

Item 1 – Cover Page

RITHM CAPITAL ADVISORS LLC
Form ADV Part 2A: Firm Brochure

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December 13, 2024

This brochure (“Firm Brochure”) provides information about the qualifications and business practices of Rithm Capital Advisors LLC (“Rithm Capital”). If you have any questions about the contents of this Firm Brochure, please contact us at 212-850-7770 or by e-mail at ir@rithmcap.com. The information in this Firm Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Rithm Capital is registering as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration with the SEC does not imply a certain level of skill or training. Additional information about Rithm Capital is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2 – Material Changes

This item is not applicable as this is Rithm Capital's first Firm Brochure being filed with the SEC in conjunction with its initial registration as an investment adviser. In the future, this section will include any material changes that occurred since the last annual update of the Firm Brochure.

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Item 4 – Advisory Business

Rithm Capital Advisors LLC (referred to herein as “Rithm Capital” or the “Firm”) is a Delaware limited liability company formed on September 24, 2024, and headquartered in New York, NY. Rithm Capital is an indirect, wholly-owned subsidiary of Rithm Capital Management LLC, a Delaware limited liability company (“RCM”). RCM is a direct, wholly-owned subsidiary of Rithm Capital Corp., a publicly traded Delaware real estate investment trust (NYSE: RITM) (“RCC”) and global asset manager focused on real estate, credit and financial services. RCC was established in 2013 to own mortgage servicing rights (“MSRs”) and other mortgage related assets and was previously externally managed by an affiliate of Fortress Investment Group. In 2022, Rithm (as defined below) internalized its management function and rebranded from New Residential Investment Corp. to RCC to reflect diversification in asset management and investment in the financial and real estate sectors. In addition, RCM GA Manager LLC, a Delaware limited liability company and affiliate of Rithm Capital, is an SEC-registered investment adviser that pursues real estate investments (“RCM GA”).

Rithm Capital, together with its subsidiaries and affiliates (including, where applicable, RCM, RCC and RCM GA), is referred to herein as “Rithm.” Additionally, RCM, RCM GA, RCC and other affiliates of Rithm Capital, including investment funds that are managed or may in the future be managed by any such affiliate, are herein referred to as “Rithm Affiliates.”

Rithm Capital expects to provide investment advisory services to Rithm Electric Revolution Fund LP, a Delaware limited partnership formed in October 2024 (the “Fund”). Rithm Energy Fund GP LLC, a Delaware limited liability company, serves as the sole general partner of the Fund (the “General Partner”). Any references herein to “Client” include the Fund and any other future clients of Rithm Capital.

The Fund will pursue an investment strategy designed to capitalize on the expected growth in power demand that is being fueled by several emerging megatrends including energy transition, electrification, digitalization and reindustrialization. Investments made by the Fund will focus on the transmission and distribution (“T&D”) segments of the electricity value chain (versus generation and consumption) by investing primarily in the electrical equipment companies making mission-critical gear that enhance and harden the grid. The Fund’s investment strategy is further detailed in Item 8.

Rithm Capital’s investment advisory services to the Fund will be detailed in the investment management agreement, private placement memorandum, limited partnership agreement and subscription documents (collectively, the “Fund Documents”), and investors will determine the suitability of investing in the Fund based on, among other considerations, the Fund Documents.

Unless the context otherwise requires, references in this Firm Brochure to Rithm Capital should be construed to mean Rithm Capital and any agent thereof.

Rithm Capital does not anticipate participating in wrap fee programs.

As of the date of this filing, Rithm Capital does not have any discretionary or non-discretionary regulatory assets under management. However, Rithm Capital has registered with the SEC in reliance on Rule 203A-2(c) as the Firm expects to be eligible for SEC registration within 120 days after the date in which Rithm Capital’s registration with the Commission becomes effective due to the investment management services it will provide to the Fund and its regulatory assets under management. Rithm Capital intends to update this Firm Brochure at such time.

Item 5 – Fees and Compensation

In general, Rithm Capital will receive a management fee and a performance fee (as described below in Item 6) in connection with the provision of investment advisory services to the Fund. The Fund Documents will set forth the specific fees and other material terms regarding an investment in the Fund.

Investors in the Fund (the “Limited Partners”) will pay an annual management fee (the “Management Fee”) equal to 1% of the net asset value of the Fund. The Management Fee is payable quarterly in advance.

Expenses

In addition to the Management Fee and Performance Fee (as defined below), the Fund will pay (or reimburse Rithm Capital or its affiliates, as the case may be) for all organizational and initial offering costs of the Fund. The Fund will also bear other investment expenses, including but not limited to, custodial charges, brokerage fees, commissions and related costs; interest expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; legal expenses; and administration, accounting, audit and tax preparation expenses. Fund expenses will be outlined in more detail in the Fund Documents.

Certain professional, servicing and/or asset management fees may be paid to Rithm Affiliates as will be set forth and described in the Fund Documents. In such cases, Rithm Capital indirectly receives such fees, via its affiliates, in addition to the Management Fee and Performance Fee. Such fees do not offset the Management Fee and Performance Fee.

Rithm Capital and/or Rithm Affiliates will from time to time outsource certain services including, but not limited to, operational, accounting, legal and information technology services for the Fund and the Fund will pay or reimburse Rithm Capital or its affiliates performing such services for the cost thereof.

For the avoidance of doubt, the Fund will not pay any of the internal expenses of Rithm Capital or Rithm (such as salaries, bonuses or office rent), except as may otherwise be set forth above.

Neither Rithm Capital nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

Prospective investors should refer to the Fund Documents of the Fund for a complete understanding of how Rithm Capital is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by the Fund Documents.

Item 6 – Performance Based Fees and Side-by-Side Management

Rithm Capital will receive a performance fee in an amount equal to 20% of annual net capital appreciation allocated to each investor in the Fund (the “Performance Fee”). The General Partner may, in its sole discretion, elect to waive or defer all or any portion of the Performance Fee to which the General Partner is entitled, in respect of the commitment of all Limited Partners, or one or more Limited Partners (including pursuant to any side letter agreement without offering the same opportunity to other Limited Partners).

Rithm Capital’s opportunity to earn performance compensation may lead Rithm Capital to place undue emphasis on the maximization of yield at the expense of other criteria, such as preservation of capital, in order to achieve higher performance compensation. Investments with higher yield potential are generally riskier or more speculative. This could result in increased risk to the value of the Fund’s investment portfolio.

