies are voted in the best interest of our Clients, in accordance with SEC Rule 206(4)-6 under the Investment Advisers Act of 1940. In situations where there may be a conflict of interest between Fort Point's general proxy voting policy and the interests of the Private Fund, we will cast the vote in accordance with the Private Fund's interests. Such conflicts would be reviewed by the CCO. Fort Point's authority to vote the proxies of Private Funds is established in our Program Documents or comparable documents and our proxy voting guidelines have been tailored to reflect these specific contractual obligations. Investors are not permitted to direct Fort Point how to vote these proxies. In accordance with SEC Rule 206(4)-6 of the Investment Advisers Act of 1940, Fort Point will provide a copy of our proxy voting policy to any investor in a Private Fund, or any other Client or prospective client, upon request. Clients or investors may request a copy of our proxy voting policy, by contacting Fort Point using the contact information on the cover page of this brochure.



Item 18 – Financial Information

Fort Point has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients. Additionally, Fort Point has not been the subject of a bankruptcy petition.