



**FORM ADV  
PART 2A**

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This Brochure provides information about the qualifications and business practices of Blueprint Capital Advisors LLC (“Blueprint”) an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). If you have any questions about the contents of this Brochure, please contact Blueprint’s Chief Compliance Officer at 212-390-1155 or [compliance@bcaalternatives.com](mailto:compliance@bcaalternatives.com). The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Registration with the SEC does not imply a certain level of skill or training.

Information about Blueprint is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2.       Material Changes**

As this is the initial filing of Blueprint's Form ADV, there are no material changes to report.

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## **Item 4. Advisory Business**

### Our Business

Blueprint Capital Advisors LLC (“Blueprint” or the “Firm”) was formed on April 24, 2013 and commenced business on July 2015 for the purpose of providing investment advisory services. Blueprint is a Delaware limited liability company with its principal place of business in New York, New York. Blueprint serves as the investment adviser to various Blueprint investment vehicles. References to “clients” are primarily to the investment vehicles we manage and advise, unless otherwise specified. References to “investors” are to the investors in those investment vehicles.

Jacob Walthour, Blueprint’s Chief Executive Officer; Carrie Pickett, Blueprint’s President and Chief Compliance Officer; and Egidio (Ed) Robertiello, Blueprint’s Chief Investment Officer, are the principal owners of Blueprint. As mentioned in Schedule D of Blueprint’s Form ADV Part 1, the ownership of Blueprint (the investment adviser itself) will be undergoing changes in the near future and once the ownership percentages are final, the Firm will file an other-than-annual amendment to its Form ADV Part 1.

Blueprint’s client relationships include the following:

- Blueprint CAP I, LP (“Blueprint CAP” or the “Fund”) is a Delaware series limited partnership that serves as the master fund vehicle for Blueprint and will issue one or more series of limited partnership interests, having separate rights, powers, duties and obligations (each such series, a “Series”).
- Blueprint GP I, LLC (the “General Partner”) is a Delaware limited liability company that serves as the General Partner to the Fund. Blueprint is filing a single Form ADV together with its relying adviser and General Partner, in reliance on the position expressed in the 2012 ABA No-Action Letter.

### Our Fund and General Partner

Blueprint CAP has been formed to facilitate investments by qualified investors in various alternative investment strategies. Blueprint or the General Partner may invest in a commingled vehicle or establish vehicles and entities for alternative investment strategies and as such, investors may elect to have exposure to one or more strategies.

Generally, the Fund is an alternative investment platform intended to offer investment strategies that have low correlation to the broad equity and fixed income markets. However, certain strategies offered may have significant exposure and correlation to such markets. The Fund will invest in multiple specific strategies (e.g., equity long/short, credit, global trading, special situations, royalty streams, alternative lending, industry or geography specific).

The Fund is exempt from registration as an investment company in reliance on Section 3(c)(7) of the Investment Company Act of 1940, as amended. Additionally, any Series or sub-fund of the

Fund will be exempt from registration as an investment company in reliance on Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940.

### Our Services

Blueprint serves as investment adviser to the Fund. Generally, Blueprint enters into one or more agreements with alternative investment managers to execute a selected strategy and serve as a sub-advisor (“Sub-Advisor”) to each established Blueprint vehicle. When appropriate, Blueprint will achieve exposure to the Sub-Advisor through commingled vehicles.

Each Series offered on the platform generally will invest in sub-funds (each a “Sub-Fund”) managed by a third-party Sub-Advisor, that will generally not be affiliated with the Firm. Blueprint will be responsible for selecting, and for overseeing the Sub-Fund’s engagement of, each Sub-Advisor on behalf of each corresponding Series of the Fund. However, each Sub-Advisor will have complete investment discretion with respect to the assets of the Sub-Fund it advises pursuant to the terms of the sub-advisory agreement entered into between the managing member of the Sub-Fund on behalf of such Sub-Fund and such Sub-Advisor, subject to the investment strategy and any investment restrictions set forth in the applicable Sub-Fund supplement.

The specific terms of each Series will be described in the relevant Series supplement, along with any variation from the terms set forth herein. It is currently expected that each Sub-Fund will be formed as a separate Delaware limited liability company. Blueprint or an affiliate thereof will serve as the managing member for each Sub-Fund and will retain the Sub-Advisor through a sub-advisory agreement.

The Sub-Advisor is responsible for determining the specific securities and other investments to be bought and sold and arranging the execution of all purchase and sale orders on behalf of the applicable vehicle, subject to any constraints agreed upon. Information relating to the Sub-Advisor, its investment program and fees, strategy-specific risk factors, conflicts of interest and certain additional information will be described in the relevant Sub-Fund supplement. Investors will be subject to the terms described in such Sub-Fund supplement indirectly through their Series’ investment in the Sub-Fund. The amount of a Series’ investment in a Sub-Fund will be determined from time to time by Blueprint.

### Wrap Fee Programs

Blueprint does not participate in any wrap fee programs.

### Our Assets Under Management

As of the date of this filing, Blueprint has \$25 million of assets under management.

