

# Imprint Capital Advisors, LLC

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Form ADV, Part 2; our “Disclosure Brochure” or “Brochure” as required by the Investment Advisers Act of 1940 is a very important document between Clients (you, your) and “Imprint Capital Advisors, LLC” (us, we, our). This Brochure provides information about our qualifications and business practices.

*This brochure provides information about the qualifications and business practices of Imprint Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 415.982.5900 or [charla@imprintcap.com](mailto:charla@imprintcap.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.*

*Additional information about Imprint Capital Advisors, LLC also is available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link, select “investment adviser firm” and type in our firm name).*

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

## Item 2 – Material Changes

### 1. Initial Filing on March 30, 2011:

- a. This is our “initial” filing of what we regard as “The New Part 2” of our Form ADV. As a result, this Document, dated March 30, 2011 is brand new. This document was developed in response to new requirements adopted and imposed by the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940 (IA Act). As a result, this Disclosure Brochure is substantially different from previous versions and includes disclosures not specifically required by the Old Part II.
- b. As a result, this “Brochure” should be considered “materially new” although you will recognize most of the disclosures as similar or identical to what you have read in the past. New Disclosures in this document include those items previously not requested, including:
  - i. New Discl 1
  - ii. New Discl 2
  - iii. New Discl 3, and
  - iv. The elimination of Part II, Pages 1-6 (or the old check the box pages).

2. In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).
3. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).
4. If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, Taylor Jordan at 415.982.5900 or [taylor@imprintcap.com](mailto:taylor@imprintcap.com)

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## Item 4 – Advisory Business

### Description of Advisory Services:

- A. Our firm was established and formed as a Limited Liability Company by the State of Delaware on July 7, 2007 and registered as a Limited Liability Company with the State of California on July 18, 2007. John Goldstein and Taylor Jordan are Co-Founders and each own 50% of the company. We had \$222 million in Assets Under Advisement as of March 30, 2011. We calculate Assets Under Advisement based on dedicated client mandates where we have advised on the deployment of capital. As such, we have mandates with clients who have not yet deployed capital whose assets are not included in this figure. We operate offices both in San Francisco, CA at 353 Sacramento Street and New York City, NY at 80 Broad Street.
- B. We provide non-discretionary investment advisory services on “mission” or “impact” investing. Impact investing is the practice of making investments that can generate financial returns while achieving positive social and/or environmental impact. We help you develop impact investment programs and strategies; research investment opportunities; and perform due diligence on and recommend specific investments that meet your objectives. You make all investment decisions and we do not take custody of your assets. We also provide portfolio management support as you require, which often includes financial monitoring and mission reporting.
- C. We tailor our advisory services to your individual needs. This typically includes specific objectives for or restrictions on the type of investments we can recommend. These objectives and/or restrictions cover a range of parameters including mission objectives, geographic targeting, asset class, and risk-return profile. We work with you to understand your specific goals and objectives and identify the most appropriate benchmarks for measuring financial and mission performance.
- D. We do not participate in wrap fee programs
- E. We do not manage client assets on a discretionary basis

## Item 5 – Fees and Compensation

A. We charge clients the following types of fees:

- a. A flat fee based on the type and level of service we provide you. This flat fee can be structured on a project basis, as an ongoing retainer or per individual investment recommendation.
- b. A percentage of the assets we are advising you on

We currently do not have a set fee schedule given the variability of our client needs and the customized nature of our work with you.

- B. We will bill you for fees incurred based upon the agreed upon rate, calculation method and frequency as outlined in our Investment Advisory Agreement with you. We generally bill you on a monthly or quarterly basis or upon completion of a project depending upon the scope of work. You will pay us by check or wire transfer within 45 days of the date of the invoice. We will not deduct fees directly from your account.
- C. We may bill you additional fees, including reimbursement for costs incurred including travel, based on the specifics of the scope of work and Investment Advisory Agreement. As we do not take custody of your assets, we do not charge custody, brokerage, or other transactional fees.
- D. We may have you pay us in advance although most of our clients pay us in arrears. Our advisory contracts allow you to terminate our relationship per the terms of the Investment Advisory Agreement. Typically, you must provide us with 3 months advance notice of intent to terminate our agreement. We do not provide for refunds.
- E. We are a “fee only” investment advisor and do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

We currently do not charge performance-based fees.

## **Item 7 – Types of Clients**

We provide our services to the following types of clients:

- Charitable organizations including public and private foundations
- Wealth advisors
- Accredited individuals
- Family offices
- Corporations or other business entities

We do not have a set minimum account size but typically work with clients that have more than \$5 million to allocate in impact investments.

