
Scoggin LLC

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This Brochure provides information about the qualifications and business practices of Scoggin LLC (“Scoggin”). If you have any questions about the contents of this Brochure, please contact us at (212) 355-5600. 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.

Scoggin is an investment adviser registered with the SEC. Registration with the SEC does not imply any level of skill or training.

Additional information about Scoggin also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

Material changes from our Form ADV Part 2A dated March 27, 2015 relate to the following:

- Disclosure in Item 5 regarding the allocation among Affiliated Funds (as defined in Item 4 below) of shared expenses, the allocation of costs of products and services when only a portion of the costs constitute allowable Affiliated Fund expenses and expanded disclosure regarding applicable Affiliated Fund expenses.
- Disclosure in Item 12 regarding Scoggin’s Best Execution Committee, the allocation of costs of products and services when only a portion of the costs are eligible to be paid for with soft dollars and expanded disclosure regarding the conflicts of interest related to the use of soft dollars.

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ITEM 4 – ADVISORY BUSINESS

Scoggin and its affiliates provide discretionary investment management services regarding securities and other financial instruments to U.S. and non-U.S. institutional clients (collectively, “Clients”). Scoggin provides discretionary investment management services to private investment funds (“Scoggin Funds”) and may advise separately managed accounts for Clients who meet the definition of “qualified purchaser” in Section 2(a)(51) of the Investment Company Act of 1940, as amended (“Separate Account Clients”) and registered investment companies.

Scoggin directly or indirectly invests on behalf of its Clients in securities of companies in which Scoggin believes that one or more potential catalysts may, upon occurrence, materially affect the value of those securities. These catalysts generally involve significant corporate events (such as mergers, acquisitions, divestitures, spin-offs, and reorganizations), financial distress or other special situations. Scoggin also invests in securities of distressed companies, bank debt, high yield bonds and other special situation securities. The investment objectives, strategies, fees and risks of each Scoggin Fund and other material information are set forth more fully in each Scoggin Fund’s confidential offering document (“Memorandum”), which is available to investors and qualified prospective investors with whom Scoggin or its agents have a pre-existing substantive relationship.

Scoggin is a New York limited liability company established in 1998. The principals of Scoggin are Craig Effron, Curtis Schenker and Dev Chodry. Craig Effron and Curtis Schenker are Co-Chief Investment Officers for Event-Driven Strategies of Scoggin, and Dev Chodry is Chief Investment Officer for Distressed Credit Strategies.

Craig Effron and Curtis Schenker, are also Co-Chief Investment Officers for Event-Driven Strategies of Old Bellows Partners L.P. (“Old Bellows”), an affiliate of Scoggin that is also a registered investment adviser. Dev Chodry is the Chief Investment Officer for Distressed Credit Strategies at Old Bellows. Old Bellows also acts as investment adviser to private investment funds (“Old Bellows Funds” and collectively, the Scoggin Funds and the Old Bellows Funds, the “Affiliated Funds”).

Scoggin had \$1,136,153,000 of regulatory assets under management on a discretionary basis at December 31, 2014. Scoggin does not manage assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

In connection with Scoggin’s management of Scoggin Fund assets, an affiliate of Scoggin receives a management fee calculated as a percentage of assets under management and charged quarterly as compensation for performing its administrative responsibilities with respect to the Scoggin Funds. The percentage of assets payable ranges between 1.5% and 2% and may vary depending on amounts invested by the particular investor and performance hurdles. Investors redeeming intra-quarter will be charged management fees only for the portion of the quarter that they were invested in a Scoggin Fund.

Scoggin receives performance-based compensation that generally is equal to a percentage of new net capital appreciation. Such compensation generally is charged at the end of each calendar year or at the time of an intra-year redemption by an investor in the Scoggin Funds. The percentage of assets payable as performance-based compensation ranges from 15% to 20% and may vary depending on amounts invested by the particular investor and performance hurdles. For purposes of calculating the performance-based compensation, net profit includes both realized and unrealized gains. Losses must be recouped before performance-based compensation may be charged.

