

Item 1- Cover Page

DISCLOSURE SUPPLEMENT

FORM ADV PART 2B

William Franklin Majors

Nephila Capital Ltd.

31 Victoria Street, Hamilton

Bermuda, HM 10

(441) 296-3626

www.nephilacapital.com

September 30, 2012

This Brochure Supplement provides information about William Franklin Majors that supplements the Brochure of Nephila Capital Ltd (the “Adviser”). You should have received a copy of the Adviser’s Brochure. Please contact Laura Taylor, Chief Operations Officer, at (441) 296-4684 or ltaylor@nephilacapital.com, if you did not receive the Adviser’s Brochure or if you have any questions about the contents of this Supplement.

Item 2- Educational Background and Business Experience

William Franklin Majors, Managing Principal, Director and Chairman
Date of birth: March 12, 1968

Education: B.A. in Economics, Vanderbilt University 1990 and M.B.A. in Finance from the Owen Graduate School of Management at Vanderbilt University 1991.

Business background: Mr. Majors began his career as a reinsurance broker in New York in 1991 for Willcox, Incorporated (part of Johnson & Higgins and now Marsh). Mr. Majors left Willcox, Incorporated in April 1993 to join Willis Faber North America, Inc. ("WFNA"), an indirect subsidiary of Willis Group Ltd., being named Divisional Director in the Retrocession Division in July 1996. His primary responsibility was developing and brokering alternative risk transfer contracts, including derivative-based and financial reinsurance agreements, for clients of various subsidiaries of Willis Group Ltd. In 1994, Mr. Majors was appointed to the Chicago Board of Trade ("CBOT") Catastrophe Advisory Group, which facilitated the design of the PCS Catastrophe Options in 1994. Mr. Majors was the co-founder of Bayhead Advisors, LLC ("Bayhead"), which was formed in 1995 to invest in CBOT PCS Catastrophe Options. In 1993, Mr. Majors spent time in Bermuda researching the formation of the Bermuda catastrophe market.

Mr. Majors is a Principal and co-founder of the Adviser. Since 1997, Mr. Majors has been involved in all aspects of the business but is currently focused on risk management and firm strategy as well as assisting Mr. Adolfo Peña with formulating the investment strategy.

Item 3- Disciplinary Information

Not applicable

Item 4- Other Business Activities

Not applicable.

Item 5- Additional Compensation

Not applicable.

Item 6 - Supervision

For purposes of the Securities and Exchange Commission's rules, William Franklin Majors is considered to be a "supervised person", in that he formulates investment advice for the Adviser's clients ("Clients"), has discretionary authority over Client assets, and has direct

contact with Clients. Mr. Majors is supervised for internal control and compliance purposes by the Adviser's Chief Management Officer and Chief Compliance Officer, Steven Glassman. Mr. Glassman is made aware of and included in all key advice provided to Clients by Mr. Majors. Regular meetings attended by Mr. Majors and the Chief Compliance Officer are held to discuss the Adviser's investment strategy and advice for Clients and ensure that such strategy and advice complies with the Adviser's policies and procedures, and is consistent with the investment objectives, strategies, guidelines and governing documents of the particular Client.

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

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

Item 7- Requirements for State-Registered Advisers

Not applicable.