## Item 5. Fees and Compensation

Each Series will generally be subject to the payment of: (i) management fee (the “Fund Management Fee”) to Blueprint; (ii) an investment advisory fee (the “Sub-Advisory Fee”) paid by each Sub-Fund to the Sub-Advisor of the relevant Sub-Fund; and (iii) a Performance Allocation (the “Performance Allocation”), in each case as further described in the applicable Sub-Fund supplement.

As described in more detail in the Fund’s offering documents, Blueprint generally receives a Fund Management Fee from Blueprint CAP, which is payable from the assets of each Series to Blueprint, generally quarterly in advance. The Fund Management Fee is a percentage per annum of the value of Fund assets under management and does not include a performance based fee or share of the profits of the Fund assets. The Fund Management Fee may vary among the Series and among classes of shares or series of interests within each Series.

In addition to the Fund Management Fees that may be deducted from an investor’s assets, each investor in a Blueprint Fund also pays its *pro rata* portion of the ongoing investment and operating expenses of such Fund. These expenses typically include: management and performance fees charged by Sub-Advisors, legal and regulatory including but not limited to certain legal and regulatory expenses that may arise as the result of the Fund assets, including but not strictly limited to expenses that pertain to the SEC registration of Blueprint that arises as the result of the Fund’s assets and any filings and ongoing support thereof; administration; custody; outsourced middle office and managed account services; insurance; audit and accounting expenses; and other expenses. Some of our vehicles are also subject to certain pass-through expenses from Sub-Advisors, including but not limited to, interest and short-term borrowing expenses; currency hedging; brokerage commissions; and clearing and settlement charges. The expenses of operating the Fund (including the fees payable to us and other service providers) may exceed the Fund’s income, thereby requiring that the difference be paid out of the Fund’s capital, reducing the value of the Fund’s investments and potential for profitability.

Unless otherwise determined by the General Partner, all expenses of the Fund attributable to a specific Series shall be allocated to such Series. All expenses of the Fund not directly attributable to a specific Series shall be allocated *pro rata* across all Series to which such expenses pertain based on their respective net asset values. The General Partner, in respect of the Fund, and each managing member in respect of the applicable Sub-Fund, will bear the expenses of its personnel and overhead required to perform its duties with respect to the Fund or Sub-Fund (as applicable) (including salaries, benefits, and rent).

The General Partner may waive, reduce or rebate the Fund Management Fee with respect to any investor, either in whole, or in part. In addition, Blueprint may enter into side letters with certain investors granting them preferential fee terms.

If Blueprint executes an investment management agreement with a client other than Blueprint CAP, the method of payment of fees may vary from above and would be determined by the terms of the investment management agreement with each specific client.

## **Item 6. Performance Based Fees and Side-by-Side Management**

At this time, Blueprint does not charge performance based fees to any client. However, as mentioned in Item 5 above, each Series will generally be subject to a Performance Allocation (which shall be received by each Sub-Advisor, from the relevant Sub-Fund it manages, generally at the end of each fiscal year) as further described in the relevant Sub-Fund supplement. For more information on the Performance Allocation applicable to any Series, an investor should refer to the relevant Series and Sub-Fund supplements.

## **Item 7. Types of Clients**

Blueprint's client is the Fund; however, Blueprint may also manage accounts for other clients including institutions, individuals or other private funds in the future. Most Blueprint investors are expected to be pension plans or institutions, which include insurance companies, banks, corporations, government entities, charitable organizations, foundations and endowments (including those benefitting universities and colleges), and other business entities. However, Blueprint may also accept individuals, family office entities, and others who qualify to invest and for whom the investment is generally suitable. Investment advice is provided directly to the Fund and not individually to investors in the Fund. The Fund's governing documents and subscription documents provide the eligibility criteria and minimum investment requirements of the Fund.

Each investor in the Fund must generally be: (a) an "accredited investor" as defined in Regulation D under the Securities Act of 1933; and (b) either a "qualified purchaser" as defined in the Investment Company Act of 1940 or a "knowledgeable employee" as defined in the regulations thereunder. The Fund imposes other eligibility requirements in addition to those discussed above, such as minimum initial investment threshold of \$50,000,000, or as specified in the relevant Series supplement, subject to the right of the General Partner to accept smaller capital contributions in its discretion. Neither Blueprint nor the General Partner will waive or reduce any minimum investment thresholds that are required under applicable law.

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

Although the Firm believes that the Fund's investment program should mitigate the risk of loss, an investment in the Fund is nevertheless subject to loss, including possible loss of the entire amount invested. No guarantee or representation is made that the Fund will be successful, and the Fund's investment results may vary substantially over time. Note that investors in the Fund each receive an offering memorandum. The offering memorandum sets forth a more detailed description of the Fund's investment strategies and methods of analysis. The information below is designed to be supplemental to the offering memorandum. In the event of a conflict between the language below and the offering memorandum, the offering memorandum shall prevail.

