



**Part 2A of Form ADV: Firm Brochure**

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March 2, 2018

This brochure (this “Brochure”) provides information about the qualifications and business practices of BIP Capital, LLC (the “Adviser”). If you have any questions about the contents of this brochure, please contact us at 404-495-5230. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration with the SEC and other states securities authorities as a registered investment adviser does not imply a certain level of skill or training.

## ITEM 2 MATERIAL CHANGES

This is the initial Brochure of the Adviser, and it is prepared according to the SEC's requirements and rules. In the future, this Item will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure. We will further provide you with a new Brochure as necessary based on changes, new information, or at your request, at any time, without charge.

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#### **ITEM 4      ADVISORY BUSINESS**

The Adviser, a Delaware limited liability company, was formed in January 2018. The Adviser has its principal office in Atlanta, Georgia.

##### **Principal Owners**

Buffco, LLC, a Delaware limited liability company (“Buffco”), is the sole principal owner of the Adviser. Buffco is wholly owned by Mark Buffington.

##### **Fund Investment Advisory Services**

The Adviser will provide investment advisory services to certain pooled investment vehicles (each a “Fund” and collectively, the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). As the investment adviser to a particular Fund, the Adviser will identify investment opportunities for, and participate in the acquisition, management, monitoring and disposition of investments, of the applicable Fund. The Adviser will provide administrative services to the Funds, including accounting and investor reporting.

The advisory services to be offered by the Adviser will be tailored to the needs of the Funds. See Items 8 and 13 of this Brochure for additional discussion of these tailored advisory services.

##### **No Wrap Fee Programs**

The Adviser will not participate in any wrap fee programs.

##### **Assets under Management**

All of the Adviser’s investment advisory services will be provided on a discretionary basis. As of February 22, 2018, the Adviser does not have any assets under management.

## **ITEM 5 FEES AND COMPENSATION**

### **Investment Advisory Services**

The Funds will generally pay the Adviser an annualized management fee of 2% of Invested Capital, as set forth below, and as further described in each Fund's offering documents (the "Management Fee"). Invested Capital is generally defined as the cumulative capital contributions to the Funds from the investors, plus total leverage deployed by the Funds to finance investments and Fund expenses, net of any investments that have been entirely disposed of or completely written off. The Management Fee will typically be paid quarterly in advance and be deducted from the applicable Fund. After a particular period of time and upon the happening of certain other events, as described in detail in the offering documents of each Fund, the Management Fee may be reduced.

### **Other Expenses**

The Funds will be responsible for their operating expenses including, without limitation, legal, accounting, tax, auditing and administrative fees, as outlined in their offering documents.

### **Miscellaneous Information about Fees and Compensation**

In the event of a termination of a Fund's investment advisory agreement, fees will be prorated. Any paid but unearned fees will be promptly refunded to such Fund, and any fees due to the Adviser from this Fund will be invoiced or deducted from the Fund prior to termination. The Adviser, in its sole discretion, may reduce or waive the Management Fee for any investor in a Fund.

The Adviser and its supervised persons do not receive any compensation for the sale of securities or other investment products.

Additional information related to the foregoing fee discussion is set forth below under "Performance-Based Fees and Side-By-Side Management" and "Brokerage Practices".

## **ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

While the Adviser will not receive a performance based fee, the general partner or manager of each Fund (the "Fund Manager"), which is typically an affiliate of the Adviser, generally will be entitled to receive a distribution of a percentage of the net profits earned by each investor in the Fund (typically 20%) (the "Incentive Allocation"). The Incentive Allocation may be subject to a preferred return as detailed in the Fund's offering documents. While the Funds have long-term investment strategies, potential investors should note that the Incentive Allocation arrangement may nonetheless provide an incentive for the Adviser to make investments that are riskier or more speculative than would be the case in the absence of such an arrangement.

Notwithstanding the foregoing, the Adviser or its affiliates may negotiate or set an Incentive Allocation or other terms that are different from the foregoing with respect to a Fund or investors in the Fund.