Each Affiliated Fund is also responsible for its (i) ongoing expenses, including, without limitation, legal, accounting, auditing, tax preparation (if applicable), and related charges, insurance costs, and filing and other regulatory fees; (ii) directors fees and expenses (if applicable); (iii) administrators' fees and expenses; (iv) expenses associated with the offering of interests and/or shares, including, but not limited to, regulatory filing fees, legal, printing, solicitation and other related expenses; (v) operational expenses, including, but not limited to, photocopying, postage, telephone and facsimile expenses; and (vi) extraordinary expenses (including litigation costs and indemnification obligations), if any. In addition, each Affiliated Fund is also responsible for all transaction costs and investment related expenses incurred directly or indirectly in connection with its trading activities, including, without limitation, (i) execution and clearing charges; (ii) custodial charges; (iii) dealer markups; (iv) interest; (v) consulting fees; (vi) other investment related expenses; (vii) legal charges directly related to investment activities; (viii) its proportionate share of the expenses of any entity in which it may invest; and (ix) other expenses routinely incurred by investment managers engaged in investment activities similar to those of such Affiliated Fund or otherwise determined by Scoggin or its affiliate to be beneficial to the proper performance of its investment activities for such Affiliated Fund. When more than one Affiliated Fund incurs a shared expense, Scoggin or an affiliated entity allocates such shared expense among the applicable Affiliated Funds (i) in proportion to the net asset value of each applicable Affiliated Fund; (ii) in proportion to the size of the investment made by each Affiliated Fund to which the expense relates; or (iii) in such other manner as Scoggin or its affiliated entity considers fair and reasonable. At any time, Scoggin or its affiliates may elect to bear certain Affiliated Fund expenses, but have no obligation to do so.

When a particular product or service has a mixed-use such that only a portion of its costs constitutes allowable Affiliated Fund expenses, Scoggin or its affiliate makes a good faith effort to reasonably allocate the costs of such product or service according to its use and only allocates to each applicable Affiliated Fund the portion of such costs that constitutes allowable expenses for such Affiliated Fund. Those portions of the costs that are not allowable Affiliated Fund expenses and are not otherwise eligible to be paid for by another entity are paid for by Scoggin or its affiliates. In allocating the costs of a mixed-use product or service, Scoggin or its affiliate has an incentive to designate as much of the costs as possible to allowable Affiliated Fund expenses to minimize the amount that Scoggin or its affiliates must pay directly. To address this conflict of interest, Scoggin or its affiliate maintains documentation of its methodology for allocating the costs of mixed-use products and services between allowable and non-allowable Affiliated Fund expenses. Such documentation is reviewed periodically by the Chief Compliance Officer to determine that the allocations were reasonable.

Fees for Separate Account Clients and registered investment companies will be negotiated on a case-by-case basis between Scoggin and the Separate Account Client or the registered investment company. The terms of such arrangements may differ from those applicable to the Scoggin Funds.

Any investment management agreements with Separate Account Clients will be terminable following a notice period of no more than 30 days, as negotiated between Scoggin and the Separate Account Client.

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

Performance-based compensation from the Scoggin Funds generally is equal to a percentage of new net capital appreciation and is paid annually or at the time of an intra-year redemption by an investor in a Scoggin Fund. The percentage of assets payable as performance based compensation ranges from 15% to 20% and may vary depending on amounts invested by the particular investor and performance hurdles. Performance-based compensation is in conformity with Rule 205-3 under the Investment Advisers Act of 1940 (the “Advisers Act”). Please see Item 5 for more information.

Performance-based fee arrangements may create an incentive for Scoggin to make investments that are riskier or more speculative than those that would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities.

Scoggin and its affiliates manage various private investment funds and other Client accounts that have differing fee structures. Such differing fee structures create certain conflicts of interest between Scoggin and its affiliates given the side-by-side management by Scoggin and its affiliates of such private investment funds or other Client accounts. See Item 10 for a discussion of Scoggin’s affiliation with other investment advisers and policies and procedures to mitigate any conflicts of interest arising from such relationships and the side-by-side management of Client accounts with different fee structures.

ITEM 7 – TYPES OF CLIENTS

Scoggin provides investment management services to U.S. and non-U.S. Funds. Each Scoggin Fund has a minimum investment requirement for investors as set forth in the Scoggin Fund’s Memorandum, which is waivable in Scoggin’s discretion, in the case of U.S. Funds, or the board of directors’ discretion in the case of non-U.S. Funds. Investors also are required to meet certain eligibility standards as set forth in each Scoggin Fund’s Memorandum.

Scoggin may also from time to time provide investment management services for a limited number of Separate Account Clients, which generally are expected to be institutions, and registered investment companies. Any such Clients will be accepted on a case-by-case basis.

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

Scoggin uses a multi-disciplined investment approach that relies on fundamental analysis to take advantage of market opportunities and mispricings and to realize gains when investments reach Scoggin's price targets. Scoggin's main sources of information include general sources of news and analysis, news releases, industry publications, industry analysts and sales people, industry research, and company specific information (e.g., indentures and financial statements). Scoggin representatives may also attend industry conferences, visit the offices of target companies and perform other types of due diligence.