In determining allocations of investments, Rithm Capital takes into account such factors as it deems appropriate, such as: investment objectives and focus; target investment size and target returns, available capital, the timing of capital inflows and outflows and anticipated subscriptions; timing of investment closing; investment sourcing; leverage considerations; liquidity profiles, applicable concentration limits and

other investment restrictions; portfolio diversification; tax efficiencies and potential adverse tax consequences; regulatory, policy and procedural restrictions (including internal policies and procedures); investment rights and other contractual obligations; the management of actual and potential conflicts of interest; risk and performance considerations; and any other considerations that Rithm Capital in good faith deems relevant.

Item 7 – Types of Clients

Initially, Rithm Capital will solely provide investment advisory services to the Fund. The Fund is a Delaware limited partnership and organized as a legal entity that qualifies for an exclusion from the definition of “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”). In general, the limited partnership interests in the Fund are only offered to “accredited investors,” as defined in Rule 501 of Regulation D under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and “qualified purchasers” or “knowledgeable employees,” as defined under the Investment Company Act, and must meet such other suitability requirements as may be determined by the General Partner in its discretion. The minimum subscription amount for a Limited Partner is \$100,000. The General Partner reserves the right, in its sole discretion, to accept subscriptions of a lesser amount.

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

Methods of Analysis

The investment process employed by Rithm Capital in respect of the Fund will generally include the steps listed below, although the actual evaluation process for any particular investment may vary.

Portfolio selection is driven by bottom-up fundamental analysis to identify best-in-class operators and management teams. This analysis includes cash flow modeling, valuation analysis, and risk evaluation. Portfolio construction reflects these assessments and focuses on total return expectations, liquidity, position size, and subsector concentration. Monitoring the portfolio includes tracking and evaluating performance. The sell discipline will be based on a change in investment thesis, valuation targets being reached or exceeded, and substitutions of companies possessing a superior risk-adjusted return potential.

Investment Strategy

The Fund will pursue an investment strategy designed to capitalize on the expected growth in power demand that is being fueled by several emerging megatrends including energy transition, electrification, digitalization and reindustrialization. Investments made by the Fund will focus on the T&D segments of the electricity value chain (versus generation and consumption) by investing primarily in the electrical equipment companies making mission-critical gear that enhance and harden the grid. This is a figurative “pick and shovel” strategy that offers a lower risk way of gaining exposure to these investment themes with limited technology, construction and commodity price exposures.

The Fund seeks to pursue a long-biased equity-focused portfolio that intends to manage exposure up to 125% long and 60-70% when short opportunities are present. The investment strategy involves research-based fundamental equities investing where the purchase and sale of securities is determined by an assessment of the market value of a security relative to the intrinsic value of a security. This strategy can involve investing and trading in a portfolio of equity securities and other assets, including: common stock; preferred stock; cash and cash equivalents (including money market funds); options; convertible bonds; futures; swaps; other derivatives or any other equity-like securities. The allocation of capital across asset classes within this strategy will vary depending on market opportunities and other factors. This strategy uses both long and short

positions, and investments may be made on exchanges, in over-the-counter (“OTC”) market transactions and in private transactions. Rithm Capital will perform analyses to assess risks associated with investments in this strategy. Rithm Capital will also employ a variety of hedging techniques in an effort to reduce exposure to specific events, systematic risks, market risks, macro-economic risks and other factors, when necessary or desired.

Risk of Loss

An investment in the Fund entails a high degree of risk and is suitable only for investors for whom an investment in the Fund does not represent a complete investment program. An investment in the Fund requires the financial ability and willingness to accept the substantial risks inherent in such an investment. Prospective investors to the Fund should carefully review the Fund Documents. Prospective investors are also encouraged to consult their own legal, investment, tax, and other advisers, and the Fund Documents, as to whether an investment in the Fund is appropriate for them.

There can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. Past performance is not indicative of future results, and the performance of the Fund could be volatile. An investment in the Fund is speculative and involves substantial risk, including the possible loss of the entire amount invested, due to, among other factors:

Market Risk. The success of the Fund’s portfolio activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, commodity prices, economic uncertainty, changes in laws, trade barrier, currency fluctuations and controls and national and international political circumstances. Additionally, pervasive and fundamental disruptions in the financial markets may result in unforeseen risks, additional regulation and added regulatory burden. These factors may affect the level of volatility of securities prices and the liquidity of investments in the Fund’s portfolios. Such volatility or illiquidity could impair profitability or result in losses. The risks from an economic slowdown or recession may adversely affect the Fund’s returns.

Potential Loss of Investment. There is a risk that an investment in a strategy will be lost in part or in its entirety. An investment in the Fund is not a complete investment program and should not represent only a portion of an investor’s portfolio management strategy.

No Operating History; Past Performance. The Fund is a newly formed entity and has no prior operating history upon which an investor can base its prediction of future success or failure. Rithm Capital will be newly formed and has no prior experience managing third-party client assets. Although Rithm and Rithm Affiliates have prior experience in portfolio and investment management, the past performance of their investments is no guarantee of future results. Accordingly, any investment in the Fund involves uncertainty and risk of loss.

Equity Investments. The Fund’s equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Fund may invest. Equity prices are directly affected by issuer specific events, as well as general market conditions. Equity investments are subordinate to the claims of an issuer’s creditors and, to the extent such securities are common securities, preferred stockholders. Dividends customarily paid to equity holders can be suspended or cancelled at any time. As a result, investments in equity securities can be highly speculative and carry a substantial risk of loss of principal.

Derivatives. The Fund make use of various derivative instruments, such as convertible securities, options, futures, forwards and interest rate, credit default, total return and equity swaps. The Fund may also make

use of convertible securities, forwards and interest rate and credit default swaps. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage sometimes embedded in such instruments. The derivatives markets are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out open positions in order either to realize gains or to limit losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, resulting in unexpected losses.

Futures Contracts. The Fund may invest in futures contracts. Futures contracts are exchange-traded contracts that provide for the future delivery of various commodities, currencies or financial instruments at a specified time and place. Contractual obligations, depending on whether one is a buyer or a seller, may be satisfied either by taking or making physical delivery of the applicable commodity, or as often happens in financial futures, by cash settlement. Futures obligations may also be satisfied by making an offsetting sale or purchase of an equivalent futures contract on the same exchange prior to the designated delivery date. Most financial futures contracts are settled in this manner.

