

Item 1- Cover Page

DISCLOSURE SUPPLEMENT

FORM ADV PART 2B

Barney Schauble

Nephila Advisors LLC

420 Bryant Street, San Francisco

USA, 94107

(415) 692-7139

March 31, 2012

This Brochure Supplement provides information about Barney Schauble that supplements the Brochure of Nephila Advisors LLC (the “Advisor”). You should have received a copy of the Advisor’s Brochure. Please contact our affiliate, Nephila Capital Ltd. (“Nephila Capital”), at (441) 296-3626 if you did not receive the Advisor’s Brochure or if you have any questions about the contents of this Supplement.

Item 2- Educational Background and Business Experience

Barney Schauble, Manager

Date of birth: September 4th, 1972

Education: Mr. Schauble attended Harvard College and received his B.A. in Economics in 1995; he wrote his senior thesis to explore the concept of investing in bonds linked to property catastrophe reinsurance risk.

Business background: Mr. Schauble began his career in New York in 1993 as a broker for Marsh, and later moved to Guy Carpenter (Marsh's reinsurance broking subsidiary). Mr. Schauble left Guy Carpenter in 1996 to join Goldman, Sachs & Co and spent the next six years in their new Risk Markets effort, which was focused on securitizing insurance risk and other areas of intersection between insurance and capital markets. He moved to London in 1999, where he co-headed the European effort, before returning to New York in 2002. His responsibilities as a Vice President in Risk Markets included client coverage, product development, syndication and distribution for a variety of structured products such as risk-linked securities, weather derivatives, and credit derivatives.

Mr. Schauble joined XL Capital's Weather & Energy ("XLWE") subsidiary in 2003, and was appointed head of marketing for the weather business. At XLWE he was responsible for managing a global team, originating weather risk management business and hedging XLWE's excess weather risk with insurance and capital markets counterparties.

Mr. Schauble moved to Nephila Advisors LLC in 2010, having been with the Advisor's affiliate, Nephila Capital Ltd, since 2004. Mr. Schauble's primary responsibilities include assisting in investor relations and advising on business development projects, as well as investment recommendations to the affiliate, in respect of the affiliate's Funds pursuing a weather strategy.

Item 3- Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4- Other Business Activities

Not applicable.

Item 5- Additional Compensation

Not applicable.

Item 6 - Supervision

For purposes of the Securities and Exchange Commission's rules, Barney Schauble is considered to be a "supervised person", in that he formulates investment advice for Clients through his role as sub-advisor, and has direct contact with Clients. Mr. Schauble is supervised for internal control and compliance purposes by the Advisor's Chief Compliance Officer, Steven Glassman. Mr. Glassman is made aware of and included in key advice provided to Clients by Mr. Schauble. Regular meetings attended by Mr. Schauble and the Chief Compliance Officer are held to discuss the sub-advisor's strategy and advice for Clients and ensure that such strategy and advice complies with the Advisor's policies and procedures, and is consistent with the investment objectives, strategies, guidelines and governing documents of the particular Client.

The name, titles and telephone number of Mr. Schauble's supervisor for internal control and compliance purposes is:

Steven Glassman, Chief Management Officer and Chief Compliance Officer, (441) 298-7762

Item 7- Requirements for State-Registered Advisors

Not applicable.