Scoggin has the ability to make a broad range of investments for its Clients (including derivatives) and to act opportunistically. Clients may, to a limited extent, invest in securities in which trading may be restricted under the Securities Act of 1933 Act, as amended. Scoggin may use leverage to attempt to increase returns to Clients.

Scoggin invests directly and indirectly utilizing the following investment strategies for its Clients:

1. **Event Driven Investing.** The Clients' investment objective is to maximize capital appreciation of assets primarily through event-driven investing, which consists of direct and indirect investments in securities of companies where Scoggin believes that one or more potential catalysts may, upon occurrence, materially affect the value of those securities. These catalysts generally involve significant corporate events (e.g., mergers, acquisitions, divestitures, spin-offs, reorganizations), financial distress and other special situations.

The profit (or loss) derived from such investments generally consists of the price differential between the price of the securities purchased and the value ultimately realized from their disposition, plus any dividends or interest received during the period that the securities are held, less transaction costs (consisting mainly of brokerage commissions). In implementing this technique, Scoggin analyzes information regarding the situation, the entities involved, the anticipated risks and the projected return in order to determine the optimum size of the Clients' positions, if any. Scoggin may invest in situations potentially involving the following events:

- *Mergers and Acquisitions.* When a proposal for a merger or other acquisition is publicly announced, the value of the cash and/or securities proposed to be issued by the acquiring entity is typically greater than the market price of the securities of the target company for which they are to be exchanged. If Scoggin believes it probable that the transaction will be consummated, it may purchase shares of the target company or call options involving the underlying security for Client accounts. Scoggin also may buy or sell short securities of companies that have entered into definitive agreements where it believes that the transaction will not be consummated, thereby resulting in a material change in the valuation of the securities of the involved parties.
- *Corporate Restructuring.* Companies from time to time engage in restructuring transactions, such as self-tender offers or debt-for-equity or other exchange offers. If Scoggin believes it is

probable that an announced restructuring transaction will be consummated and that the value to be received in the transaction will be greater than the current market price of the securities to be exchanged, it may purchase such securities for Clients.

- *Spin-Offs and Other Divestitures.* A spin-off is a form of corporate divestiture that results in a subsidiary or division of a company becoming an independent entity. As a result of such divestiture, shares of the new entity are distributed pro-rata to the parent corporation's shareholders. Scoggin evaluates the proposed spin-off and, if Scoggin believes that the transaction is likely to increase the value of the securities of the parent, it may purchase securities of the parent for Clients. If the transaction is consummated, it would expect to realize a profit from the increase in the value of the securities purchased. Scoggin also may purchase the shares of the new entity for Clients following the spin-off if it believes that the securities are undervalued.
- *Liquidations.* Companies also may undertake plans of liquidation under which all or substantially all of the assets of a company are to be sold and the proceeds of the sale ultimately are to be distributed to stockholders. If Scoggin believes that the assets of a company to be liquidated are worth more than the market price of its publicly traded securities and that it is likely that the liquidation proposal will receive the requisite approvals, a Client may invest in the company's securities.
- *Litigation and Regulatory Events.* Clients may purchase or sell short securities of companies that are involved in litigations and/or regulatory actions. Depending on the outcome of such litigation or regulatory action, the value of the involved company's securities may change materially, thereby presenting an opportunity to profit from such change.

2. Investments in Securities and Other Obligations of Financially Distressed Companies. Clients may invest as a secondary objective in securities of companies that have become financially distressed as a result of unexpectedly or chronically poor operating results, an excessive debt burden or a substantial liability. An investment in such distressed company's securities may be made if Scoggin believes that a successful restructuring or reorganization is likely to be completed and that the value of the new securities to be received, plus cash or any other consideration, if any, will exceed the current market price of such securities.

3. "Private" Investments. Scoggin may also determine in the future to pursue upon consent of the Scoggin Funds' investors certain illiquid and long-term private equity investments that do not have a discernable exit strategy for an extended period of time from their acquisition, but currently has not invested in any such private equity investments. Examples of such investments are late stage venture capital investments, investments in restricted securities and direct investments in private operating companies.

Scoggin is also permitted to make such other investments as it may determine, in its sole discretion, to be potentially profitable whether or not such investments are within the investment strategies discussed above.

There can be no assurance that a Client will achieve its investment objective or that the strategies pursued and methods utilized by Scoggin will be successful under all or any market conditions.