Additionally, the investment objectives and strategies of each Sub-Fund will be set forth in the Sub-Fund supplement related to each relevant Series. The various Sub-Funds included on the platform are expected to be managed by their respective Sub-Advisors in accordance with one or

more strategies within a broad range of possible alternative investment strategies. There is no guarantee that each or any of these strategies will be offered on the platform at any given time. There can be no assurance that the investment objective of any Sub-Fund will be achieved, and certain investment practices (e.g., the use of leverage, short selling, and derivative instruments) that may be employed for any Sub-Fund may, in some circumstances, increase any adverse impact to which the Series' investments may be subject.

### Methods of Analysis

The Blueprint investment process is team-oriented, integrated and ongoing. It begins with an established and disciplined framework for investing, a developed sense of the types of strategies eligible for investment and an understanding of how market conditions may impact a strategy. The end goal is to allocate capital to alternative strategies that exhibit certain qualities that in the judgment of Blueprint offer clients the opportunity to achieve strong risk-adjusted returns on a forward basis.

Capital allocation decisions are made within the guidelines and framework approved by the Blueprint Investment Committee (the "IC"). The IC consists of senior investment and non-investment professionals at Blueprint. Members of the IC have a deep understanding of the various alternative strategies, portfolio construction and positions within Sub-Advisor portfolios. In particular, their hedge fund and trading experience is valuable in the assessment of risk in the strategies they are investing.

Blueprint investment professionals also perform research on the key drivers of risk and return within approved strategies to guide the IC on the timing of commitment decisions and the forward looking risk and return profile of various strategies. Blueprint believes that strategy research provides the knowledge and opportunity for its research professionals to challenge industry assumptions about opportunities, risk and return and affords them an opportunity to deliver recommendations to the IC with greater conviction.

### Investment Strategies

Blueprint may consider a wide variety of investment strategies that include, but are not limited to, the following (as further described below):

- Equity Long/Short Strategies
- Event Driven and Special Situation Strategies
- Merger Arbitrage
- High Yield, Credit and/or Distressed Investment Strategies
- Multi Strategy
- Quantitative
- Global Macro
- Relative Value Strategies
- Various Arbitrage Strategies
- Direct Lending



- Insurance Linked Strategies
- Other Alternatives and Opportunistic Investments

*Credit.* This strategy seeks to profit from inefficiencies in the markets for distressed, stressed and performing debt securities. Sub-Advisors generally will use a fundamental and rigorous, credit-intensive approach to identify and capture these inefficiencies. They will attempt to control risk through diversification of holdings across individual issuers, industries, sectors and geography as well as through hedged and direct short positions. Sub-strategies may include capital structure arbitrage, structured credit, event-driven credit, credit long/short, long distressed and direct lending among others.

*Distressed.* Distressed strategies invest in securities and claims of companies that are in weak or unstable financial condition with the anticipation that returns may be realized by reorganization of the financial structure and/or operations of the company.

*Event-Driven.* Event-driven strategies involve investing in opportunities created by significant transactions and/or events, such as spin-offs, mergers and acquisitions, bankruptcy reorganizations, recapitalizations and share buybacks.

*Fixed Income.* Fixed income strategies attempt to profit from movements in bond prices. Fixed income strategies, like relative value arbitrage, involve the pairing of one instrument believed to be of higher value with another closely related instrument believed to be of lower value. Fixed income arbitrage can involve corporate, government or mortgage assets.

*Global Trading.* Global trading strategies involves statistically and fundamentally-based trading in the global interest rate, equity, currency and commodity futures, swaps and options markets. A common type of trading is “trend following” whereby a Sub-Advisor identifies a series of indicators that may predict a certain trend in an underlying instrument. Based on the indicators, a Sub-Advisor will either take long or short positions in the instrument. Typically, these types of trades last from a few weeks to several months. Sub-Advisors that do not employ trend-following models will trade both systematic and discretionary programs based on fundamental information, pattern-recognition, counter-trend and volatility- based strategies.

*Long/Short Equity.* Similar to market neutral equity, long/short equity strategies involve the purchase of a long basket of stocks hedged by a short basket of stocks. Unlike market neutral equity, there are no constraints on the percentage of long securities versus short securities. For example, a third-party hedge fund manager might be 80% long and 20% short or 60% long and 40% short exposing the net portfolio balance to broader market risk factors. Long/short equity can be broad in terms of security selection or very focused on a particular sector or geography.

*Market Neutral Equity.* Market neutral equity strategies attempt to profit from discrepancies between a basket of long and short positions in similar proportions. The decision to purchase or sell a security can be driven by computer models or by fundamental research. Typically, the long equity portion of the portfolio will include stocks with solid balance sheets, improving

earnings and strong financial ratios. The short equity positions will include stocks with weak balance sheets, declining earnings, outdated products and poor financial ratios. Some market neutral equity strategies may concentrate on specific sectors or geographies.

*Multi-Strategy.* This strategy generally involves Sub-Advisors exercising discretion in allocating capital among several types of investment strategies. Capital is allocated to each strategy based on opportunity set changing with market conditions.

