

Item 1- Cover Page

DISCLOSURE SUPPLEMENT

FORM ADV PART 2B

Adolfo Peña, MFE, M.Eng.

Nephila Capital Ltd.

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This Brochure Supplement provides information about Adolfo Peña, MFE, MA 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

Adolfo Peña, MFE, M.Eng.
Date of birth: February 15, 1971

Education: Bachelors in Civil Engineering from UNAM (1996); a Masters degree in Structural Engineering, Mechanics and Materials, with a minor in Geophysics, from the University of California at Berkeley (1998); and a Masters in Financial Engineering from the Haas Business School at the University of California at Berkeley (2005).

Business background: Mr. Peña joined the Adviser in September of 2005. He is a Catastrophe and Financial Modeling Engineer whose primary responsibility is quantitative research and development. His focus is on portfolio loss estimation and portfolio optimization methodologies and on pricing of exotic catastrophe and weather-linked contracts. Mr. Peña started working in catastrophe loss estimation in 1993, for the National Disaster Prevention Center in Mexico City. Since then he has worked as a consultant engineer performing site-specific PML studies for special structures in the eastern United States; as a model developer for Risk Management Solutions' (RMS) Global Risk Modeling team; and as Technical Marketing Manager for RMS' Global Risk Modeling.

Item 3- Disciplinary Information

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

Item 4- Other Business Activities

Not applicable.

Item 5- Additional Compensation

Not applicable.

Item 6 - Supervision

For purposes of the Securities and Exchange Commission's rules, Adolfo Peña, MFE, M.Eng. is considered to be a "supervised person", in that he formulates investment advice for Clients, has discretionary authority over Client assets, and has direct contact with Clients. Mr. Peña is supervised by the Adviser's Managing Principals, William Franklin Majors and Paul Gregory Hagood. The Managing Principals are made aware of and included in all key advice provided to Clients by Mr. Peña. Weekly meetings attended by Mr. Peña and the Managing Principals 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 names, titles and telephone numbers of Mr. Peña's supervisors are:

William Franklin Majors, Managing Principal, Director and Chairman, (441) 295-3208

Paul Gregory Hagood, Managing Principal, Director and Deputy Chairman (441) 295-2934

Item 7- Requirements for State-Registered Advisers

Not applicable.