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

- A. Investments involve risk of loss that you should be prepared to bear. We recommend investments across a range of asset classes, geographies, and types based on your objectives. We complete due diligence on each investment recommended and utilize the following methods of analysis: review all relevant materials and financials; perform reference calls; interview key principals; perform a site visit as needed; develop a financial model where appropriate; review legal terms; and perform background checks as warranted. The above analysis is summarized in an investment memorandum, which we provide to you for your consideration. We may also summarize due diligence in a presentation for your review.

We utilize a structured process for evaluating prospective opportunities before recommending investments to you. This includes formal due diligence checklists which are used to track and manage the due diligence process and a regular internal investment meeting to review due diligence and make investment recommendations. Our entire team participates in investment meetings but investment recommendations are ultimately made by our Managing Directors.

- B. We recommend investments across asset classes and geographies. To date, we have recommended investments in cash deposits at federally insured banks and credit unions, in private debt and equity funds, in mutual funds and separately managed accounts, in hedge fund structures, and in direct debt and equity transactions. We have recommended investments in both the United States and internationally including Emerging Markets. There are risks to all of these investments and you may suffer a loss of principal. Financial markets fluctuate over time and we cannot guarantee any level of performance or that you will not experience a loss. More specifically, there are risks associated with each asset class:
- a. Cash. We typically recommend cash deposits that are fully insured by the FDIC or NCUA. However, from time to time, we recommend cash investments that are not federally insured which would expose you to potential loss of principal.
  - b. Fixed Income. Fixed income investments are primarily exposed to credit risk (the risk that borrowers creditworthiness deteriorates or are unable to make principal and interest payments



- in a timely manner) and interest rate risk (the risk that interest rate changes negatively affect the value of fixed income investments). You may lose principal when investing in fixed income.
- c. Equity. Equity investments in public companies are primarily exposed to market risk (the risk that investments depreciate because of stock market dynamics) and security risk (the risk that company securities lose value due to company specific factors including bankruptcy). There is a high likelihood of losing principal when investing in equity.
  - d. Hedge Funds. Hedge funds represent a range of investment strategies and are typically characterized by their common, performance based fee structure. Depending upon the strategy, hedge funds may be exposed to the asset class risks described herein. In addition, hedge funds may be exposed to unique risks including leverage (borrowing money to increase returns with a corresponding increase in risk); short selling (borrowing securities to profit from their decline); securities (many hedge funds focus on inherently riskier investments in areas such as high yield bonds, distressed securities, very small companies, etc.); lack of transparency (hedge funds are private entities with few public disclosure requirements); and conflict of interest (performance fee incentives hedge funds to construct portfolios of higher risk than would otherwise be taken). There is a high likelihood of losing principal when investing in hedge funds.
  - e. Private Equity. Private equity investments entail substantial risk of loss of principal and should be considered illiquid, long-term investments. Primary risks include:
    - i. Identifying and participating in attractive private equity investments and assisting in the building of successful enterprises is difficult. There is no assurance that investments will be profitable and there is a substantial risk that losses and expenses will exceed income and gains.
    - ii. Private equity investments are illiquid in nature and are often not marked to market on a regular basis. Valuations also tend to be negative in earlier years due to start up costs, fees and write-offs.
    - iii. Investments in private equity is a long term commitment and there is no assurance of any distributions.

- iv. Changes in law, regulatory risks and competitive pressures could negatively impact private equity investments.
    - v. Leverage may be used, increasing risk of loss of principal.
  - f. Real Assets. Real assets include physical assets such as real estate, timber, and commodities. Real asset investments entail risk of loss of principal and may be illiquid, long-term investments. Investing in commodities and precious metals is speculative and prices are affected by factors such as cyclical economic conditions, political events and monetary policies of various countries. Investing in real estate is affected by changes in the value of the underlying property, which may be subject to heavy cash flow dependency, default by borrowers and self-liquidation. Changes in interest rates may also negatively impact real asset investments.
- C. Material risk is greatest for investments we recommend in private debt and equity (illiquid, long-term investments with potential for complete loss of principal), in higher risk liquid investments in areas such as high yield bonds and small cap equities (increased volatility and potential for loss of principal), and in emerging markets (substantial political, regulatory, currency, and lack of information risks).
- D. We are focused on meeting your specific needs and do not primarily recommend a particular type of security.

## **Item 9 – Disciplinary Information**

We do not have any legal, financial or other “disciplinary” items to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client / Adviser relationship with us. This statement applies to our Firm and every employee.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Our only business is advising clients on impact investing. We do not receive compensation or economic benefit from related parties or persons that are not clients.

- A. We are not a broker dealer and none of us are registered or has an application pending to register as a broker dealer
- B. We are not registered or have an application to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor
- C. We do not have a relationship or arrangement that is material to our advisory business or to you with any related parties that would create a material conflict of interest. We do not have relationships or arrangement with any of the following related parties: a broker-dealer; municipal securities dealer; government securities dealer or broker; investment company or other pooled investment vehicle; futures commission merchant; commodity pool operator or commodity trading advisor; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; sponsor or syndicator of limited partnerships.
- D. We have investment advisor clients that pay us for our impact investment advice and recommendations. To the extent that we approach a prospective client together, whereby the investment advisor provides traditional advisory services and we advise on impact investments, we may be compensated from the advisor for such services. For example, if an accredited individual is looking to receive both traditional advisory services and advice on impact investments, she may hire an investment advisor who then engages us to support her impact investment needs.