*Relative Value.* Relative value is an investment strategy that involves taking positions based on the pairing of one instrument that is believed to be overpriced with another closely-related instrument that is believed to be underpriced. Examples include merger, credit and convertible bond arbitrage. Merger arbitrage generally involves buying the common stock of a company involved in a takeover or merger attempt where the current market price is less than the offered price on the transaction's expected closing date. Credit arbitrage seeks to take advantage of price discrepancies between common stock, bonds, options and credit derivatives of the same issuer or other related company or companies. Convertible bond arbitrage involves the purchase of a convertible bond while a short position is taken in the underlying company's common stock. This allows for trading of both the convertible bond and common stock against each other as one instrument becomes overvalued or undervalued relative to the other.

*Insurance-Linked Strategies (ILS)* are broadly defined as financial instruments whose values are driven by insurance loss events. Those such instruments that are linked to property losses due to natural catastrophes represent a unique asset class, the return from which is uncorrelated with that of the general financial market.

*Direct Lending* is a form of corporate debt provision in which lenders other than banks make loans to companies without intermediaries such as an investment bank, a broker or a private equity firm. In direct lending, the borrowers are usually smaller or mid-sized companies, also called small and medium enterprises, rather than large listed companies, and the lenders may be wealthy individuals or asset management firms.

*Other Alternatives and Opportunistic Investments.* Examples of investment strategies in Other Alternatives include the following: Litigation Finance, Royalty Related Programs, Liquidations, and Trade Claims.

### Risk of Loss

Investing in securities involves a substantial risk of loss that investors in the Fund should be prepared to bear. The Fund has no operating history prior to launch and any performance generated on a forward basis is not indicative of future performance. The prior performance of Blueprint and the investment team may not be construed as an indication of future results. There can be no assurance that Blueprint or the investment team will be able to successfully implement the investment objective of a particular strategy.

The material risks associated with the Fund are the risks associated with the investment strategies pursued by Blueprint. These risks are summarized below. This summary does not attempt to

describe all of the risks associated with an investment in a Blueprint Fund, or all risks associated with the strategies employed by the Fund. Although no summary can fully describe all of the risks associated with an investment in the Fund, investors should also review the risk factors stated in the offering documents for the Fund, which are tailored to the specific strategies and investment structures employed, and consult with their own financial advisors prior to making an investment.

### Risks Related to Blueprint Fund Structures and Offering Terms

*Investment Strategies and Sub-Advisor Risk Generally.* The success of the Fund depends on our ability to select strategies and allocate assets to Sub-Advisors. Success also depends on each Sub-Advisor's ability to select individual investments, to correctly interpret market data, predict future market movements and otherwise implement its investment strategy. Although Blueprint employs a rigorous investment monitoring process and establishes written guidelines with each Sub-Advisor, Sub-Advisors may engage in 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. Although Blueprint will actively monitor, terminate Sub-Advisors and reallocate assets, there can be no assurance that the Fund will be able to act or react quickly with our allocations to avoid losses.

There can be no assurance that what Blueprint perceives as an investment opportunity will not result in substantial losses due to one or more of a wide variety of factors. From time to time, the economic viability of an entire strategy may deteriorate due to excessive concentration of investors implementing the same approach or general economic events that disrupt the source of profits that the strategy sought to exploit. No assurance can be given that the investment strategies to be used by the Fund will be successful under all or any market conditions.

*Past Performance by Sub-Advisors is Not Indicative of Future Performance.* Market conditions and trading approaches are continually changing, and a particular Sub-Advisor's past successful performance may be largely irrelevant to such Sub-Advisor's prospects for future profitability. Past performance is not indicative of future performance.

*Misconduct or Bad Judgment of Sub-Advisors.* While Blueprint attempts to mitigate risks associated with investing with a Sub-Advisor by conducting ongoing due diligence on such Sub-Advisor, it is difficult, if not impossible, for Blueprint to protect the Fund from the risk of fraud, misrepresentation, material strategy alteration, errors, poor judgment or failure to comply with its own compliance policies and procedures.

*Liquidity.* Interests in the Fund are not freely transferable and there is no market for these interests. There are significant restrictions on redemptions including "lock-ups" (where investors are prohibited from redeeming their capital for a specified period following investment in the Fund), as well as "holdbacks" on redemptions pending the completion of a fund's annual audit. Consequently, investors may not be able to liquidate their investment readily in the event of an emergency or for any other reason. The Fund also may trade in illiquid securities.

*No current income and potential for in-kind distributions.* An investment in the Fund may not be suitable for investors seeking current income for financial or tax planning purposes. However, we reserve the right to declare and pay special dividends or distributions, at our discretion. Upon an investor's redemption, distributions may be made partly in cash and partly in-kind. An in-kind distribution may consist of securities that are not readily marketable and may be subject to restrictions on resale. An in-kind distribution may consist of an interest in a liquidation vehicle formed to hold certain fund interests on behalf of redeeming investors.