Swaps. The Fund may enter into swap agreements and similar derivative transactions involving or relating to interest rates, credit risks, non-U.S. currencies, commodities, securities, investment fund interests, indices, prices or other items. A swap transaction is an individually negotiated, non-standardized agreement between two parties to exchange cash flows (and sometimes principal amounts) measured by different interest rates, commodity prices, exchange rates, indices or prices, with payments generally calculated by reference to a principal (“notional”) amount or quantity. Swap contracts and similar derivative contracts are not currently traded on exchanges; rather, banks and dealers act as principals in these markets. As a result, the Fund is subject to the risk of the inability or refusal to perform with respect to such contracts on the part of the counterparties with which the Fund trades. In the event speculative position limits are ever imposed, Rithm Capital could be required to liquidate positions held for the Fund in order to comply with such limits. Any such liquidation could result in substantial costs to the Fund. Participants in the swap markets are not required to make continuous markets in the swap contracts they trade.

Over-the-Counter Derivatives Markets. OTC trades submitted for clearing are subject to minimum initial and variation margin requirements set by the relevant clearinghouse, as well as margin requirements mandated by the CFTC, SEC and/or federal prudential regulators. OTC derivatives dealers also typically demand the unilateral ability to increase the Fund’s collateral requirements for cleared OTC trades beyond any regulatory and clearinghouse minimums. The regulators also have imposed margin requirements on non-cleared OTC derivatives and requirements regarding the holding of customer collateral by OTC derivatives dealers. These requirements may increase the amount of collateral the Fund is required to provide and the costs associated with providing it. OTC derivative dealers also are required to post margin to the clearinghouses through which they clear their customers’ trades instead of using such margin in their operations. This has increased and will continue to increase the OTC derivative dealers’ costs, and these increased costs are generally passed through to other market participants in the form of higher upfront and mark-to-market margin, less favorable trade pricing, and the imposition of new or increased fees, including clearing account maintenance fees.

In addition, OTC derivative dealers are required to register with the CFTC and the SEC. Registered swap dealers and securities-based swap dealers are also subject to minimum capital and margin requirements and are subject to business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory burdens. These requirements further increase the overall costs for OTC derivative dealers, which costs may be passed along to market participants as market changes continue to be implemented.

Concentration Risk. Concentrating investments in a single industry, such as the energy transition industry, may result in losses due to factors that affect an entire industry. Each particular industry or sector may be affected by unique risks, and the value of investments in a particular industry will differ from the value of the overall stock market. Fluctuations in specific market sectors are often more extreme than fluctuations in the overall market. Therefore, the concentration of investments in a single industry exposes investors to the risk that a single set of events or circumstances will decrease the value of the Fund.

Holding Period of Investment Positions. Rithm Capital typically will not know the maximum or, often, even the expected duration of any particular position at the time of initiation. The length of time for which a position is maintained varies significantly, based on Rithm Capital's subjective judgment of the appropriate point in time at which to liquidate a position so as to augment gains or reduce losses. There can be no assurance that Rithm Capital's determinations as to when to close out positions will be optimal or result in net gains for the Fund.

Investing in Private Companies. The Fund may make equity or equity-related investments in private companies. With respect to such equity or equity-related investments, there generally will be limited or no marketability of such private company investments, and such private company investments may decline in value while the Fund is seeking to dispose of them. Furthermore, the Fund may find it necessary to sell such private company investments at a discount or to sell over extended periods of time when disposing of its portfolio securities. Consequently, private company investments generally will not be sold for a number of years and will remain relatively illiquid and difficult to value. The marketability and value of any such private company investments will depend upon many factors beyond the control of the Rithm Capital.

The success of the Fund's equity investments in private companies depends on the Fund's ability to liquidate such investments. The valuations of private companies in the past several years have been high due to, among other things, market demand, optimistic valuations and the supply of venture investment capital.

All investments in private companies involve substantial risks, including, without limitation: (i) adverse or ineffective, as well as inconsistent, alignment of interests among management (including as a result of personal/family rather than business issues); (ii) financial planning misjudgment; (iii) employee or management misconduct; (iv) lack of reliable financial information; and (v) any number of general economic conditions that are beyond the control of the Rithm Capital, such as: changing market sentiment, changes in economic conditions, competition and technology, changes in interest rates, changing economic or political conditions or events, and changes in tax laws and governmental regulation.

Energy Transition Economy Risks. The Fund expects to invest in the various sectors of the energy transition economy, which includes companies and industries that will be affected by or contribute to the global transition to a more sustainable lower carbon economy, including, but is not limited to, the agriculture, automobiles and shared mobility, chemicals, machinery and equipment, metals and mining, oil and gas, paper and packaging, pipelines and infrastructure, power and utilities, renewables, semiconductor and transportation industries. These investments are sensitive to, among other things, fluctuations in commodity prices, geopolitical instability, fuel supply and demand, interest rates, seasonal fluctuations, special risks of constructing and operating facilities, lack of control over pricing, merger and acquisition activity and regulation.

The global energy markets have been, and may continue to be, volatile and may cause large fluctuations in the value of the Fund's assets. In addition, certain energy assets and natural resources are geographically concentrated, and events in those parts of the world in which such concentration exists may affect their values.

Renewable Energy Industry. Companies engaged in the renewable energy industry may be significantly affected by increased competition from new and existing market entrants, technological developments, obsolescence of technology and short product cycles. In addition, the renewable energy industry is at a relatively early stage of development and the extent to which certain forms of renewable energy will be widely adopted is uncertain. Companies in this industry may also be significantly affected by general economic conditions such as varying prices and profits, commodity price volatility, changes in exchange rates, imposition of import controls, discovery or depletion of resources, fluctuations in energy prices and supply and demand of alternative energy fuels, energy conservation, labor relations and tax and other government regulations. Investments in companies involved in the renewable energy industry have historically been more volatile than investments in companies operating in more established industries. Historically low prices for traditional fossil fuels, particularly natural gas, could cause demand for renewable resources to decrease and adversely affect the Fund's investments in renewable energy companies. If various federal and state government subsidies and economic incentives for alternative energy sources are reduced or eliminated, or if there is uncertainty as to whether such subsidies and incentives will be continued, the demand for renewable energy may decline and cause corresponding declines in the revenues and profits of companies engaged in the renewable energy industry. Some U.S. states with renewable energy target policies have met, or in the near future will meet, their targets. While U.S. states continue to refine their existing policies, enactment of new policies has declined. As a result of achieving targets, and if U.S. states do not increase or add targets for the future, demand for renewable energy could decrease. In addition, government policies towards renewable energy technology may change. The current U.S. administration has proposed environmental policies that may create regulatory uncertainty in the renewable energy sector, and may lead to a reduction or removal of various clean energy programs and initiatives designed to curtail climate change. Such a reduction or removal of incentives may diminish the markets for renewable energy. Certain renewable energy projects are highly regulated, require various governmental approvals and permits, including environmental approvals and permits, and may be subject to the imposition of related conditions that vary by jurisdiction. In some cases, these approvals and permits require periodic renewal and a subsequently issued permit may not be consistent with the permits initially issued. In other cases, these permits may require compliance with terms that can change over time. Seeking the permits may attract significant opposition and lead to complexities, legal claims or appeals. Delay in the review and permitting process for a renewable energy project can impair or delay a project or increase the cost such that the project no longer gives rise to attractive investment opportunities to the Fund.