## **ITEM 7      TYPES OF CLIENTS**

The Adviser will provide investment advisory services exclusively to the Funds (as opposed to individual investors), subject to the direction and control of the Fund Manager of each Fund.

Interests in the Funds will be offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. The investors in each Fund may include high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, funds of funds, trusts, estates, charitable organizations and other business entities.

The minimum investment requirement for the Funds will typically be \$250,000. However, the Fund Manager of each Fund, in its sole discretion, may permit investments that are less than the required minimum investment commitment set forth in the applicable Fund's offering documents.

## **ITEM 8      METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Investment Strategies**

The Adviser's strategy for the Funds will typically consist of investing in privately-held companies (each a "Portfolio Company"). The Adviser will invest each Fund consistent with its offering documents; however, as a general matter, the Adviser may invest in a broad range of industries, with a focus on investments in "SaaS" (software as a service) companies operating within the healthcare, media, and technology sectors. Fund investments may include equity (including preferred equity), debt, convertible debt or other securities, as determined by the Adviser consistent with a Fund's strategy.

### **Methods of Analysis**

The Adviser has developed an underwriting process that utilizes fundamental research, augmented with quantitative decision support. The Adviser will generally evaluate potential Portfolio Companies for the Funds based on financial and business diligence focused on key areas defined in its underwriting process consistent with the Funds' investment strategies. After underwriting, if the Adviser determines to invest a Fund in a particular Portfolio Company, the Adviser will determine the appropriate level of investment in the Portfolio Company consistent with the Fund's investment criteria.

After making an investment in a Portfolio Company, the Adviser will generally initiate a plan to onboard the Portfolio Company as part of its portfolio monitoring and acceleration efforts. Portfolio Companies are generally required to submit monthly financial and performance metric

information that the Adviser reviews and analyzes to monitor and assess the Portfolio Company's performance. As deemed appropriate or requested by a Portfolio Company, the Adviser may provide guidance or consulting services to a Portfolio Company to improve its business, operations or prospects.

### **Risk of Loss**

While the Adviser will seek to diversify each Fund's investment portfolio by investing in multiple companies, all investment portfolios are subject to risks. Accordingly, there can be no assurance that a Fund will be able to fully meet its investment objective and goals, or that a Fund and its investments will not lose money. Below is a description of several of the principal risks that each Fund may face.

*Conflicts of Interest.* The Adviser may manage multiple Funds that are engaged in similar investment activities. As such, conflicts between the interests of one Fund and another Fund may arise from time to time in differing contexts. The Adviser maintains policies and procedures (e.g., a Code of Ethics based on principles of honesty, good faith and fair dealing) that may provide protections for investors against conflicts of interest faced by the Adviser, the Fund Manager, and their respective members; however, these protections do not purport to address all types of conflicts that may arise. By acquiring an interest in a Fund, each investor will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to the existence or effects of any such conflicts of interest. The Funds or the Fund Managers may, in certain circumstances, choose to seek the approval of a Fund's advisory board ("Advisory Board"), which will consist of representatives from each Fund's investors, with respect to certain conflicts of interest. Any such approval of the Advisory Board will be binding. The Adviser will also face a conflict of interest with respect to Funds that have an Incentive Allocation, as a performance fee may create an incentive for the Adviser to make investments for a Fund that carry a higher degree of risk.

*General Risks of Private Company Investments.* The Funds' investments will be subject to the risks generally inherent in privately-held businesses. These risks include, without limitation, risks that the privately-held businesses: (i) will not be able to attract sufficient capital to meet operating needs; (ii) will not have products or services that are accepted in the market; (iii) will not be able to attract a work force of a sufficient size; and (iv) will have competitors that are better funded. Further, since the Funds will likely make investments in early-stage companies or companies that have very limited operating histories, there is a higher risk than that associated with investments in mature companies with more significant operating histories.

*General Risks of Venture Investing.* The Portfolio Companies in which the Funds will invest are likely to face intense competition, including competition from companies with greater financial resources, more extensive development, production, marketing and service capabilities, and a larger number of qualified managerial and technical personnel. There can be no assurance that

the development or marketing efforts of any particular Portfolio Company will be successful or that its business will be profitable.

