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Form ADV Part 2A
Firm Brochure

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This brochure provides information about the qualifications and business practices of BlueArc Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 404-419-6130 and/or ir@bluearccapital.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.

Additional information about BlueArc Capital Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for BlueArc Capital Management, LLC is 167233.

BlueArc Capital Management, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

ITEM 2: SUMMARY OF MATERIAL CHANGES

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment, dated December 18, 2023, we do not have any material changes to our Form ADV.

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ITEM 4: ADVISORY BUSINESS

General Description

BlueArc Capital Management, LLC (collectively with its affiliates “BACM” or the “Firm”) was founded in August 2005 and is headquartered in Atlanta, Georgia. BACM is wholly owned by BlueArc Capital, LLC, a diversified financial services firm whose other subsidiaries include a private equity business, real estate business, and private debt business.

Another subsidiary of BlueArc Capital, LLC, BlueArc Special Situations Credit Management, LLC, (“BSSCM”) is included as a relying adviser on this brochure. BSSCM shares certain personnel and corporate overhead with BACM and is subject to BACM’s policies and procedures.

BACM’s (801-79523) registration with the Securities and Exchange Commission (“SEC”) as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended, was approved on April 8, 2014. This registration does not imply any level of skill or knowledge.

The principal owner of the Firm is Ronald Zazworsky, Jr. Please see **Item 10: Other Financial Industry Activities and Affiliations** for a list of all Investment Advisory Affiliates.

BACM’s Advisory Services

BACM, either directly or through its subsidiaries, provides advisory services to private fund clients and consulting, research, and non-discretionary advisory services to other clients. Advisory clients and clients that are private funds are referred to herein as “Clients”. Clients that are private funds are also referred to herein as “BlueArc Funds”. This brochure may also from time to time refer to investors within the funds as “Fund Investors”. In its capacity as the manager and investment adviser to a BlueArc Fund, the Firm provides management services and investment advice, as applicable, solely to the applicable BlueArc Fund, and not to individual Fund Investors.

The descriptions set forth in this brochure of specific advisory services that we offer to our Clients, and investment strategies pursued and investments made by us on behalf of our Clients, including the BlueArc Funds, should not be understood to limit in any way our investment activities. We may offer any advisory services, and, in the case of BlueArc Funds, engage in any investment strategy and make any investment, including any not described in this brochure, that we consider appropriate, subject to each BlueArc Fund’s investment objectives and guidelines. We do not provide investment advisory services to any Client except pursuant to a written advisory agreement. The investment strategies we pursue are speculative and entail substantial risks.

Private Funds

BACM manages and advises several BlueArc Funds with varying strategies, including private equity, hedge, real estate, and private credit. Each BlueArc Fund includes investment guidelines and parameters as well as specific reporting requirements and accounting guidelines. Each BlueArc Fund is managed to the specific objectives of such BlueArc Fund and are not tailored to the individual needs of the Fund Investors.

The descriptions of the BlueArc Funds in this brochure, including the type of investments made and strategies used, fees and expenses charged, risk factors and conflicts of interests that may arise in BACM’s management of such funds and investments are qualified in their entirety by reference to each BlueArc Fund’s formal offering materials (e.g., the BlueArc

Fund's offering memorandum, memorandum and articles of association, limited partnership agreement or limited liability company agreement, and subscription document) provided to investors in the BlueArc Funds (collectively referred to herein as the "Offering Documents").

Consulting, Research, and Non-Discretionary Advisory Services

BSSCM, a relying adviser under common control with BACM, provides consulting, research, and non-discretionary advisory services to a limited number of Clients. Research and analysis of specific assets, along with any recommendations, are guided by the Client's individual situation, objectives, and criteria. BSSCM consulting, research and non-discretionary services are focused primarily on investments in corporate securities, loans, equity, debt, derivatives and other similar investments in the aviation industry and other related sectors as may be identified by the client's criteria.

Client accounts may or may not be continually supervised, as established in the Client's particular agreement; however, generally recommended assets purchased by the Client are monitored to ensure previous recommendations remain appropriate. Where BSSCM is not providing continuous supervision to an account, we consider the assets of the account to be assets under advisement rather than a part of our regulatory assets under management. As a part of these services, BSSCM may recommend an investment in a BlueArc Fund; however, clients are under no obligation to invest in any recommended product, including the BlueArc Funds. To date, no BSSCM client has invested in a BlueArc Fund.