Environmental Risks. The energy and natural resources businesses are subject to environmental hazards, such as oil spills, gas leaks and ruptures, discharges of petroleum products and hazardous substances, and historic disposal activities. These and other environmental hazards could expose the Fund's investments to material liabilities for property damages, personal injuries, or other environmental harm, including costs of investigating and remediating contaminated properties. In addition, issuers in which the Fund is invested may also be liable for environmental damages caused by the previous owners or operators of properties purchased by such issuers. A variety of stringent federal, state, and local laws and regulations govern the environmental aspects of the energy and natural resources businesses. Any noncompliance with these laws and regulations could subject the Fund and its investments to material administrative, civil or criminal penalties, or other liabilities. Additionally, changes in environmental laws may create liabilities that did not exist at the time of acquisition of an investment and that could not have been foreseen. Compliance with environmental laws may, from time to time, result in increased costs of operations or decreased production, and may affect acquisition costs.

Assumption of Catastrophe Risk. The Fund may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; war, terrorism and other armed conflicts; cyberterrorism; major or prolonged power outages or network interruptions; and public health crises, including infectious disease outbreaks, epidemics and pandemics. To the extent that any such event occurs and has a material effect on global financial markets or

specific markets or issuers in which the Fund invests (or has a material negative impact on the operations of Rithm Capital or the service providers), the risks of loss to both the Fund can be substantial and could have a material adverse effect on the Fund.

Inflation Risk. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets. Wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, countries may impose wage and price controls, raise interest rate benchmarks or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on an investor's returns.

Diverse Investment Group. The investors in the Fund may have conflicting investment, tax and other interests with respect to their investments in the Fund. Consequently, conflicts of interest may arise among such investors with respect to, among other things, the structure and nature of the Fund's investments and the time of dispositions. In making investment decisions, Rithm Capital will consider the investment and tax objectives of the Fund as a whole.

Allocation of Investment Opportunities. Rithm Capital will allocate investment opportunities in a fair and equitable manner and in accordance with its Allocation Policy (as defined below). From time to time, Rithm Capital will allocate investment opportunities among its Clients. Rithm Capital takes into account such factors as it deems appropriate, including, without limitation: investment program and investment objectives; investment capacity; investment guidelines and restrictions; desired leverage or available cash; tax and regulatory considerations; tolerance for volatility and risk as determined by Rithm Capital from time to time; desired concentration, exposure and diversification targets; liquidity needs; domicile; and other factors that Rithm Capital believes are consistent with the fair and equitable treatment of the Fund and any Clients over time.

Certain Conflicts of Interest. Various potential and actual conflicts of interest may arise between any of Rithm Capital, the Fund and Rithm Affiliates. Rithm and its senior investment professionals may manage a variety of other pools of capital. Rithm Affiliates engage, and in the future may engage, in a broad spectrum of activities, including activities in which they may invest their own capital in a broad range of investments and participate in investment advisory activities. In certain cases, the investment objectives and programs of such other Rithm Affiliates and their principal investments may be substantially similar to, or overlap with, the investment objectives and proposed investment program of the Fund. Additionally, the Fund and certain Rithm Affiliates will from time to time invest in the same investments. From time to time, there will be an overlap in investments between the Fund and certain Rithm Affiliates. Investment decisions may be made by the same team of investment professionals for the same or different programs or accounts depending upon the investment strategy employed. Rithm Capital seeks to mitigate any conflicts in connection with the foregoing by allocating investment opportunities to Clients and other Rithm Affiliates. Please see "Item 10 – Other Financial Industry Activities and Affiliations" and Item 11 "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading" below for a further discussion of other conflicts of interest.

Cross Trades. Certain transactions in which the Firm causes an effective transfer of securities or other property or economic interests from the account of one of more Clients to the account of one of more other Clients may present special fiduciary or regulatory considerations. Transactions that fall into this category include the following:

- Cross-trades (transactions in which the Firm causes a security or other asset to be transferred from one client account to another, whether directly or through a broker-dealer or other financial intermediary); and

- Redemptions by one or more client accounts from a special purpose vehicle (“SPV”) caused by the Firm contemporaneously with investments that the Firm causes another Client to make in the same SPV where the SPV does not acquire or dispose of assets on behalf of the redeeming or investing Client.

Such transactions are collectively referred to as “Inter-Client Transactions”. Rithm Capital may enter into such Inter-Client Transactions between Clients where permitted by applicable law and in accordance with its Cross Trade and Inter-Client Transaction Policy and Procedures (the “Cross Trade Policy”). Any such Inter-Client Transactions will be reviewed by Rithm Capital’s Conflicts and Compliance Committee. Rithm Capital may permit certain Inter-Client Transactions in situations where:

- (1) Rithm Capital determines that the Inter-Client Transaction is in the best interests of both client accounts;
- (2) the Inter-Client Transaction is effected at a price and under circumstances that Rithm Capital has determined by reference to independent market indicators, or other factors, which Rithm Capital believes to constitute best execution for both client accounts;
- (3) the Inter-Client Transaction is approved by the chief legal officer or the conflicts committee;
- (4) the Inter-Client Transaction is permitted by applicable law; and
- (5) Rithm Capital receives no transaction-based compensation.

In general, Rithm Capital does not engage in “cross transactions” that require market execution. However, “inadvertent” cross transactions may occur when trades cross in the market. In these instances, Rithm Capital does not instruct the broker to directly move positions between client accounts and the broker-dealer establishes the price for the transaction such that they are not considered “Inter-Client Transactions” under the Cross Trade Policy.

Principal Transactions. Transactions by a Client (or a Rithm Affiliate) in which Rithm Capital and its control persons’ aggregate ownership exceeds a certain percentage to buy securities from (or sell securities to) another Client may be considered principal transactions under Section 206(3) of the Advisers Act. These transactions create a conflict of interest because Rithm Capital and its control persons have an incentive to recommend/buy securities from (or sell securities to) Clients based on their own financial interests, rather than solely in the interest of a Client. The chief legal officer will review principal transactions for compliance with applicable law.