*Assets may not be diversified.* Although we expect to establish internal diversification guidelines, the Fund is not required to diversify investments and may have a high concentration in certain positions. Also, because the Fund utilizes multiple Sub-Advisors who make their trading decisions independently, it is theoretically possible that one or more of such Sub-Advisors may, at any time, take investment positions that overlap. Accordingly, the Fund's assets may be subject to greater risk of loss than if they were more widely diversified, since the failure of one or a limited number of investments could have a material adverse effect on the Fund.

*Series Fund legal structures untested.* The Fund is a Delaware series limited partnership. As a series limited partnership, it can operate segregated portfolios with the benefit of statutory segregation under Delaware law. Although not judicially tested, the principal advantage of a series limited partnership is that it protects the assets of one segregated portfolio, from the liabilities of the other segregated portfolios. However, it is uncertain whether such segregation of assets and liabilities would be enforced in jurisdictions outside of Delaware. If the assets of the other segregated portfolios in the Fund could be accessed for the purpose of covering the deficit of one segregated portfolio, this could result in losses for the Fund's investors invested therein.

#### Risks Related to the Investment Strategies Employed by the Fund

*Hedge Strategies.* Many of the liquid strategies employed are sometimes referred to as "hedge" strategies, because they use short sales, futures and other derivatives in an effort to protect assets from losses due to declines in the value of the investment fund's portfolio. However, there can be no assurances that the hedging strategies used in avoiding losses, and hedged positions may perform less favorably in generally rising markets than unhedged positions. Furthermore, no assurance can be given that Sub-Advisors will employ hedging strategies with respect to all or any portion of a given investment fund's assets.

*Use of Swaps and Other Derivatives.* Certain investment strategies may invest in derivatives. Derivatives are financial contracts whose value depend on, or are derived from, the value of an underlying asset, reference rate or index. An investment strategy's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. If a strategy invests in a derivative instrument, it could lose more than the principal amount invested. Finally, the assets of a strategy may be pledged as collateral in swap and other derivatives transactions. Thus, if the strategy defaults on

such an obligation, the counterparty may be entitled to some of all of the assets of the strategy as a result of the default.

*Equity Securities.* Investments held by the Fund may include long and short positions in common stocks, preferred stocks and convertible securities of U.S. and non-U.S. issuers. The Fund also may invest in depository receipts relating to non-U.S. securities. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete and general market and economic conditions. Any of these actions could have an adverse effect on such strategy's ability to achieve its investment objective.

*Fixed-Income Securities.* The value of fixed-income securities in which a strategy invests will change in response to fluctuations in interest rates. For fixed-rate debt securities, when prevailing interest rates fall, the values of already-issued debt securities generally rise. When interest rates rise, the values of already-issued debt securities generally fall, and they may sell at a discount from their face amount. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Valuations of other fixed-income instruments, such as mortgage-backed securities, may fluctuate in response to changes in the economic environment that may affect future cash flows.

*Futures and Commodity Contracts.* Futures and commodity contract prices are highly volatile. Price movements for futures and commodities are influenced by, among other things, changing supply and demand relationships, weather, agricultural, trade, fiscal, monetary, and exchange control programs and policies of governments, domestic and foreign political and economic events, changes in domestic and foreign interest rates and rates of inflation, currency devaluations and revaluations, and emotions of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets -- particularly currencies. Such intervention is often intended to influence prices directly. The Fund is also subject to the risk of the failure of any of the exchanges on which the securities utilized in a particular strategy trades or clears. None of these factors can be controlled.

*Short Selling.* Some of the strategies will engage in short selling, both as part of the general investment strategy and for hedging purposes. Short selling involves selling securities that are not owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows a strategy to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, since the borrowed securities must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss upon such repurchase. For these reasons, short selling is considered a speculative investment practice. The SEC and other foreign jurisdictions have also imposed bans and limitations on short selling, which could materially adversely affect a strategy.

*Increased Competition in Alternative Asset Investments.* In recent years there has been a marked increase in the number of, and flow of capital into, investment vehicles established in order to implement alternative asset investment strategies, including the strategies implemented by the Fund. While the precise effect cannot be determined, such increase may result in greater competition for investment opportunities or may result, under certain circumstances, in increased price volatility, decreased liquidity or lower returns with respect to certain positions.

*Use of Leverage; Margin on Futures Contracts.* Strategies also may use leverage by purchasing instruments with the use of borrowed funds, or by trading derivative contracts. Borrowing for investment purposes, which is known as “leverage,” is a speculative investment technique and involves certain risks. Although such techniques increase the opportunity for a higher return on investment, they also increase the risk of loss. Certain strategies may involve substantial leverage, which could result in immediate and substantial losses. The leverage employed can vary substantially from month to month. The cumulative effect of the use of leverage, directly or indirectly, in a market that moves adversely to the investments of the entity employing the leverage could result in a loss that would be greater than if leverage were not employed.

*Distressed Securities.* A strategy may invest in “below investment grade” securities and obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers.

*Sector Risks.* Certain strategies focus their investment activities in certain industry sector or market segments. Consequently, the strategy may be subject to more rapid changes in the value of its securities than would be the case if the strategy maintained a wide diversification among industries, companies, and types of securities.