Agreements to provide consulting, research, and non-discretionary advisory services are entered into on a limited basis, and the related terms and fees are negotiated separately for each case.

Assets Under Management

As of September 30, 2024, BACM has \$1,679,842,338 discretionary assets under management. BACM also has \$95,617,028 of assets under advisement.

ITEM 5: FEES AND COMPENSATION

Fund Investors are generally qualified purchasers, as defined in the Investment Company Act. As such, a detailed fee schedule is not included in this brochure. However, most Fund Investors pay one or more of the following fees:

Private Funds

Pursuant to the Offering Documents of each BlueArc Fund, BACM typically charges annual asset management fees. Management fees are generally charged monthly or quarterly in accordance with the parameters established in the offering memorandum for each fund and are deducted in advance from investor account balances by the fund administrator. Asset management fees generally range from 50 to 150 basis points and are earned on the value of invested capital of the BlueArc Fund or the capital committed or net asset value of the Fund Investor.

On certain open-ended funds, BACM also has the ability to charge incentive performance fees in addition to the annual asset management fees. In some cases BACM has historically waived these incentive performance fees. On specific closed-ended funds, BACM has the ability to charge a carried interest in addition to the annual asset management fees. Incentive performance fees and carried interest fees generally range from 5% to 20% and are earned on the net profit of the specific fund. Carried interest may be subject to certain return hurdles and or waterfall payment provisions, as noted the specific BlueArc Fund Offering Documents.

Annual asset management fees, incentive performance fees, and carried interest fees are negotiable. More details about these fees can be found in the BlueArc Funds' offering documents. Additionally, BACM has chosen to waive the management and/or incentive fees charged to Fund Investors who are also BACM employees.

In situations where it is determined that certain BlueArc Funds should hold other BlueArc funds that are consistent with the investment objective, the General Partner waives the management fee and carried interest for the existing Fund to ensure no "double-dipping" has occurred.

More detailed information about specific fees and expenses that BlueArc Funds may pay is provided in the Offering Documents for each specific fund. With respect to BlueArc Funds, each fund is typically responsible for any reasonable, out-of-pocket fees costs and expenses incurred by BACM related to the management and administration of the funds, such as the following non-exhaustive list of items:

- brokerage commissions
- custodial fees
- bank service fees
- administrative expenses
- valuation and appraisal expenses
- organizational expenses (including the cost of the offering and ongoing sale of fund interests)
- costs of winding-up a fund
- interest expenses
- financing costs
- investment-related expenses, including travel and due diligence expenses
- risk management expenses
- legal and compliance expenses
- auditing and tax preparation expenses
- accounting and operations expenses (including the cost of accounting software packages)
- extraordinary expenses (including litigation, indemnification and contribution expenses)

- taxes
- expenses related to unconsummated investments
- third party administrator expenses
- insurance costs
- fees and expenses of sub-advisers
- fees and expenses related to lending arrangements
- expenses related to the identification, evaluation, due diligence, holding, monitoring, and disposal of underlying investments
- cost of software in connection with investments (including fees of third-party software developers)
- fees and reimbursable expenses to members of a fund's Board of Directors
- expenses associated with Advisory Boards and meetings of the limited partners
- expenses relating to quantitative analysis and software management services
- fees and expenses of servicers of specific assets owned by a fund
- costs of research, information systems, software and hardware
- permissible overhead expenses, as applicable
- professional fees relating to investments (including expenses of consultants and experts)
- expenses associated with the distribution of reports and notices to investors.

Consulting, Research, and Non-Discretionary Advisory Services

As stated in **Item 4: Advisory Business**, BSSCM enters into agreements to provide consulting, research, and non-discretionary advisory services only under limited circumstances. The related terms and fees are negotiated on a case-by-case basis. Fees under these contracts can take on a variety of formats, including flat monthly or annual fee, performance or incentive fees, asset based fees, or any combination thereof. Additionally, various expenses, including but not limited to travel, data services, and software, may be negotiated into the contracts on an ad hoc basis.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

BACM charges performance-based fees on certain BlueArc Funds, as discussed further in **Item 5: Fees and Compensation**. BACM advises both performance-fee-paying funds and non-performance-fee paying funds at the same time. In this situation, BACM has an incentive to favor a fund for which a performance fee is charged and may be incentivized to focus more time on and provide enhanced management services to funds that pay a performance fee.