Trade Errors. Rithm Capital has established policies and procedures regarding the handling of trade errors that occur from time to time in the normal course of its business operations. Pursuant to these policies and procedures, a trade error is the execution of a trade of a security or other investment for a client where such execution did not reflect the intent of Rithm Capital. In the event of a trade error, Rithm Capital attempts to place Clients in the position that was intended at the time a decision to trade was made. Rithm Capital uses a variety of methods as it determines are reasonable and appropriate to achieve this goal of treating all Clients fairly and equitably, including without limitation, by canceling orders, entering into offsetting transactions, entering into hedging transactions (including on a temporary basis pending an offsetting transaction), and, in the case of a Reimbursable Trade Error (defined below), reimbursing client accounts in which transactions have settled for actual losses (not lost opportunity gain or loss of appreciation) including an appropriate rate of interest.

More specifically, Rithm Capital reimburses clients for actual losses arising from a trade error to the extent that (i) the chief legal officer determines that the trade error resulted from a breach of the applicable standard of care in the applicable fund or account documents (each, a “Reimbursable Trade Error”); or (ii) Rithm Capital elects to voluntarily reimburse Clients for a trade error that does not arise from a breach of the applicable standard of care in the applicable fund documents. Generally, Rithm Capital may net all gains against losses resulting from trade errors within a client account on an annual basis (or such other period as

determined by Rithm Capital). In the event of an overall gain for a fiscal year (or other accounting period) in a client account, Rithm Capital will credit the amount of overage to the client account (if a trade error account has been created) or leave such gain in the account. Soft dollars (if any) cannot be used, either directly or indirectly, to correct trade errors.

Tax Audit Risks. The tax treatment of the Fund and investment portfolios is complex. There is no assurance that the tax positions taken by Rithm Capital will be accurate.

Dependence on Service Providers. The Fund is dependent upon its counterparties and the businesses that are not controlled by Rithm Capital that provide services to the Fund (the “service providers”). Errors are inherent in the business and operations of any business, and although Rithm Capital will adopt measures to prevent and detect errors by, and misconduct of, counterparties and service providers, and transact with counterparties and service providers it believes to be reliable, such measures may not be effective in all cases. Any errors or misconduct could have a material adverse effect on the Fund and its returns.

Leverage. The Fund is permitted to use leverage to finance its investment operations and to enhance its financial returns and potentially to pay dividends. Sources of leverage may include bank credit facilities, warehouse lines of credit, corporate financing (including unsecured debt), structured financing arrangements (including securitizations) and repurchase agreements, among others. The Fund may also seek to raise additional capital through public or private offerings of debt or equity securities, depending upon market conditions. In some cases, the Fund may use repurchase agreements to acquire certain assets. Because repurchase agreements are short-term borrowing, typically with 30- to 90-day terms (although some may have terms up to 364 days), they are more subject to volatility in interest rates and lenders willingness to extend such borrowings. Rithm Capital does not expect a majority of the Fund’s borrowings to be repurchase agreements or other short-term borrowings. Through the use of leverage, the Fund may acquire positions with market exposure significantly greater than the amount of capital committed to the transaction. The Fund intends to use leverage for the primary purpose of financing acquisitions for the Fund’s portfolio and not for the purpose of speculating on changes in interest rates. The Fund does not have a targeted debt-to-equity ratio generally or for specific asset classes. The Fund may, however, be limited or restricted in the amount of leverage the Fund may employ by the terms and provisions of any financing or other agreements that the Electric Fund may enter into in the future, and the Fund may be subject to margin calls as a result of its financing activity. The Fund’s ability to achieve its investment and leverage objectives depends on the Fund’s ability to borrow money in sufficient amounts and on favorable terms and, as necessary, to renew or replace borrowings as they mature.

The Fund may be required to post large amounts of cash as collateral or margin to secure its repurchase commitments. In the event of a sudden, precipitous drop in value of the Fund’s financed assets, the Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying losses. Even a small decrease in the value of a leveraged asset may require the Fund to post additional margin or cash collateral. This may decrease the cash available to us for distributions to stockholders, which could adversely affect the price of the Fund’s common stock. In addition, the Fund’s debt service payments reduce cash flow available for distribution to stockholders. The Fund may not be able to meet its debt service obligations. To the extent that the Fund cannot meet its debt service obligations, the Fund risks the loss of some or all of its assets to sale to satisfy its debt obligations.

To the extent the Fund is compelled to liquidate qualifying energy transition- related assets to repay debts, the Fund’s compliance with the Fund rules regarding its assets and sources of income could be negatively affected, which could jeopardize the Fund’s ability to qualify and maintain its qualification as an Fund. Failing to qualify as an Fund would cause the Fund to be subject to U.S. federal income tax (and any applicable state and local taxes) on all of its income and decrease profitability and cash available for distributions to stockholders.

Investment and Due Diligence Process. Before making investments, Rithm Capital will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, Rithm Capital may be required to evaluate important and complex business, financial, tax, accounting and legal issues. When conducting due diligence and making an assessment regarding an investment, Rithm Capital will rely on the resources reasonably available to it, which in some circumstances, whether or not known to Rithm Capital at the time, may not be sufficient, accurate, complete or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment.

Investment Strategy Generally. The success of the Fund's investment strategy, in large part, depends upon Rithm Capital's ability to identify and purchase investments that are undervalued or primed for growth. In certain cases, the Fund may hold investments so as to maximize value on a long-term basis (in such case(s), the Fund may forego value in the short-term or temporary investments in order to be able to avail the Fund of additional and/or longer-term opportunities in the future) or may not be able to realize returns on investments in a timely manner (if at all). The identification of investment opportunities in the implementation of the Fund's investment strategy is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired.

Long/Short Strategies Generally. The Fund's investment approach involves identifying securities that Rithm Capital believes are generally undervalued (or, in the case of short positions, overvalued) by the marketplace. As a result, success of the strategy necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur, or may occur over extended time frames which limit profitability.

Competition Risk. The market for the investments targeted by Rithm Capital is highly competitive. Rithm Capital competes for investments with a variety of other investment funds, financial institutions, individuals and other investors. Consequently, Rithm Capital may not be able to identify or may not be able to secure investments which satisfy Rithm Capital's investment objectives at reasonable prices or at all.

Portfolio Turnover. Portfolio turnover generally will not be a limiting factor in making investment decisions for the Fund and may vary from year to year, as well as within a year. A higher portfolio turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that would be borne by the Fund.

Valuation of Assets and Liabilities. The Fund's assets and liabilities are valued in accordance with Rithm Capital's valuation policy and procedures (the "Valuation Policy"). The valuation of any asset or liability involves inherent uncertainty. The value of an investment determined in accordance with the Valuation Policy may differ materially from the value that could have been realized in an actual sale or transfer for a variety of reasons, including the timing of the transaction and liquidity in the applicable market. Uncertainties as to the valuation of portfolio positions could have an impact on the net asset value of the Fund if judgments regarding the appropriate valuation should prove to be incorrect.