*Trading in Options on Commodity Interest.* Certain strategies may engage in trading options. An option on a commodity or a commodity futures contract is a right, purchased for a certain price, to either buy or sell a particular type of commodity or commodity futures contract during a certain period of time for a pre-established price. Although successful commodity options trading would require many of the same skills as successful commodity futures trading, the risks involved are somewhat different. For example, if a strategy buys an option (either to sell or purchase a commodity or commodity futures contract); it will be required to pay a “premium” representing the market value of the option. Unless it becomes profitable to exercise or offset the option before it expires, the strategy will lose the entire amount of such premium.

Conversely, if a strategy sells an option (either to sell or purchase a commodity futures contract), it will be credited with the premium but will have to deposit margin (which will in all cases exceed the premium received) due to its contingent liability to take the underlying futures position in the event the option is exercised. Strategies that engage in the selling of options are



subject to the entire loss that may occur in the underlying commodity or commodity futures position (less any premium received). Commodity options trading on U.S. exchanges is subject to regulation by both the Commodity Futures Trading Commission (“CFTC”) and such exchanges.

*Insolvency or Failure of Prime Broker, Other Broker-Dealers.* Institutions, such as brokerage firms or banks, may hold certain of the Fund’s assets in “street name.” Bankruptcy, inadequate controls or fraud at one of these institutions, in particular, a prime broker, which may hold the majority of that strategy’s assets, could impair the operational capabilities or the capital position of that strategy. In addition, as a strategy may borrow money or securities or utilize operational leverage with respect to its assets, that strategy will post certain of its assets as collateral securing the obligations or leverage (“Margin Securities”). Some or all of the Margin Securities may be available to creditors of that strategy’s prime broker in the event of its insolvency. In addition, there may be substantial delays in the repayment of that strategy’s assets in the event that the prime broker was to become insolvent, as well as a risk of total loss of such assets.

*Non-U.S. Investments.* Additional risks of international investing include political or economic instability in the country of issue, and the possible imposition of exchange controls or other laws or restrictions. In addition, prices of securities in non-U.S. markets are generally subject to different economic, financial, political and social factors than are the prices of securities in U.S. markets. With respect to some countries there may be the possibility of expropriation or confiscatory taxation, limitations on liquidity of securities, or political or economic developments that could affect the non-U.S. investments of the assets held by the investment fund. Moreover, securities of foreign issuers generally will not be registered with the SEC, and such issuers will generally not be subject to the SEC’s reporting requirements. Accordingly, there is likely to be less publicly available information concerning certain of the non-U.S. issuers of securities held by a particular strategy than is available concerning U.S. companies. Non-U.S. companies are generally also not subject to uniform accounting, auditing or financial reporting standards, or to practices and requirements comparable to those applicable to U.S. companies. There also may be less government supervision and regulations of foreign broker-dealers, financial institutions and listed companies than exist in the U.S. These factors could make investments made within a particular strategy, especially those made in developing countries, more volatile than investment in U.S. companies.

*Illiquid Securities.* Subject to its applicable investment strategy, a Sub-Fund may from time to time hold illiquid securities, or securities that were generally liquid when purchased but may, over time, become illiquid and/or difficult to value as a result of changing circumstances with respect to the issuer(s) of the securities or the markets generally. Such securities may have to be held for a substantial period of time before they can be liquidated, if at all. Market prices for such securities are difficult to obtain from observable sources in the market place and may be difficult to ascertain. The resale of illiquid securities often may have higher brokerage charges. Certain illiquid investments may represent capital not available for redemption by Investors. Such investments may be difficult to value.

*Investments that Become Illiquid.* Securities that were generally liquid when purchased may, over time, become illiquid and/or difficult to value as a result of changing circumstances with respect to the issuer(s) of the securities or the markets generally.

*Restricted Securities.* A Sub-Fund may engage in investing in restricted or other privately placed securities. Such securities are generally not freely tradable and there may not be a market generally recognized as liquid by dealers or Investors in the relevant securities. In addition to liquidity concerns, restricted securities owned by a Sub-Fund may involve special registration risks, liabilities and costs, and valuation difficulties. In addition, such Sub-Fund will be subject to the risk of breach of the purchase agreements by the issuers of such securities, whether due to bankruptcy, insolvency or other causes.

#### **Item 9. Disciplinary Information**

Neither Blueprint nor its employees have been involved in any legal or disciplinary events in the past 10 years, which are applicable to this Item.

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

While not a “management person,” Blueprint does have an employee who currently maintains their status as a registered representative of a firm which maintains a broker-dealer registration. However, other than this individual, none of the Firm’s management persons or employees are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Blueprint has established an advisory board for itself separate from the Fund, including persons who are not supervised persons of Blueprint, to advise the Firm on various matters. These individuals may maintain outside financial institution affiliations which may create conflicts of interest, however, Blueprint has adopted policies that mitigate the potential for such conflicts.