These conflicts can be avoided because BACM does not currently manage any other accounts in the same manner or with the same investment objectives as the BlueArc Funds and by pre-existing, well-defined trade allocation policies.

ITEM 7: TYPES OF CLIENTS

As described above in **Item 4: Advisory Business**, BACM's clients include private funds. On a separate basis, BSSCM currently advises institutions. Each BlueArc Fund has a minimum allocation requirement of between \$100,000 and \$600,000 (allocations of less than the minimums stated in each Fund's PPM may be accepted at BACM's sole discretion). BACM requires the Fund Investors meet certain qualifications in order to invest in the BlueArc Funds. In all cases, Fund Investors must be accredited investors and in many cases must also qualify as qualified clients or qualified purchasers (except for certain BACM personnel who qualify as "knowledgeable employees" under the Investment Company Act).

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

BSSCM provides consulting, research, and asset allocation services to single-family offices, multi-family offices, and institutions. Depending on the clients' investment strategy and risk tolerance level, BSSCM may advise its client to invest in a single security or a variety of securities.

With respect to investments in fund strategies (whether advised by BACM or a third-party), BACM assesses a series of due diligence points that relate to the performance of the specific strategy. Those due diligence points include, but are not limited to, items such as general investment philosophies, nature of the securities that are targeted for investment, diversification of the securities portfolios, leverage amounts of the portfolios, risk exposure levels of the portfolios, analysis of various risk metrics, investment team performance and experience, tenure of the investment team, operational and back-office infrastructure, performance track record and analysis, investment research process, third-party vendors, financial controls, counter-party risks, and other pertinent aspects of the investment strategy and operations. Investing in fund strategies involves varying levels of risk which Fund Investors and clients should be willing to bear. Such risks include, but are not limited to, portfolio team risk, market risk, portfolio selection risk, financing and portfolio leverage risk, operational risk, domestic and global economic risks, credit market risks, real estate risks, legal and regulatory risks, and other risks that generally affect values of publicly-held securities.

Investing in private funds involves risk of loss that the investor should be prepared to assume. These losses may include the loss of principal; a reduction in earnings (including interest, dividends and other distributions); and the loss of future earnings. Such risks may also include, without limitation:

- concentration risk
- credit risk
- derivatives risk
- equity risk
- fixed income risk
- foreign investment risk
- high yield risk
- leveraging risk
- liquidity risk
- management risk
- market risk
- new offering with no operating history risk
- repurchase policy risks
- small and medium capitalization company risk
- funds risk
- issuer and non-diversification risk

A more detailed description of the risks associated with each particular investment strategy is included in the Offering Documents of the respective BlueArc Fund, a copy of which is provided to prospective Fund Investors and should be carefully reviewed prior to investing in the BlueArc Funds.

ITEM 9: DISCIPLINARY INFORMATION

Neither BACM nor any BACM management person has been involved in any legal or disciplinary action that would affect a client's or prospective client's evaluation of its advisory business or the integrity of its management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

In addition to his position as a Founder and Chief Executive Officer of BlueArc Capital Management, LLC, Ronald Zazworsky, Jr. is the principal owner of BlueArc Capital, LLC, a diversified financial services firm whose subsidiaries offer private funds, private equity, real estate, special situations, and private debt products and services. BACM is wholly owned by BlueArc Capital, LLC.

BSSCM is 50% owned by BlueArc Capital, LLC, and under common control with BACM. As previously noted, BSSCM provides investment advice on a non-discretionary basis. As an investment adviser relying on BACM's registration, the employees of BSSCM are subject to the policies and procedures and code of ethics of BACM and the two firms share certain operational functions.

BACM has ownership in the following entities:

- BAC-MP Fund Management, LLC
- BlueArc Global Macro Fund Management, LLC
- BlueArc Alternatives Fund Management, LLC
- BlueArc Private Investments Management, LLC
- BlueArc Credit Alternatives Fund Management, LLC
- BlueArc Real Estate Investments Management, LLC
- BlueArc Core Alternatives Management, LLC
- BlueArc Global Alternatives Management, LLC
- BlueArc Select Equities Management Holdings, LLC
- BGPCOF GP LLC

BACM is the principal owner of the above-listed management companies. As mentioned previously, BACM, on a non-discretionary basis, may recommend that certain advisory clients meeting applicable requirements consider allocating a portion of their investment assets to the affiliated funds. Our clients are under absolutely no obligation to either consider or make an investment in any of the BlueArc Funds.