Additionally, third-party pricing information (if applicable) may at times not be available regarding certain of the Fund's assets. With respect to the Fund, the exercise of discretion in valuation by Rithm Capital gives rise to conflicts of interest, valuations (including, for instance, determination of when an investment should be written down or written off) impact Rithm Capital and the incentive fee and such valuations affect the amount and timing of incentive fees and calculation of management fees.

Material Non-Public Information. From time to time, Rithm Capital may come into possession of what it reasonably believes may be determined to be material non-public information concerning the issuer of the

Fund's investment or proposed investment or any of such issuer's affiliates. Under applicable securities laws, this may limit Rithm Capital's flexibility to buy or sell such investment for the Fund. Such limitations on Right Capital's ability to trade could have an adverse effect on the Fund.

Political & Legislative Risk. Companies face a complex set of laws and circumstances in each country in which they operate. The political and legal environment can change rapidly and without warning, with significant impact, especially for companies the Fund may invest in that is operating outside of the U.S. or those that conduct a substantial amount of their business outside of the U.S. Additionally, many countries have a complex regulatory regime regarding private investments, which could change rapidly. Such regulations could impact the Fund's ability to invest in investments in certain countries or the ability of potential investors from certain countries to invest in the Fund. Additionally, regulations could subject the Fund to increased capital requirements, fees, expenses and limits on investors.

Bankruptcy Risk. The bankruptcy of a broker or custodian could cause excessive costs or loss of limited partner funds. If a broker with which Rithm Capital has an account or a counterparty with which Rithm Capital works becomes insolvent or bankrupt, Rithm Capital may be unable to recover all or even a portion of the assets maintained by the Fund with that broker or serviced by such counterparty. Similarly, if a custodian housing the Fund's securities or other assets becomes bankrupt or insolvent, the Fund may be unable to recover all or even a portion of the assets held by the custodian.

Climate Change. The Fund may acquire investments that are located in, or have operations in, areas that are subject to climate change. There may be significant physical effects of climate change that have the potential to have a material effect on certain of the Fund's investments, their operations and the Fund's potential returns. Physical impacts of climate change may include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires and extreme and changing temperatures. As a result of these impacts from climate-related events, the Fund may be vulnerable to the following: risks of property damage to certain of the Fund's investments; indirect financial and operational impacts from disruptions to certain of the operations of the Fund's investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which certain investments are located, resulting in lower than expected demand for both investments and the products and services of the Fund's investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Fund's business depends; incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

Retention and Motivation of Professionals. The success of the Fund is dependent upon the talents and efforts of skilled individuals employed by Rithm Capital's affiliates and their abilities and willingness to provide acceptable compensation to attract, retain and motivate talented investment professionals and other professionals. There can be no assurance that Rithm Capital's investment professionals will continue to be associated with Rithm Capital throughout the life of the Fund, and the failure to attract or retain such investment professionals could have a material adverse effect on the Fund and the investors' investments therein. Competition in the financial services industry for qualified employees is intense and there is no guarantee that, if lost, the talents of Rithm Capital's investment professionals could be replaced.

Systemic Risk. Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries with which the Fund interacts, as well as the Fund, are all subject to systemic risk. A systemic failure could have material adverse consequences on the Fund, the Fund's investments, the Fund's returns and on the markets for the investments in which the Fund invests or seeks to invest.

Cybersecurity Risk. As part of its business, Rithm Capital processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the investors. Similarly, service providers of Rithm Capital or of the Fund, especially the Fund's administrator, may process, store and transmit such information. Rithm Capital has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to Rithm Capital may be susceptible to compromise, leading to a breach of Rithm Capital's network. Rithm Capital's systems or facilities may be susceptible to employee error or malfeasance, government surveillance or other security threats. Online services provided by Rithm Capital to the investors may also be susceptible to compromise. Breach of Rithm Capital's information systems may cause information relating to the transactions of the Fund and personally identifiable information of the investors to be lost or improperly accessed, used or disclosed.

The service providers to Rithm Capital or the Fund are subject to the same electronic information security threats as Rithm Capital. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Fund and personally identifiable information of the investors may be lost or improperly accessed, used or disclosed. The loss or improper access, use or disclosure of Rithm Capital's or the Fund's proprietary information may cause Rithm Capital or the Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Fund.

The foregoing risks do not purport to be a complete explanation of all the risks of investors in the Fund. Investors in the Fund should review the terms of the Fund Documents for additional risk factors which may be unique to the Fund or an investment strategy.

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 an evaluation of their firm or the integrity of its management.

There are no legal or disciplinary events relating to Rithm Capital that are material to an evaluation of its advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

As mentioned above, Rithm Capital is an indirect, wholly-owned subsidiary of RCM. RCM is a direct, wholly-owned subsidiary of RCC, a global asset manager focused on real estate, credit and financial services. RCC was established in 2013 to own MSRs and other mortgage related assets and was previously externally managed by an affiliate of Fortress Investment Group. In 2022, Rithm internalized its management function and rebranded from New Residential Investment Corp. to RCC to reflect diversification in asset management and investment in the financial and real estate sectors. In addition, RCM GA, an affiliate of Rithm Capital, is an SEC-registered investment adviser that pursues real estate-related investments.

RCC (i.e., Rithm Capital's parent company) indirectly owns Sculptor Capital LP ("Sculptor"), an SEC-registered investment adviser, along with its relying advisers, Sculptor Capital II LP, Sculptor Real Estate Advisors LP, Sculptor Loan Management LP, Sculptor Capital Management Hong Kong Limited, Sculptor (Shanghai) Overseas Investment Fund Management Co., Ltd., Sculptor Europe Loan Management Limited, Sculptor Capital Management Europe Limited, Sculptor CLO Management LLC, Sculptor Loan Advisors LLC, and Sculptor CLO Advisers LLC. Sculptor is a global alternative asset manager that specializes in opportunistic investing. Sculptor invests across credit, real estate and multi-strategy platforms in all major geographies. Sculptor is also registered with the Securities and Exchange Board of India.