Blueprint has established a board of advisors for its Fund (the “Fund Advisory Board”) is comprised of senior executives who have past personal and professional affiliations with Blueprint professionals and provide advice to Blueprint professionals on various business and investment related matters. Certain or all of the advisors may be compensated for their activities. The function of the Fund Advisory Board is to provide a supplemental perspective on Blueprint’s activities and not to supplant Blueprint’s duties and obligations. Accordingly, Blueprint will remain solely responsible for all investment decisions.

Blueprint will also establish an advisory committee for the Fund (the “LP Advisory Committee”), consisting of five or more investors, to consider, to the extent required by applicable law, principal transactions and certain other related-party transactions and any other matter presented to the LP Advisory Committee for approval. The determination of the LP Advisory Committee regarding the matters presented to it will be binding on the investors in the Fund. The members of the LP Advisory Committee are selected by the General Partner and each member is a representative of an investor in the Fund to have a representative sit on the LP Advisory Committee and is not a General Partner affiliate.



Other than the relationships described above, Blueprint has no additional arrangements with a related person who is a broker-dealer, financial planning firm, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships that are material to its advisory services, the Fund or its investors.

We do not receive any compensation from Sub-Advisors in connection with the Fund's investments, and in the event we engage in any strategic transactions involving revenue sharing, the proceeds of any such shall inure solely to the benefit of the Fund (i.e., the Fund may receive a profit allocation from a Sub-Advisor's investment management business). Blueprint may recommend Sub-Advisors with whom Blueprint has some direct or indirect connection or business relationship, which may pose a conflict of interest.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### Code of Ethics and Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, Blueprint has adopted a Code of Ethics and Statement on Insider Trading (the "Code") that sets forth the ethical standards of business conduct and personal securities trading policies that we require of our employees. A copy of the Code is available upon request by any investor or potential investor by contacting us at 212-390-1155 or [compliance@bcaalternatives.com](mailto:compliance@bcaalternatives.com).

Under the Code, we state our commitment to upholding the highest level of professionalism in the investment community. Our policies and prohibitions are primarily focused on avoiding conflicts of interests with investors and our clients and acting consistently with our fiduciary duties. Through regular reporting and/or obtaining pre-approval from our Chief Compliance Officer (the "CCO"), employees are subject to various policies that govern, among other things, employee securities transactions, gifts and entertainment, outside business activities, confidentiality of information, and charitable and political contributions. The Code strictly prohibits the misuse of material non-public information. At the beginning of employment and annually thereafter, each Blueprint employee must acknowledge the terms of the Code and receive training on the various obligations under it. Any employee who violates the Code may be subject to disciplinary actions, up to and including termination. All employees are obligated to report any violations of the Code to the CCO.

The CCO and its compliance advisor conduct testing and monitoring of various procedures under the Code and provide an annual report to Blueprint's senior management on the effectiveness of these policies and procedures.

### Participation or Interest in Client Transactions

Blueprint generally does not affect any principal transactions with Blueprint clients, but if it were to engage in such transactions, it would obtain any necessary client consents. Principal transactions are generally defined as transactions where an adviser, acting as principal for its

own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction also may be deemed to occur if Blueprint and our affiliates own a substantial portion of a fund and that fund participates in a purchase or sale transaction with another fund. As mentioned above in Item 10, the Fund's LP Advisory Committee may consider, to the extent required by applicable law, principal transactions and certain other related-party transactions presented to them for approval.

Any principal or cross trade will be done in compliance with applicable laws, including U.S. securities laws and ERISA. We also have adopted compliance policies and procedures designed to ensure that, over time, all Blueprint clients are treated fairly in allocation and redemption opportunities.

## **Item 12. Brokerage Practices**

Currently, Blueprint does not direct brokerage transactions or have any soft dollar arrangements, but we may do so in the future.

Sub-Advisors do engage in brokerage activities on behalf of the Fund. Blueprint reviews the brokerage practices and soft dollar arrangements of the Sub-Advisors. We select the prime brokers and swap counterparties in consultation with the Sub-Advisor based on such factors as the prime broker's or counterparty's overall performance, pricing, operational capabilities, and financial stability. We negotiate the terms of the fees and commissions the Fund will pay to each applicable prime broker.

Each Sub-Advisor is responsible for arranging for the execution of all orders for the purchase and sale of securities and other investments with respect to the applicable allocation. The Sub-Advisor is required to seek best execution. The Sub-Advisor, to the extent permitted by applicable laws and regulations, may aggregate the investments to be purchased or sold on behalf of its clients to attempt to obtain a more favorable price, lower brokerage commissions or efficient execution. Sub-Advisors may engage in "soft dollar" practices if such practices fall within the soft dollar safe harbor established by Section 28(e) of the Securities Exchange Act of 1934, as amended. For instance, a Sub-Advisor may receive "brokerage and related services" covered by such safe harbor.

Blueprint does not request, require or recommend that an investor direct brokerage transactions to a specific broker or dealer. We do not select or recommend brokers or dealers based on whether they refer investors to our Fund.

## **Item 13. Review of Accounts**

### Review of Accounts

The IC oversees the asset allocations, capital inflows and outflows, portfolio construction and risk management for the Fund. The Fund is continuously reviewed on an ad hoc basis and formally reviewed at least monthly. Generally, the IC meets at least monthly and votes on investment decisions.