Where BACM serves as co-investment manager for a BlueArc Fund, the responsibilities of portfolio management for the BlueArc Fund are shared with an unaffiliated investment adviser. BACM, or an affiliated, wholly owned subsidiary of BACM remains responsible for management of all other aspects of the BlueArc Fund, including legal, regulatory, administration, and investor relations. In these relationships, management fees paid by the funds are typically shared between the co-investment managers based on the terms of the Investment Advisory Agreement. Such co-investment manager relationships do not result in additional fees being charged to the BlueArc Funds over and above the fees noted in the BlueArc Fund's Offering Documents.

BACM has a relationship with one or more unaffiliated investment advisors (the "Unaffiliated Advisors") whereby the Unaffiliated Advisors receives a portion of the management and incentive fees (if applicable) earned by some of the affiliated management companies noted above. These fees are paid to the Unaffiliated Advisors by the affiliated management companies and not the BlueArc Funds. Such agreements do not result in additional fees being charged to the BlueArc Funds over and above the fees noted in the BlueArc Fund's Offering Documents.

Principals or other employees of the Unaffiliated Advisors or other investment advisors where BACM or its affiliates has a relationship may be a Fund Investor in one or more of the BlueArc Funds. To address potential conflicts, such investors do not have any individual preferential treatment compared to other investors in the same fund.

In each of the entities noted above, a BACM affiliated management company receives compensation. A conflict of interest exists where there is a financial incentive for us to recommend that Clients invest in these funds over funds similar to these because of the additional compensation we or our affiliates receive, when in fact other funds for which we do not receive compensation may be more appropriate or less costly.

We address conflicts of interest in several ways. Initially, we strive to disclose any conflict of interest we believe may be material to an investor's decision-making process. Investors are given the opportunity to review and consent to this information prior to making an investment decision. We have a process in place so our investment decisions, capital allocations, and recommendations for capital allocations have been made only after we have performed what we believe to be thorough due diligence. During this process we consider factors we believe to be relevant for an investment decision, including the nature of the conflicts, the process to mitigate those conflicts, and the appropriateness of the investment. Our team performs ongoing due diligence on all investments to determine whether our Clients should continue holding an investment. We require our advisory affiliates to adhere to our Code of Ethics, conduct periodic reviews of personal and client accounts, conduct annual reviews of our overall compliance program, and have our Chief Compliance Officer ("CCO") review conflict situations.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

Code of Ethics

The Firm's Code of Ethics is based on the principle that our employees owe a fiduciary duty to our Clients and must avoid activities, interests and relationships that might interfere or appear to interfere with making investment decisions in the best interests of any Client. Among other things, the Code requires compliance with BACM's personal securities transactions procedures including pre-clearance of certain securities transactions, compliance with federal securities laws, and the reporting of personal securities transactions by all employees of the Firm. All employees must comply with the conflict of interest policies which include ethical restraints relating to Clients, such as restrictions on accepting gifts from clients and restrictions on political contributions. On at least an annual basis, all employees are required to provide written acknowledgement of their receipt and understanding of the code of ethics and any amendments thereof. Any violations of BACM's Code of Ethics are required to be reported promptly to BACM's CCO. A copy of the Firm's Code of Ethics is available to any client or prospective client upon request.

Interest in Client Transactions

We may advise Clients on the purchase of the BlueArc Funds. A conflict of interest exists to the extent the total compensation to BACM is increased. There is also a conflict that greater asset levels are likely to attract more investment dollars. Clients who purchase BlueArc Funds pay only the fees and expenses associated with the applicable BlueArc Fund, not for the advice to purchase the BlueArc Fund. A description of the risk factors and fees (management fees and incentive compensation), is set forth in each of the BlueArc Funds respective Offering Documents. Our Clients are informed of our relationship to the BlueArc Funds and clients are not required to purchase funds managed by us.

Additionally, an existing BlueArc Fund can invest in other newly formed investment vehicles that have similar investment objectives and in a manner, that is consistent with the existing BlueArc Fund. For these investments, the General Partner waives any management fees and carried interest for the existing Fund that it may have received from the newly formed investment vehicles since these are duplicative and could be considered "double-dipping".

Personal Trading

Our employees are permitted to engage in personal securities transactions. These transactions raise potential conflicts of interest if they were to trade in a security that is owned by a Client or considered for purchase or sale to a Client. We have adopted policies and procedures that are intended to address these conflicts of interest. Employees may buy or sell securities only if their personal transactions conform to our written policies.