Sculptor and its relying adviser, Sculptor Capital II LP, are registered with the U.S. Commodity Futures Trading Commission (the "CFTC") under the Commodity Exchange Act of 1936, as amended, as commodity pool operators and are also members of the National Futures Association. Sculptor Capital II LP is also a CFTC-registered commodity trading adviser. Sculptor's relying advisers, Sculptor Capital Management Europe Limited and Sculptor Europe Loan Management Limited, are registered with the United Kingdom's Financial Conduct Authority (the "FCA"). Sculptor's relying adviser, Sculptor Capital Management Hong Kong Limited, is registered with the Hong Kong Securities and Futures Commission (the "SFC"). In addition, Sculptor has established Sculptor Advisors LLC, which is a separate registered affiliate adviser providing investment advisory services to Sculptor Diversified Real Estate Income Trust, Inc. ("SDREIT"). For the avoidance of doubt, Sculptor and its affiliates are not "Rithm Affiliates" for purposes of this Brochure.

Rithm Capital will be subject to various conflicts of interest arising from its relationships with various Rithm Affiliates. Rithm Affiliates engage, and in the future may engage, in a broad spectrum of activities, including direct investment activities and investment advisory activities, and have investment activities (including principal investments by Rithm and its affiliates for their own account) on behalf of both persons or entities to which they provide investment advice on a principal basis, that are independent from, and may from time to time conflict or compete with, the Fund's investment activities. Rithm Affiliates engage, or may engage, in a broad spectrum of investment activities that are independent from, and may, from time to time, conflict with, the investment activities of the Fund. Certain Rithm Affiliates may now, or in the future, make direct investments, as well as form, advise, sponsor, act as an investment manager to, serve on the board of or operate other managed accounts, investment funds, portfolio companies, public companies and other persons that have investment objectives that may overlap with those of the Fund and that may, as a result, compete with the Fund for investment opportunities.

Certain investment funds managed by Sculptor and its other subsidiaries ("Sculptor Funds") have investment programs that are similar to, and overlap to some extent with, the investment program of the Fund. Sculptor has no obligation to consider the interests of the Fund in making decisions on behalf of any Sculptor Funds. In addition, certain infrastructure personnel of Sculptor (e.g., operations, accounting, compliance, legal and technology) will provide services to Rithm Capital or have involvement in the business of Rithm Capital. In such instances, Rithm will monitor for and address any conflicts of interest that arise and from time to time.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Rithm Capital will adopt a written code of ethics meeting the standards of SEC rule 204A-1 that is applicable to individuals employed by RCC that are subject to Rithm Capital's supervision and control and/or who provide investment advice on behalf of Rithm Capital ("Supervised Persons"). The code will include the professional and ethical conduct expected of such Supervised Persons. Among other things, the code will require Rithm Capital and such Supervised Persons to act in the best interests of the Fund, abide by all applicable regulations, avoid even the appearance of insider trading and pre-clear and report on many types of personal securities transactions. Rithm Capital's restrictions on personal securities trading will apply to such Supervised Persons, as well as their family members living in the same household.

Rithm Capital generally will not actively trade or manage investments on its own behalf. On occasion, certain Rithm Affiliates, as principal, may sell investments to or buy investments from the Fund and certain Rithm Affiliates will be invested in the same investments or related investments that are recommended to the Fund. This activity may give rise to a potential conflict of interest in the allocation of investment opportunities between Rithm Affiliates and the Fund. Rithm Capital will adopt policies and procedures reasonably designed to address any potential conflicts of interest and seek to ensure that the Fund is treated fairly and equitably over time. Additionally, specific conflicts of interest will be discussed in the Fund Documents.

Certain Conflicts of Interest

The Fund Documents will detail what Rithm Capital believes to be the most significant conflicts of interest associated with an investment in the Fund. Some of these conflicts are summarized herein; however, this summary does not attempt to describe all of the conflicts of interest associated with an investment in the Fund. Prospective investors should carefully consider the conflicts of interest herein as well as those outlined in the relevant Fund Documents prior to investing in the Fund. Prospective investors should note that there could be occasions when Rithm Capital encounters potential conflicts of interest in connection with the Fund. If any matter arises that Rithm Capital determines in its good faith constitutes an actual conflict of interest, Rithm Capital will take such actions as it deems necessary or appropriate, within the context of the Fund Documents, to address or mitigate the conflict.

Rithm Affiliates. Rithm Capital will be subject to various conflicts of interest arising from its relationships with various Rithm Affiliates. Rithm Affiliates engage, and in the future may engage, in a broad spectrum of activities, including direct investment activities and investment advisory activities, and have investment activities (including principal investments by Rithm and its affiliates for their own account) on behalf of both persons or entities to which they provide investment advice on a principal basis, that are independent from, and may from time to time conflict or compete with, the Fund's investment activities. Rithm Affiliates engage, or may engage, in a broad spectrum of investment activities that are independent from, and may, from time to time, conflict with, the investment activities of the Fund. Certain Rithm Affiliates may now, or in the future, make direct investments, as well as form, advise, sponsor, act as an investment manager to, serve on the board of or operate other managed accounts, investment funds, portfolio companies, public companies and other persons that have investment objectives that may overlap with those of the Fund and that may, as a result, compete with the Fund for investment opportunities.

These circumstances could give rise to numerous situations where interests may conflict, including in respect of the proprietary investments of Rithm Affiliates in entities or assets in which the Fund also invests, the investment by the Fund in the same loans, securities or other assets or in different levels of the capital structure of the same issuer, or other dealings involving the Fund, on the one hand, and Rithm Affiliates and/or businesses it invests in, on the other hand.

Additional conflicts of interest are also summarized above in Item 8 – Methods, Investment Strategies, and Risk of Loss.

Item 12 – Brokerage Practices

There are no restrictions as to the type or amount of securities to be bought or sold on behalf of the Fund. Rithm Capital is responsible for the placement of the portfolio transactions of the Fund and the negotiation of any commissions paid on such transactions, where applicable. Portfolio securities are expected to be purchased through brokers on securities exchanges or directly from the issuer or from an underwriter or market maker for the securities. Purchases of portfolio instruments through brokers generally involve a

commission to the broker. Purchases of portfolio securities from dealers serving as market makers include the spread between the bid and the asked price. Rithm Capital may utilize the services of one or more introducing brokers who execute brokerage transactions through the prime broker and custodian who clear the transactions of the Fund.

Securities transactions will be executed through brokers selected by Rithm Capital in its sole discretion and without the consent of any investors. In placing portfolio transactions, Rithm Capital will seek to obtain the best execution for the Fund by executing transactions in such a manner that the Fund's total cost or proceeds in each transaction are the most favorable under the circumstances, taking into account the following factors: global presence in credit and derivatives execution and clearing and other assets classes, as applicable (e.g., equity); competitive financing and stock lending rates; comprehensive understanding of trading strategies and ability to monitor risk; professional and experienced staff; capacity and willingness to provide cross product margin and competitive margin terms; operational infrastructure to provide timely and accurate reporting; business continuity plan and procedures; and reputation, financial strength, and stability.