Material Risks

Investing in securities involves a risk of loss that Clients and investors should be prepared to bear. A brief explanation of the material risks associated with Scoggin's principal investment strategy and methods of analysis follows. Additional risk factors for each Scoggin Fund are set forth in its Memorandum.

- Risk Arbitrage Investments. The risk arbitrage business is extremely competitive, and many of the major participants in the business are large investment banking firms with substantially greater financial resources, larger research staffs and more securities traders than will be available to Scoggin. Arbitrage activity by other larger firms may tend to narrow the spread between the price at which a security may be purchased by a Client and the price it expects to receive upon consummation of a transaction. The price offered for the securities of a company in a tender offer, merger or other acquisition transaction will generally be at a premium above the market price of the security prior to the offer. The announcement of such a transaction will generally cause the market price of the securities to begin rising. Occasionally, Scoggin will purchase a security in advance of such an announcement if it correctly anticipates the acquisition event. Scoggin generally purchases securities after the announcement of the transaction at a price that is higher than the pre-announcement market price, but which is lower than the price at which Scoggin expects the transaction to be consummated. In either event, if the proposed transaction is not consummated, the value of such securities purchased by the Client may decline significantly. It is also possible that the difference between the price paid by the Client for securities and the amount anticipated to be received upon consummation of the proposed transaction may be very small. If a proposed transaction is in fact not consummated or is delayed, the market price of the securities may decline sharply.
- Purchases of Securities and Other Obligations of Financially Distressed Companies. A company in financial distress may announce a restructuring plan, either in the form of a court-supervised bankruptcy or insolvency proceeding, or an out-of-court restructuring of its indebtedness and other liabilities. An investment in such distressed company's securities may be made if Scoggin believes that a successful restructuring or reorganization is likely to be completed and that the value of the new securities to be received, plus cash or any other consideration, if any, exceeds the current market price of such securities. Securities or other assets or investments acquired by a Client may have to be held for extended periods of time. Proposed reorganizations of companies that issue distressed securities may not be consummated, or may be significantly delayed, for several reasons, including: opposition by the management or shareholders of the company or companies involved in the reorganization, opposition by regulatory agencies whose approval may be required; discovery of undisclosed facts during the process of legal or commercial due diligence or by other means; a dispute over price or other terms among the parties to a negotiated reorganization; litigation; a material adverse change in the business of the company or companies involved in the reorganization or the securities markets generally; passage of legislation by governmental entities restricting certain types of reorganizations and other circumstances, including, but not limited to, the failure to meet certain conditions

customarily specified in acquisition agreements. In addition, the markets for these securities may be illiquid and therefore significantly impair the Client's ability to buy or sell at advantageous prices.

- Speculative Purchases of Securities. Scoggin may make speculative purchases of securities that it believes to be undervalued, or securities in which a significant position has been taken by one or more other persons, or securities in an industry or related industry where companies have been the subject of acquisition attempts. There can be no assurances that securities that Scoggin believes to be undervalued are in fact undervalued, or that undervalued securities will increase in value. If a Client purchases securities in anticipation of an acquisition attempt or reorganization that does not in fact occur, the Client may experience losses. Further, a substantial period of time may elapse between the Client's purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Client's assets would be committed to the securities purchased and the Client may finance such purchase with borrowed funds on which it will have to pay interest.
- Derivatives. Scoggin may enter into derivatives contracts in which the payment obligations of the parties are defined by reference to chosen market measures. Such derivatives may be linked to interest rates, currencies, credit and/or securities and may take the form of futures and forward contracts, swaps, swaptions, options, caps, collars and floors and other similar contracts. Scoggin may also invest in hybrid instruments mixing features of a debt security with those of a derivatives contract. Derivatives and hybrid instruments may be traded on exchanges or over-the-counter. Derivatives may expose Clients to different or increased risks relative to traditional investments involving the purchase and sale of property and assets. In general, every derivative involves some degree of all of the following risks — credit risk, market risk, liquidity risk, funding risk, operational risk, legal and documentation risk, regulatory risk and tax risk. Clients will always be subject to the credit risk and risk of nonperformance of its derivatives counterparties and the issuers of its hybrid instruments. This risk can be mitigated, but not eliminated, to the extent that the Scoggin Fund enters into derivatives that are cleared with a clearinghouse.
- Leverage Through Borrowings. Scoggin may use borrowed funds in order to make investments. Under current margin regulations, the maximum amount which, as a general rule, can be borrowed using securities as collateral in a single transaction is 50%. To the extent borrowings are used to create leverage, the risk of loss (and the possibility of gain) is increased in direct proportion to the level of a Client's borrowings. The level of interest rates generally, and the rates at which a Client can borrow in particular, will be an expense of the Client and therefore affect the operating results of the Client.
- Foreign Securities. Foreign securities may be highly volatile and involve greater risks than comparable U.S. investments, because of, among other things, instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities. Higher expenses also may result from investment in

foreign securities than domestic securities. Foreign securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States.