Side Letters

BACM can provide more favorable treatment to certain Fund Investors over other Fund Investors in the same Fund. Such arrangements establish rights under, altering, or supplementing the terms of the limited partnership agreements, subscription agreements and offering memorandum of the affected Funds or be unrelated to a Fund. Certain arrangements can be granted to incentivize or permit Fund Investors to invest in a Fund, invest certain amounts, or invest with BACM in the future.

ITEM 12: BROKERAGE PRACTICES

Generally, we do not select or recommend broker-dealers for client securities transactions in relation to the management of client accounts. BACM has authority to establish a brokerage account for certain BlueArc Funds, as detailed in the specific BlueArc Fund Offering Documents. Such accounts are utilized to facilitate trading of investments which meet the specified investment strategy, either as part of the strategy or on a short-term basis while due diligence is being performed on a potential underlying fund. Because this trading typically represents assets of a de minimis value to the BlueArc Fund's portfolio and/or limited trades are executed, BACM does not trade using a best execution approach to the brokerage accounts, nor do we utilize block trading. BACM regularly reviews the trades and expenses related to each brokerage account to ensure expenses are reasonable for the activity presented. The brokerage accounts are established via an executed agreement between the applicable BlueArc Fund and Interactive Brokers, LLC. BSSCM does not have authority to open brokerage accounts on behalf of its Clients.

Research and Other Soft Dollar Benefits

Many of the underlying funds in which the BlueArc Funds invest may enter into so-called "soft dollar" arrangements, under which securities firms would provide or pay the costs of certain services, equipment, or other items for the benefit of the fund, the manager, investment manager, the underlying funds' managers, or one or more of their affiliates, in consideration of the allocation to the firm of portfolio transactions (with resulting commission income or profit) or commissions made on behalf of or with the fund or their underlying funds. The services, equipment, and other items provided or for which payment is otherwise made using such soft dollar and brokerage service arrangements on behalf of the manager, investment manager, the underlying funds' managers or one or more of their affiliates, may include, without limitation: prime brokerage services; written and oral information and analyses concerning specific securities, companies, or sectors; market, financial, statistical and economic studies and forecasts; proxy voting services; independent pricing services; computer hardware, software and services, and other office equipment and services used in the management of the fund and other client portfolios or for fund or other client portfolio analysis, record keeping or reporting; investment research consulting fees and charges; fees and charges for news wire, data processing, internet service provider, data access line and other communications services; investment manager, fund and manager attorneys', accountants', bookkeepers' and administrators' fees and expenses; client and investor referrals; offering expenses (including without limitation fees and expenses of attorneys and accountants, filing fees, printing and mailing costs); the fund's proportionate share of conference and travel expenses related to fund and other client investment research; quotation services; periodical subscription fees; custody, record keeping and similar charges. Any such soft dollar payments would not reduce the amount of the management fees payable to the manager and its designees. Any of these soft dollar arrangements could benefit the fund by reducing expenses or benefit the manager, investment manager, the underlying funds' managers or one or more of their affiliates without any direct benefit to the fund. The soft dollar arrangements may also provide an incentive to trade more actively to generate balances available to pay eligible expenses. While the BlueArc Funds have the ability to enter into soft dollar arrangements, we do not currently have any such arrangements.

Block Trades

Because we execute brokerage transactions on a limited basis as noted above, we do not utilize block trading. Additionally, we do not execute transactions on behalf of the underlying fund investments or on sub-advised funds and, therefore, have no control over whether the underlying trades are aggregated or not aggregated. The underlying fund's offering memorandum and firm brochure of the fund's investment adviser or sub-adviser contains specific information on whether they aggregate the purchase or sale of securities for client accounts.

ITEM 13: REVIEW OF ACCOUNTS

BACM's Managing Directors monitor the portfolio holdings of the BlueArc Funds on an ongoing basis. Fund Investors receive monthly or quarterly unaudited statements from the fund administrator where applicable. Annually, Fund Investors will receive audited financial statements within 180 days of the end of the year. In addition to the financial statements, clients and Fund Investors may also receive results of operation, transaction history, performance, and other matters on a monthly or quarterly basis. BSSCM consulting, research, and non-discretionary advisory clients receive periodic holdings and performance reports as separately negotiated.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

In addition to the economic benefit received from our relationship with Unaffiliated Advisors described under **Item 10: Other Financial Industry Activities and Affiliations**, BACM currently uses third party solicitors and, in the future, may enter into additional written arrangements with third parties to act as solicitors for BACM's investment advisory business. All such compensation is fully disclosed to each client and activities are conducted in accordance with applicable laws. In general, third-party solicitors may receive a portion of the fees otherwise payable to BACM or its affiliated management companies. BACM is eligible to receive referral fees for introducing clients to other investment advisors with which we have a signed referral agreement.