Rithm Capital will review prime brokerage and financing counterparty services provided by brokers as needed to evaluate reasonableness in light of services received and consistency with Rithm Capital's Best Execution Policy. In addition, portfolio managers will select dealers for principal fixed income trades, using the non-exclusive factors listed above, excluding agency commissions. Spreads, mark-ups and mark-downs may be evaluated at the time of trade in the context of the overall price of the particular transaction.

Rithm Capital is authorized to pay higher commissions to such firms if Rithm Capital determines such prices or commissions are reasonable in relation to the overall services provided. Rithm Capital is not required to weigh any of these factors equally. Information and supplemental research received from such firms is in addition to and not in lieu of services required to be performed by Rithm Capital, and Rithm Capital's allocations and fees will not be reduced as a consequence of the receipt of such supplemental research information. Research services provided by broker-dealers used by the Fund may be utilized by Rithm Capital or its affiliates (including other investment funds managed by such persons) in connection with their other investment activities. Rithm Capital's selection of brokers on the basis of considerations which are not limited to applicable commission rates may at times result in the Fund being charged higher transaction costs than they would otherwise be charged.

Rithm Capital does not currently use brokerage commissions generated from discretionary client accounts ("Soft Dollars") to obtain research and brokerage execution products or services ("Soft Dollar Services"). To the extent that Rithm Capital generates Soft Dollars, consistent with its fiduciary duty to Clients, including its duty to seek best execution, Rithm Capital will generate Soft Dollars to obtain Soft Dollar Services in compliance with the "safe harbor" of Section 28(e) of the Securities Exchange Act of 1934, as amended. In addition, Rithm Capital does not have any directed brokerage arrangements.

Order Aggregation

Rithm Capital generally executes advisory client transactions on an aggregated basis when it believes it can obtain best execution and negotiate more favorable commission rates, or other transaction costs or efficiencies, than if orders are placed independently. Since it may not be possible for all Clients to participate in a given investment opportunity, Rithm Capital's objective is to allocate investment opportunities among Clients in a fair and equitable manner over time. In addition, Rithm Capital may aggregate Client orders with Rithm Affiliates' orders so long as such aggregation is in the best interest of the Client. Rithm Capital will not aggregate orders unless it believes that aggregation is (i) consistent with its duty to Clients to seek to obtain best execution and (ii) unless aggregation is consistent with the investment guidelines and restrictions of each Client for which trades are aggregated.

Item 13 – Review of Accounts

Rithm Capital's investment professionals perform ongoing reviews of the Fund's portfolios to monitor performance and adherence with investment objectives and guidelines and investment strategy set forth in the Fund Documents. Reviews may also be triggered based on market, political or economic environment changes.

Investors of the Fund will generally receive the following reports (as applicable): (i) annual audited financial statements prepared by a nationally recognized accounting firm to be selected by the General Partner after the end of each fiscal year of the Fund, (ii) quarterly unaudited financial statements, (iii) annual tax information necessary for the completion of each Limited Partner's tax returns and (iv) such other information at such times as Rithm Capital may deem appropriate.

Item 14 – Client Referrals and Other Compensation

Rithm Capital does not have any arrangements to compensate third parties for client referrals or arrangements with non-clients to provide any economic benefits to Rithm Capital (or any agent thereof) in connection with advice or other advisory services.

Item 15 – Custody

Rithm Capital is deemed to have custody of the assets of each Client for which Rithm Capital or a related person serves as general partner or managing member of a pooled investment vehicle, or where another arrangement exists that gives Rithm Capital the ability to instruct a custodian to transfer assets out of a Client's account, and thus Rithm Capital must meet the applicable conditions of Rule 206(4)-2 of the Advisers Act.

Rithm Capital generally complies with Rule 206(4)-2 of the Adviser Act by, among other things, providing all of the Limited Partners of the Fund with audited financial statements.

Item 16 – Investment Discretion

Rithm Capital has discretionary authority to make investment determinations on behalf of the Fund pursuant to the Fund Documents subject to any limitations, objectives or investment guidelines set forth therein and by the General Partner. Rithm Capital has assumed this discretionary authority pursuant to the terms of the Fund Documents.

Item 17 – Voting Client Securities

Rithm Capital maintains the authority to act on proxies (vote or abstain) on behalf of the Fund. Rithm Capital will adopt proxy voting policies and procedures governing the voting of securities held by the Fund. All proxies that Rithm Capital receives will be treated in accordance with these policies and procedures.

Consistent with its fiduciary duties, Rithm Capital's general policy will be to vote all proxy proposals received, amendments, consents or resolutions relating to the Fund's securities (collectively, "proxies") in a manner that serves the best interests of the Fund, as determined by Rithm Capital in its sole discretion, taking into account any relevant factors. Rithm Capital will consider the reputation, experience and competence of a company's management and board of directors when it evaluates a prospective investment. For routine matters, Rithm Capital will generally vote in accordance with the recommendation of the company's management, unless, in Rithm Capital's opinion, the recommendation is not in the best interest of the Fund.

For certain non-routine matters that are submitted by management to a shareholder vote, one of the Rithm Capital's investment professional will review the proposed vote prior to vote submission. Rithm Capital will vote in accordance with the recommendation of the company's board of directors (i.e., with management) on all shareholder proposals, unless it determines that it's not in the best interests of the Fund. In addition, the Rithm Capital may choose to abstain from voting, an action generally requiring the submission of a proxy voting card, or affirmatively decide not to vote, if the Rithm Capital determines that abstaining or not voting is in the best interests of the Fund or if it is otherwise determined that the vote will have no material impact on the Fund. Moreover, in certain situations, Rithm Capital may not be able to vote securities based on a variety of circumstances.

In exercising its discretion, Rithm Capital will seek to avoid conflicts of interest raised by voting proxies. All conflicts of interest will be resolved in the best interests of the Fund. Each employee involved in a proxy voting decision is required to disclose any potential conflict of interest that such employee is aware of relating to a proxy vote by Rithm Capital. If Rithm Capital determines that it has, or may be perceived to have, a conflict of interest similar to the examples above when voting a proxy, Rithm Capital will refer those votes to the conflicts committee for review and resolution. Ultimately, the resolution of all potential and actual material conflicts will be documented in order to demonstrate that Rithm Capital acted in the best interest of the Fund.

A copy of Rithm Capital's proxy voting policies and procedures will be available to investors by contacting the Chief Compliance Officer at the address or phone number found on the cover page of this Firm Brochure. Specific information about how Rithm Capital has voted in the past will also be available.

Item 18 – Financial Information

Rithm Capital has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage the Fund.