- **Default and Counterparty Risk.** Some of the markets in which Scoggin may effect transactions are “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange based” markets. This exposes the Clients to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Clients to suffer a loss. In addition, in the case of a default, the Clients could become subject to adverse market movements while replacement transactions are executed. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Clients have concentrated their transactions with a single or small group of counterparties. Scoggin may not have an internal credit function which evaluates the creditworthiness of its counterparties. The ability of the Clients to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Clients.
- **Concentration of Investments.** Certain Clients maintain concentrated portfolios and do not limit the amount of capital that may be committed to any one investment. These Clients may hold a few (or even one), relatively large (in relation to their capital) securities positions, with the result that a loss in any one position could have a more adverse impact on the Client than would a loss in a position in a more diversified portfolio.

The foregoing is a summary of the material risks involved in Scoggin’s investment strategies. Further discussion of risk factors related to each Scoggin Fund is presented in its Memorandum, which is available to current and eligible prospective investors in such Scoggin Fund.

ITEM 9 – DISCIPLINARY INFORMATION

Scoggin does not have any disciplinary or legal events to report.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Old Bellows, also a registered investment adviser, is an affiliate of Scoggin by virtue of partial common ownership. Old Bellows acts as the investment manager to the Old Bellows Funds for which Dev Chodry is Chief Investment Officer for Distressed Credit Strategies and Craig Effron and Curtis Schenker are Co-Chief Investment Officers for Event-Driven Strategies.

Scoggin Capital UK Ltd, an investment adviser organized in the United Kingdom and registered with the United Kingdom’s Financial Conduct Authority, is a wholly owned subsidiary of Scoggin. Scoggin Capital UK Ltd is not a U.S. registered investment adviser.

In addition, the TCW Group and S&E Partners, L.P., an affiliate of Scoggin and Old Bellows, are the owners of TCW/Scoggin LLC (“TCW/Scoggin”), another registered investment adviser. TCW/Scoggin is a sub-advisor to one series of an investment company registered under the Investment Company Act of 1940, as amended. Scoggin also is a principal of TCW/Scoggin Administrator, LLC (“TCW/Scoggin Administrator”), a Delaware limited liability company formed in 2013 as a joint venture between (i) Scoggin; (ii) TCW Asset Management Company (“TAMCO”), a subsidiary of the TCW Group, Inc. (“TCW”), and (iii) Old Bellows Advisors LLC, a Delaware limited liability company (“Old Bellows Advisors”).

The Scoggin Funds, the Old Bellows Funds and the TCW/Scoggin Client have differing fee structures. In addition, the Chief Investment Officers of Scoggin, Old Bellows and TCW/Scoggin own varying amounts of each investment adviser. The differing fee structures and differing ownership levels of Scoggin, Old Bellows and TCW/Scoggin may cause each Chief Investment Officer to derive different amounts of profits from Scoggin, Old Bellows and TCW/Scoggin and thus could create an incentive for an individual Chief Investment Officer to favor one Client over another.

To avoid even the appearance of such impropriety, Scoggin, Old Bellows and TCW/Scoggin have adopted procedures for allocation of investment opportunities and trades. It is the policy of Scoggin, Old Bellows and TCW/Scoggin that investment decisions for Clients of Scoggin, Old Bellows and TCW/Scoggin are to be made consistent with the investment objectives, guidelines and restrictions of such Clients and that investment opportunities and trades are to be allocated fairly and equitably among accounts participating in each transaction, taking into consideration their investment objectives and restrictions, and after consideration of such factors as their current holdings, available cash for investment and the size of their positions.

Scoggin generally attempts to manage its Client accounts in the same manner so that they have similar holdings and positions, and typically invests for the those Clients proportionally based upon relative net assets. However, given the differing holdings, investment objectives and restrictions, available cash for investment, and primary investment focus, if any, and the size of current positions each Client will not necessarily participate in each transaction in a security or instrument that might be considered within the range of permissible investments for that Client account.