ITEM 15: CUSTODY

Either TD Bank or SouthState Bank is the qualified custodian of the cash assets of each BlueArc Fund. Some BlueArc Funds also hold certain assets through a brokerage account with Interactive Brokers. Additionally, National Financial Services, LLC (“NFS”) serves as the qualified investment custodian on two BlueArc Funds, through the relationship between the Sub-Adviser and NFS. BACM has custody of the BlueArc Fund’s cash and securities because our affiliates serve as the manager of the funds we advise. Additionally, as fund manager, our affiliates have the authority to pay fees and expenses and buy and sell securities on behalf of each BlueArc Fund. Audited financial statements are prepared in accordance with generally accepted accounting principles and are delivered annually to all Fund Investors within 120 or 180 days (in the case of fund-of-funds) of our funds’ fiscal year end.

The custodians, brokers, and the underlying funds provide the independent administrator of each BlueArc Fund with regular reports on the assets held on behalf of the respective BlueArc Fund. The administrator calculates the advisory fees, confirms the value of each BlueArc Fund’s account assets with BACM and provides Fund Investors with regular reports regarding their respective investments.

ITEM 16: INVESTMENT DISCRETION

BACM offers advisory services on both a discretionary and a non-discretionary basis. When we service a Client's account on a discretionary basis, we do not need advance approval from the Client to determine the timing, type, and amount of securities to be bought and sold for the account. BACM has discretion over the BlueArc Funds' assets. In selected cases, such investment discretion may be placed with a sub-adviser based on a clearly identified and systematic approach as outlined in the Offering Documents of the BlueArc Fund. In these instances, the role of BACM and the Sub-Adviser is documented in a Sub-Advisory Agreement. A Client's account serviced on a non-discretionary basis requires approval prior to the purchase or sale of any investments. BACM does not have discretion over advisory services provided to Clients outside of the BlueArc Funds it advises.

We may only exercise discretion if our Client has provided that authority to us in writing. Upon engaging BACM to manage a specific investment, a comprehensive investment management agreement is executed which includes details of both the account investment objectives and guidelines and the powers of authority delegated to BACM by the Client. If BACM were to recommend an investment outside of the pre-established guidelines included within the investment management agreement, a new agreement shall be sought from the applicable Client(s).

ITEM 17: VOTING CLIENT SECURITIES

Because of the nature of the securities held by the BlueArc Funds, we do not engage in proxy voting. In the event equity-like voting issues are presented to us, we will adopt a proxy voting policy and otherwise comply with the requirements of the Investment Advisers Act.

On occasion, BACM may receive notices regarding class action lawsuits involving securities that are or were held by Clients. As a matter of policy, BACM generally refrains from serving as the lead plaintiff in securities class action matters and refrains from submitting proofs of claim where BACM believes the recovery amounts are likely to be negligible. BACM cannot be assured of confidential treatment of the data submitted in connection with the proof of claim, or BACM otherwise believes it is not in the best interests of one or more Clients for BACM to be involved in such a claim. BACM makes these determinations in its sole discretion. As a result, BACM in some cases does not participate in class action securities lawsuits in which it may be entitled to participate. If BACM does participate in a class action securities lawsuit and later receives any recovery amounts, those amounts will be credited to the participating Clients at the time the recovery amounts are received. This may be materially after the relevant conduct alleged in the lawsuit took place and Fund Investors in the relevant Client, have redeemed their interests (to the extent such Client is an open-end Private Fund.). As such, Fund Investors who have already redeemed interests at the time that the recoveries are received by the Client will not receive the benefit of those recoveries.

ITEM 18: FINANCIAL INFORMATION

BACM is not aware of any financial condition likely to impair its ability to meet contractual commitments to clients. BACM is not and has not been subject to a bankruptcy petition at any time.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISORS

We are a federally registered investment adviser; therefore, we are not required to respond to this item.