*Illiquidity.* Investment in the Funds will require a long-term commitment, with no certainty of return. The Funds are not expected to generate cash flow to investors in the near term. Most of the Funds' investments will be highly illiquid and there can be no assurance that a Fund will be able to realize return of its capital or profits on such investments in a timely manner, if at all.

*Reliance on the Adviser and Fund Manager.* The Adviser and each Fund's Fund Manager will have exclusive responsibility for managing that Fund's activities, and investors will not be able to make investments or any other decisions in the management of the Funds. Accordingly, investors will rely on the expertise and abilities of the Adviser and the Fund Manager to successfully implement their Fund's investment strategy, which success is not guaranteed. In addition, each Fund will be subject to the risk of the loss of an individual principal or portfolio manager of the Adviser or a Fund Manager, either of which could have a significant adverse impact on the business and operations of a Fund.

*Please see each Fund's offering documents for information about the specific risks associated with an investment in that Fund.*

## **ITEM 9      DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no disciplinary events to disclose.

## **ITEM 10      OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Fund Managers**

The Fund Manager of each Fund will be an affiliate of the Adviser.

*Carried Interest.* The structure and payment of the Incentive Allocation by the Funds to its Fund Manager may involve a conflict of interest because it may create an incentive for the Adviser to cause the Fund to make riskier or more speculative investments than it otherwise would.

*Other Business Activities.* The Adviser and its affiliates, including the Fund Managers, engage in a broad range of activities, including investment activities for their own account. In the ordinary course of conducting its activities, the interests of the Funds or the investors in the Funds will, on occasion, conflict with the interests of the Adviser or its affiliates. The Fund Manager of each Fund will devote as much of its time and resources to the activities of the Fund as it deems necessary and appropriate. Each Fund's governing documents generally will not restrict the Fund



Manager or its principals from entering into other relationships or engaging in other business activities, even though those activities may be in competition with the Fund and/or may involve substantial amounts of their time and resources.

The Adviser will deal with conflicts of interest using its best judgment, but in its sole discretion. In resolving conflicts, the Adviser will put the interests of the Fund ahead of its own. The determination as to which factors are relevant, and the resolution of such conflicts, will be made in the sole discretion of the Adviser, except as required by the governing documents of the Funds. A Fund will not make any investment unless the Fund Manager of the Fund believes that such investment is an appropriate investment considered solely from the viewpoint of the Fund. In addition, the Adviser's Code (as defined in Item 11) sets forth provisions and procedures requiring the Adviser to act in accordance with principles of honesty, good faith and fair dealing.

#### **Buckhead Investment Partners, LLC**

Mark Buffington is also a principal owner and Managing Partner of Buckhead Investment Partners, LLC ("Buckhead Investment Partners"), a registered investment adviser. Buckhead Investment Partners may recommend an investment in one or more of the Funds to its clients. The relationship between the Adviser and Buckhead Investment Partners may create a conflict of interest, because Buckhead Investment Partners may be incentivized to recommend an investment in a Fund in order to generate management fees for itself and for the Adviser, its related entity.

#### **BIP Equity Management and Relying Advisers**

Mr. Buffington, along with others, owns interests in, and has provided portfolio management and other services to, certain entities that also manage and/or provide advice to pooled investment vehicles, including: (i) BIP Equity Management, LLC, an exempt reporting advisor ("BIP Equity Management"); (ii) BIP Capital Management Services, LLC (a relying adviser to BIP Equity Management); and (iii) BIP Early Stage Management, LLC (also a relying adviser to BIP Equity Management) (collectively, the "BIP Management Entities").

### **ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS**

#### **Code of Ethics**

Under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), the Adviser and its principals and certain employees ("Supervised Persons") owe fiduciary duties to their clients. Consistent with these duties, the Adviser has adopted a Code of Ethics (the "Code") that, among other things, requires that its Supervised Persons reflect the professional standards expected of investment advisers and comply with federal and state securities laws and regulations pertaining to the Adviser. Under the Code, Supervised Persons should place the interests of clients first, ahead of their own personal interests, and generally seek to treat clients fairly. In addition, Supervised Persons are prohibited from engaging in any practice that defrauds or misleads any

client or investor, or engaging in any manipulative or deceitful practice with respect to clients, investors or securities.