Dev Chodry, the Chief Investment Officer for Distressed Credit Strategies for the Scoggin Funds, also is Chief Investment Officer for Old Bellows, Scoggin’s affiliated adviser. Mr. Chodry allocates some distressed and debt trades to the Scoggin Funds, as well as to the Old Bellows Funds. Clients with a primary investment focus in distressed investments (i.e., the Old Bellows Funds) may be given greater than a pro-rata share of such securities in certain trades.

At the beginning of each month Scoggin and Old Bellows establish pro-rata trade allocation formulas based on assets under management, investment strategy and product for the Scoggin and Old Bellows Client accounts. For each aggregated or bunched order, when the trade is entered, the order management system utilized by Old Bellows and Scoggin automatically allocates that trade to each Client consistent with the applicable monthly allocation formula.

Trades for the TCW/Scoggin investment company Client will not be aggregated with the trades made for the Scoggin and Old Bellow Client accounts because of the different investment guidelines and restrictions of the investment company.

Allocations of securities may be modified after preparation of the allocation statement but prior to settlement under the following circumstances:

- *Investment Guidelines.* Trades may be reallocated if it is determined that an allocation would result in a violation of any Client's investment objectives or guidelines.
- *Legal Requirements.* Trades may be reallocated if it is determined that an allocation would result in a violation of any law or regulation applicable to the type of Client or transaction.
- *Portfolio Manager Discretion.* Trades may be reallocated in other circumstances at the direction of, or with approval from, the portfolio managers.
- *Hedging Transactions.* Because different Clients may participate in different transactions, hedges against industry, or country-specific portfolio exposure will be made selectively and will not follow pre-set allocations procedures.
- *Rebalancing Trades.* Upon subscriptions to or redemptions from the Scoggin Funds, the portfolio managers may or may not choose to rebalance the portfolio, depending on market conditions at the time. Instead, the portfolio managers may choose to adjust positions over time with rebalancing trades that result in deviations from pre-set allocations.

All exceptions to the pro-rata allocation procedures are subject to review by the Chief Compliance Officer.

For Separate Account Clients, the investment strategy to be followed for the account is set forth in the investment management agreement. If the Separate Account Client directs that its assets are to be managed in the style of a Scoggin Fund, the trades for the Separate Account Client will be executed consistent with these allocation procedures, as applied to the Scoggin Fund.

It is generally the policy of Scoggin and Old Bellows that orders for multiple Clients of the same security in the same direction on the same trading day will be aggregated for execution, and that all Clients participating such orders will receive the average price for the trading day. However, as noted above, TCW/Scoggin investment company trades are not aggregated with other Client account trades. Nonetheless, Scoggin, Old Bellows and TCW/Scoggin have adopted joint policies and procedures that seek to facilitate that investment opportunities and trades be allocated fairly and equitably among their respective Clients participating in such opportunities, taking into consideration their investment objectives and restrictions, and after consideration of such factors as their current holdings, available cash for investment and the size of their positions. Furthermore, because of the liquid nature of the securities traded for the registered investment company, trades made in the same security for the investment company and other Client accounts are expected to be fully filled for both sets of Clients.

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

Scoggin has adopted a Code of Ethics (the “Code”) that sets forth the ethical and fiduciary principles and related compliance requirements under which Scoggin operates and the procedures for implementing those principles. The Code includes provisions that govern fiduciary duty, Client opportunities, insider trading, personal trading, gifts and entertainment, political contributions, outside business activities and confidentiality.

With respect to personal trading, principals, employees and related accounts (collectively, “Employees”) are permitted to maintain personal securities accounts provided that such accounts are disclosed to Scoggin and that any personal trading is consistent with applicable law and with the Code. Subject to compliance with the Code, Employees may buy, sell or hold, for their own personal accounts, securities that Scoggin also may buy, sell or hold for Scoggin Funds and Separate Account Clients.

The Code contains policies and procedures that, among other things:

- prohibit Employees from taking personal advantage of opportunities belonging to Clients;
- prohibit trading on the basis of material nonpublic information;
- place limitations on personal trading by Employees to avoid direct conflict with Client trading and impose preclearance (in most cases) and reporting obligations with respect to trading; and
- require initial and annual reports of securities holdings and quarterly transaction reports by Employees.

Scoggin’s Code of Ethics is available to Clients or prospective Clients upon request from Daniel S. Taub, Scoggin’s Chief Compliance Officer, at (212) 355-5600.

Scoggin does not “solicit” its Clients, which are private funds, to invest in other funds managed by it or its affiliates. From time to time, however, Scoggin may, in the exercise of its investment discretion, invest assets of a Scoggin Fund in another fund managed by it or an affiliate. Such investments are expected to be infrequent.