The IC holds responsibility for periodically reviewing the Fund to ensure compliance with investment objectives and any investment restrictions. This review will encompass current holdings as well as investment transactions occurring over a period of time to ensure full compliance with disclosures made to investors. The CCO will work with investment personnel to determine whether issues warrant changes to Blueprint's policies or procedures.

### Reports to Investors

Each investor in a Blueprint Fund receives monthly (or in accordance with such other timetable as may be set forth in the relevant Series supplement) account statements, which provide beginning and ending balances as well as a description of account activity. Statements are either delivered by mail, fax or an email notifying investors that they are available on the administrator's website, as elected by an investor, and posted on our administrator's website. On a monthly basis, certain investors or their advisors receive performance estimates via email. On a monthly and/or quarterly basis, we also prepare a commentary on overall investment performance that is sent to certain of our investors or their Sub-Advisors.

As mentioned below in Item 15, audited financial statements of each Series will be sent to investors within 180 days after the end of such Series' fiscal year. The fiscal year-end of the Fund and generally each Series and Sub-Fund thereof is December 31.

As soon as reasonably practicable after the end of each calendar year, we deliver to each person who was an investor in the Blueprint Fund at any time during such calendar year such tax information and schedules relating to the Fund as are necessary for the preparation by the investor of its federal income tax returns. Due to the time needed for the preparation of income tax returns, we ordinarily are not able to send a Schedule K-1 to each investor in time to file the investor's income tax returns by the original due date. In such cases, we may provide investors with tax estimates prior to issuing a Schedule K-1 and it ordinarily is necessary for each investor to obtain an extension of the filing date for its return for each year.

We also may agree to provide investors with certain other reports based on requests for specific types of information that may generally not be available to other investors. All financial reports and statements, including other correspondence and information, may be provided to investors via email and/or pursuant to access to a password-protected website.

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

At this time, Blueprint does not receive an economic benefit from anyone other than its Fund for providing investment advice or other advisory services, but may in the future.

We do not permit our employees to receive any form of compensation, including cash, sales awards or other prizes, from non-clients for providing advisory services to the Blueprint Fund. We maintain written policies and procedures with respect to the giving and receipt of gifts and entertainment and the giving of donations and contributions, which are reasonably designed to comply with applicable law, including pay-to-play restrictions. Those policies and procedures

prohibit giving or receiving gifts, entertainment, donations, and contributions that Blueprint determines are lavish or excessive under the circumstances.

At this time, neither Blueprint nor its related persons directly or indirectly compensate any person for client referrals, but the Firm may choose to in the future. However, the Firm may receive investor referrals from unaffiliated consultants that are retained by investors. Blueprint does not compensate these parties for such referrals, but may enter into agreements with them to reduce management and performance fees paid by their clients for investing in our Fund. Any future arrangements with third party marketers will be negotiated to comply with the Advisers Act.

#### **Item 15. Custody**

In connection with its responsibilities pursuant to Advisers Act Rule 206(4) (the “Custody Rule”), Blueprint ensures preparation of audited financial statements of each Series (audited by an independent public accountant registered with and subject to regular inspection by the PCAOB). These audits will generally be prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and sent to each of the investors holding interests in each applicable Series as soon as practicable following the close of each fiscal year or as set forth in the Sub-Fund supplement, in either respect, within 180 days of year-end, thus satisfying the Custody Rule’s requirements. Additionally, Blueprint will ensure that any certificated securities or cash belonging to clients for whom Blueprint or affiliates has constructive custody pursuant to the Custody Rule are maintained with a qualified custodian, pursuant to the terms of the Custody Rule.

#### **Item 16. Investment Discretion**

Blueprint has discretionary authority over the Blueprint Fund pursuant to the Fund’s limited partnership agreement, subject to the direction and control of the General Partner and an investor’s ability to opt out of a proposed exposure; however, once an investment is purchased, Blueprint has full discretion. Blueprint has discretionary authority over its Sub-Funds, subject to delegating by Sub-Advisors who are subject to investment guidelines set forth in the respective sub-advisory agreement and/or Series supplement. Blueprint maintains authority to terminate a Sub-Advisor’s investment authority on behalf of its Fund.

#### **Item 17. Voting Client Securities**

We have adopted a policy for exercising proxy voting rights as required under Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended. Our proxy voting policy is reasonably designed to ensure that we vote proxies, if any, in the best interests of any Blueprint clients and its investors. Additionally, the Fund’s Sub-Advisors are required to have a proxy voting policy in place and are required to vote proxies pursuant to any applicable agreements. A copy of Blueprint’s proxy voting policies and procedures is available to investors upon request.

**Item 18. Financial Information**

Blueprint does not require or solicit the payment of more than \$1,200 in fees per client, six months or more in advance. Additionally, Blueprint has never been the subject of a bankruptcy petition and is not aware of any financial condition that could be reasonably expected to impair the Firm's ability to meet its contractual commitments to clients.