The Code also includes provisions addressing personal trading by Supervised Persons, as summarized below:

#### **Personal Trading**

Under the Code, Supervised Persons are generally required to submit information about their personal trading activities to the Adviser's Chief Compliance Officer (the "CCO") or the CCO's designee for review. In addition, Supervised Persons are generally required to notify the CCO or the CCO's designee and obtain advance approval of certain personal trades in securities that may be traded by the Adviser for client accounts or otherwise affected by investments made on behalf of clients. Violations of the Code may result in disciplinary action up to and including dismissal.

#### **Participation or Interest in Client Transactions**

Under the Code, Supervised Persons are prohibited from trading in securities on the basis of material, non-public information or communicating material, non-public information about the issuer of any security to any other person.

The Adviser will provide a copy of the Code to clients or prospective clients upon request.

### **ITEM 12     BROKERAGE PRACTICES**

The Adviser will not normally utilize the services of broker-dealers for transaction-related services. In the event that the Adviser chooses to use a broker-dealer for a securities transaction, the Adviser will seek to obtain best execution for any such transactions.

#### **Soft Dollar Transactions**

The Adviser will not generate or use soft dollars, which are credits generated by transactions placed with certain securities broker-dealers that may be used to "purchase" certain research and brokerage products from such securities broker-dealers.

#### **Aggregation of Trades**

The Funds normally will not actively trade in securities. However, the Adviser may aggregate a Fund's securities trades with those of another Fund to the extent consistent with receiving best execution. Generally, Funds participating in an aggregated order will receive an average price of all trades placed that trading day and pay their ratable share of brokerage costs. In some cases, the Adviser may be excluded from aggregated block trades due to legal or regulatory concerns.

## **ITEM 13     REVIEW OF ACCOUNTS**

### **Portfolio Monitoring**

The Adviser will conduct a review of each Fund's Portfolio Companies monthly. Reviews generally focus on the operations and financial performance of each Portfolio Company. The Adviser will generally spend significantly more time on underperforming Portfolio Companies to determine appropriate action items.

### **Reporting**

Investors in the Funds will generally receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of the Fund. In addition, investors in each Fund will have access to an online portal that provides summary capital account information and financial information on the Portfolio Companies following the end of each financial quarter. Investors in the Funds may also receive reporting updates through letters and investor meetings as determined by the Adviser.

## **ITEM 14     CLIENT REFERRALS AND OTHER COMPENSATION**

The Adviser may use solicitors to refer prospective investors to the Funds, and may compensate such persons in accordance with applicable law.

## **ITEM 15     CUSTODY**

The Adviser (through the Fund Managers) may be deemed to have custody of certain assets of the Funds. The Funds' qualified custodians will be Square1 Bank and Millennium Trust Company. All of the Funds' certificated investment securities will be held by Millennium Trust Company on behalf of the Funds. Each Fund will be audited annually and the annual audited financial statements of each Fund will be sent to the Fund's investors.

## **ITEM 16     INVESTMENT DISCRETION**

The Adviser will have discretionary authority to determine the investments to be bought or sold, and the amounts to invest for each Funds subject to the Fund's governing documents.

## **ITEM 17     VOTING CLIENT SECURITIES**

Due to the nature of the Funds' investments, the Adviser typically will not receive proxies on investments held in the Funds. However, as a general policy, the Adviser would vote proxies related to securities held in Fund accounts in a manner that serves the best interests of the applicable Fund. Investors in the Funds will have no authority to direct the vote of the Adviser. In voting securities held by a Fund, the Adviser will attempt to resolve any conflict of interest between the Fund and the Adviser's business interests in the way that will most benefit the Fund.

The Adviser will maintain a detailed Proxy Voting Policy and a record of how the Adviser has voted proxies, if any, each of which will be available to investors upon request.

**ITEM 18 FINANCIAL INFORMATION**

The Adviser will not require or solicit prepayment of fees six months or more in advance, and the Adviser currently does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.