Scoggin, consistent with Clients’ investment objectives and in accordance with applicable law, may cause accounts it manages to purchase or sell securities in which the manager or employees of Scoggin, directly or indirectly, have a position or interest.

Scoggin does not generally purchase securities for one Client account from another Client account or sell securities from one Client account to another Client account. (Such transactions between client accounts are commonly known as “cross trades”.) From time to time, however, Scoggin may determine that it is in the best interest of certain Scoggin Clients to cross trade certain securities between their accounts, or with accounts managed by its affiliated investment adviser, Old Bellows. Any such transaction will be effected at the market price of the security determined at the time of the transaction. Cross trades will be

effected only if consistent with the investment objectives and restrictions of the Clients involved and with Scoggin's internal cross trade policies and procedures.

ITEM 12 – BROKERAGE PRACTICES

In the exercise of its discretionary authority, Scoggin has the authority to determine, without obtaining specific Client consent, the broker-dealers ("Brokers") to be used for each transaction for a Scoggin Client and to negotiate the rates and commissions the Client will pay. In selecting Brokers to execute transactions, Scoggin need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Scoggin's practice to negotiate "execution only" commission rates; thus, a Client may be deemed to be paying for other products and services provided by the Brokers which are included in the commission rate.

Scoggin attempts to enter into brokerage arrangements that are competitive, based on its knowledge of the industry. In making its selection of Brokers, Scoggin takes into account the Brokers' reliability, reputation, financial responsibility, stability, ability to execute trades, nature and frequency of sales coverage, commission rate, if any, and the responsiveness of the Brokers. In addition, Scoggin considers the value of brokerage and research products and services, including, among other things, proprietary research from broker-dealers and research either generated and provided by the Brokers, or provided by others and paid for by the Brokers (either by direct or reimbursement payment in whatever form, cash payments, commissions, or any other means). Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, data or pricing regarding securities, financial publications, electronic market quotations, performance analytics, analyses concerning specific securities, companies, industries or sectors and market, economic and financial studies and forecasts. Research may be in written or oral form.

Scoggin maintains a Best Execution Committee, which meets quarterly to review the quality of executions and the value of other services received from brokers used by Scoggin and based on such reviews the Best Execution Committee may add or remove approved brokers. The members of the Best Execution Committee are the CFO, the head trader, one of the Co-Chief Investment Officers for Event-Driven Strategies and the CCO.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" for investment managers who use brokerage commissions or transaction fees (also known as "soft dollars") generated by their client accounts to obtain certain products and services. Eligible Section 28(e) expenses include investment research that provides lawful and appropriate assistance to an investment manager in performing investment decision-making responsibilities and/or brokerage products and services (beyond traditional execution services) that perform functions incidental to transaction execution. Scoggin's use of soft dollars to purchase products and services is intended to comply with the requirements of Section 28(e).

Nonetheless, Scoggin's use of soft dollars under the Section 28(e) safe harbor to obtain products and services creates various conflicts of interest. For example, by using Client commissions to obtain products and services, Scoggin does not have to produce or pay for such products and services. Consequently, Scoggin may have an incentive to select or recommend Brokers based on its interest in receiving products and services, rather than its Clients' interests in receiving most favorable execution. In addition, when products and services are received, Clients may pay higher commissions than those charged by other Brokers (from or through whom such products and services were not received). In addition, some products and services may not necessarily be used by a particular Client even though the Client's commission dollars were used to obtain the products and services. Therefore, a Client may not always be the direct or indirect beneficiary of the products and services generated by its brokerage transactions.

Some products and services may have a mixed-use and only partially be used for purposes that qualify for the Section 28(e) safe harbor. Under such circumstances, Scoggin makes a good faith effort to reasonably allocate the costs of such products and services according to their use and only allows those portions of the costs that are eligible under Section 28(e) to be paid for with commission dollars. Those portions of the costs that are not eligible to be paid for with commission dollars under Section 28(e) Scoggin allocates to its Clients to the extent they are allowable Client expenses or to Scoggin to the extent they are ineligible Client expenses. In allocating the costs of a mixed-use product or service, Scoggin has an incentive to designate as much as possible of the costs to eligible Section 28(e) soft dollar expenses to minimize the amount that Scoggin and/or its Clients must pay directly. To address this conflict of interest, Scoggin maintains documentation of its methodology for allocating the costs of mixed-use products and services between allowable and non-allowable soft dollar expenses. Such documentation is periodically reviewed by the Chief Compliance Officer to determine that the allocations were reasonable.