## Item 11 – Code of Ethics

There is the possibility that, we will recommend that you buy investment products in which we have financial interest, as well as investing (either personally or as a firm) in the products which we recommend to you. We will discuss and disclose any conflict of interest to you, and will never solicit you to invest in any company where there is a conflict of interest.

In an effort to avoid conflicts of interest and to protect you from improper behavior, we have adopted a series of policies compiled in a compliance manual that constitutes our code of ethics (the “Code”). An additional benefit of our Code is to detect and prevent investment advisory violations, including our obligations we owe to you.

Our Code is comprehensive, is distributed to each employee at the time of hire, and annually thereafter. We also supplement the Code with on-going monitoring of employee activity.

Our Code includes the following:

- Requirements related to the confidentiality of you (Client);
- Prohibitions on:
  - Insider trading (if we are in possession of material, non-public information);
  - Rumor mongering;
  - The acceptance of gifts and entertainment that exceed our policy standards;
- Reporting of gifts and business entertainment;
- Pre-clearance of employee and firm transactions;
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by regulation); and

- On an annual basis, we require all employees to re-certify our Code and identify members of their household and any account to which they have a beneficial ownership (they “own” the account or have “authority” over the account), securities held in certificate form and all securities they own at that time).

Our Code does not prohibit personal trading by employees (or our firm). As you may imagine, as a professional investment adviser, we follow our own advice. As a result, we will, at times, make investments that we recommend. We will disclose any potential conflict of interest before recommending an investment to you.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; Attn.: Chief Compliance Officer.

## **Item 12 – Brokerage Practices**

We are a non-discretionary investment advisor and do not conduct any broker-dealer activities. We do not make recommendations regarding brokers to you.

### **Item 13 – Review of Accounts**

- A. We generally review our investment recommendations on a quarterly or semi-annual basis. Reviews are completed by Managing Directors and typically include a review of reports and a phone or in person meeting with the investee.
- B. A non-regular review may be triggered by a change in management, deterioration in financial condition, investment underperformance, or change in mission.
- C. We provide reports to clients for their review, typically on a quarterly basis. Our reports include a summary of investment performance and analysis of individual investments. In some cases, we may also provide a summary of mission metrics. These reports are written and rely substantially upon information provided by you or your custody provider.



## **Item 14 – Client Referrals and Other Compensation**

- A. As described in Section 10 – D, we have joint clients with investment advisory firms whereby we are paid to advise on the clients' impact investments
- B. We do not receive any form of compensation for client referrals

## **Item 15 – Custody**

We are non-discretionary advisor and do not take custody of your assets

## **Item 16 – Investment Discretion**

We are non-discretionary advisor and do not have authority to make investment decisions on your behalf.

## **Item 17 – Voting Client Securities (i.e., Proxy Voting)**

We do not vote proxies on your behalf.

## **Item 18 – Financial Information**

- A. We do not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance.
- B. We do not have discretionary authority or custody of your funds or securities.
- C. We have not been subject of a bankruptcy petition at any time.

## Item 19 – Requirements for State-Registered Advisers

A. Our principal executive officers and management persons are as follows:

- John Goldstein: Co-Founder and Managing Director
  - Education: Bachelor of Arts in History and Ethics, Politics, and Economics from Yale University.
  - Business Experience: Medley Partners (2005-2006), Medley Global Advisors (1999-2005).
- Taylor Jordan: Co-Founder and Managing Director
  - Education: Bachelor of Arts in Economics from Colorado College
  - Business Experience: Director of Investments at RSF Social Finance (2003-2007), Executive Director of The Waldorf Alliance (2001-2002).
- Melissa Cheong, Principal
  - Education: Bachelor of Arts in Political Science from the University of Chicago, and a Masters in Business Administration from Columbia Business School
  - Business Experience: Vice President at Plainfield Asset Management's Direct Lending and Investing Group (2006-2008), Senior Associate and founding member of Briscoe Capital Partners (2003-2006), Financial Analyst in the Financial Sponsors and Leveraged Finance groups at Deutsche Bank (1992-2002).

B. We are not actively involved in any other business. We do, however, sit on a variety of not-for-profit boards, which, on average, take less than 5% of principal executive officer and management persons' time. John Goldstein sits on the board of GlobalGiving UK. Taylor Jordan sits on the boards of the Cricket Island Foundation and the Center for the Development of Social Finance.

C. Principal executive officers and management persons are not individually compensated by performance based fees.