ITEM 13 – REVIEW OF ACCOUNTS

Scoggin undertakes the following activities in an effort to ensure that investments for its Clients are made in accordance with their respective investment objectives and restrictions:

- Operational personnel monitor and reconcile the cash and trades daily for each account and advise portfolio managers of any apparent anomalies.
- For any Separate Account Clients, each Separate Account Client's portfolio is monitored by the portfolio manager or a member of the portfolio management team through the use of an electronic trading system for compliance with investment objectives and restrictions.
- For the Scoggin Funds, the portfolio manager or a member of the portfolio management team continuously monitors trading for consistency with each Scoggin Fund's investment objectives and restrictions set forth in its Memorandum.

Investors in the Scoggin Funds generally are provided with written unaudited monthly statements of their account from the administrator and annually receive audited financial statements.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Scoggin may pay brokers, finders or other third parties fees or similar compensation in connection with the referral of investors to the Scoggin Funds. Investors in the Scoggin Funds do not pay higher advisory fees based on these relationships.

Other than the soft-dollar benefits described in Item 12 above, Scoggin does not receive any economic benefit for providing advice to its Clients from anyone other than its Clients.

ITEM 15 – CUSTODY

Scoggin does not have physical custody of any Client assets. Because Scoggin or related persons of Scoggin act as the managing member or general partner of certain Clients, Scoggin is deemed to have custody of the assets of those Clients under SEC rules. Scoggin maintains the assets of all of its Clients with qualified custodians, within the meaning of Rule 206(4)-2 under the Advisers Act. For its “flagship” funds, Scoggin satisfies reporting requirements under that rule by furnishing audited financial statements annually to all investors in such Clients within time periods required under the custody rule.

With respect to certain private investment funds, investors will receive statements directly from the qualified custodian of such private investment fund.

ITEM 16 – INVESTMENT DISCRETION

Scoggin has the authority to determine for its Clients, without obtaining their specific consent, (1) securities or other instruments to be bought or sold, (2) the amount of the securities to be bought or sold, (3) the broker or dealer to be used, and (4) commission rates paid. Limitations on Scoggin’s authority are imposed by the investment strategies and objectives of its Clients. See Item 4.

ITEM 17 – VOTING CLIENT SECURITIES

Given the nature of its investment management services, Scoggin exercises discretion to vote proxies for its Clients’ securities only in limited circumstances. As a result, Scoggin, for itself and on behalf of Old Bellows, engages Institutional Shareholder Services (“ISS”) to vote any proxies and Scoggin has so notified each Client. The Chief Financial Officer manages Scoggin’s relationship with ISS. The Chief Financial Officer ensures that ISS votes all proxies, consistent with Scoggin’s agreement with ISS and Scoggin’s general guidance and retains all required documentation associated with proxy voting. Scoggin does not disclose how it expects to vote on upcoming proxies. Additionally, Scoggin does not disclose the way it voted proxies to unaffiliated third parties who do not have a legitimate need to know such information.

Scoggin must act as a fiduciary when voting proxies on behalf of its Clients. In that regard, Scoggin will seek to avoid possible conflicts of interest in connection with proxy voting. Conflicts of interest in

connection with proxy votes arise only in limited cases when a proxy vote is withdrawn from the ISS proxy voting system. In such event, the Chief Financial Officer and the Chief Compliance Officer will consider whether Scoggin is subject to any material conflict and will take action to mitigate such conflict. ISS will retain and provide copies to Scoggin of information in connection with each proxy vote.

ISS and the Chief Financial Officer will maintain the following records with respect to proxies: (i) proxy statements received regarding Client securities; (ii) records of votes cast on behalf of a Client, including each security as to which votes were cast, the number of shares voted and how they were voted on each issue; (iii) written records of requests by Clients for proxy voting information; (iv) written responses to any written or oral requests; and (v) any documents prepared or used by Scoggin that were material to how a proxy was voted or that memorialized the basis for the voting decision.

Scoggin does not accept requests from Clients to vote proxies in a particular manner.

Scoggin's proxy voting policy and procedures are available upon request. A Client may obtain Scoggin's proxy voting policy or a record of Scoggin's proxy voting for such Client by contacting Daniel S. Taub, Scoggin's Chief Compliance Officer, at (212) 355-5600.

ITEM 18 – FINANCIAL INFORMATION

Scoggin has no financial condition that impairs its ability to meet contractual commitments to Clients, and has not been the subject of a bankruptcy proceeding.