**Part 2A of Form ADV: Firm *Brochure***

Item 1 Cover Page

Sandell Asset Management Corp.
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New York, New York 10019
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March 31, 2011

This brochure provides information about the qualifications and business practices of Sandell Asset Management Corp. If you have any questions about the contents of this brochure, please contact us at 212-603-5700 and/or legal@sandellmgmt.com.The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration does not necessarily imply a certain level of skill or training.

Additional information about Sandell Asset Management Corp. also is available on the SEC's website at www.adviserinfo.sec.gov.

## Item 2 Material Changes

The changes discussed herein are material changes which have occurred since April 2010, the date of Sandell Asset Management Corp.'s last brochure.

We have had personnel changes, including Serge Adam's resignation in January 2011 to take a position with an investment management firm as well as Liberatore Iannarone's resignation in January 2011 to take a position as a General Counsel at a reinsurance firm.

Our AUM is approximately $796,485,000 as of March 31, 2011.

Sandell Investment Services LLC, an affiliate of Sandell, was approved by the SEC as a registered investment adviser on October 28, 2010.

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Item 4 Advisory Business

Mr. Thomas Sandell is the founder and principal owner of Sandell Asset Management Corp. Sandell Asset Management Corp. was founded in 1997 and has its principal office in New York City.

Sandell Asset Management Corp. and its affiliates ("Sandell") provide discretionary investment management services to various pooled investment vehicles (each a "Fund" and collectively the "Funds") pursuant to one or more investment management agreements. In connection with providing these services, Sandell has full discretionary trading authority, subject to the oversight of a general partner or Board of Directors, as applicable. As investment manager, Sandell typically has responsibility for management, operations and investment decisions made on behalf of the Funds.

Sandell offers advice on the following non-exclusive types of investments: equity securities, warrants, corporate debt securities, commercial paper, mutual fund shares, United States government securities, options contracts on securities, futures contracts on intangibles, bank loan assignments and other debt participations, creditor trade claims, derivatives (including various swaps, puts, calls or options), equity linked notes, and personal property of all kinds.

Sandell generally does not permit investors in the Funds it manages to impose limitations on the investment activities described in the offering documents for those Funds.

Sandell may, in some instances, invest Fund assets in partnerships investing in real estate, oil and gas interests, and other pooled investment vehicles offered to investors that, among other suitability requirements, must meet the definition of "accredited investor" and "qualified purchaser". These funds are offered on a private placement basis and are exempted from registration as an investment company under Section 3(c)(7).

The Funds generally focus on global event-driven trading strategies which, depending on the specific Fund's strategy, may include among other things merger-arbitrage and distressed credit investments. The Funds generally invest in a portfolio of event sensitive securities. The Funds' portfolios typically include securities of companies that are subject to mergers, takeover bids, exchange offers, tender offers, spin-offs, liquidations, recapitalizations, corporate restructurings and other similar extraordinary corporate events.

(continued on Continuation Page 1)

Item 5 Fees and Compensation

Sandell receives certain fees from each Fund it manages and is reimbursed for certain expenses as more fully described in each Fund's offering materials. Each Fund pays Sandell an annual management fee (collectively the "Management Fees"), typically paid quarterly in advance, equal to a percentage of the total net asset value of the applicable Fund. Management Fees are pro rated for partial quarters. The Management Fees range from 1.0% per annum (0.25% quarterly) to 2.0% per annum (0.5% quarterly).

In addition, at the end of each calendar year Sandell or an affiliate receives a performance fee or allocation from each Fund (collectively the "Performance Fees") ranging from 10% to 20% (depending on the terms of the Fund or share class within a Fund) of the increase in the net asset value of each Fund during the prior year, after taking into account any loss carry forwards (also known as "High Water Marks").

Any Management Fees and Performance Fees paid to Sandell are charged against the net asset value of the applicable Fund. Any Performance Fees will be charged in accordance with Section 205 of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and Rule 205-3 thereunder. Investors are credited with any Management Fees paid in advance for any period in which they no longer have capital invested in a Fund. This credit is made at the time an investor redeems (either in whole or in part) from a Fund.

Sandell may also allocate a portion of certain clients' capital to money market funds or exchange-traded funds. In addition to the fees and expenses discussed herein, investors will indirectly incur similar fees and expenses if Sandell invests client's capital in such money market funds or exchange traded funds, as these funds in turn pay similar fees to their investment managers and other service providers.

Each Fund is responsible for paying its own expenses as well as certain expenses of Sandell as described in more detail in the offering materials of each Fund. These expenses include, but are not limited to, costs associated with trading and brokerage, prime brokers, custodians, office space, accounting and auditing costs and legal fees.

Sandell and its personnel may invest in one or more Funds. Sandell, an affiliate or the applicable Board of Directors as the case may be, has the right to waive, from time to time in its sole discretion, all or part of any Management Fees or Performance Fees as well as certain other terms of a Fund, including but not limited to, liquidity terms and reporting terms. Sandell may do so with respect to any investor in a Fund including investors affiliated with Sandell or employees of Sandell.
(continued on Continuation Page 2)

Item 6 *Performance-Based Fees* and Side-By-Side Management

As noted previously in Item 5, Sandell receives Management Fees and Performance Fees from the Funds it manages.

Performance based fees may create an incentive for Sandell to make investments that are riskier or more speculative than would be the case in the absence of such fees. In addition, because performance-based fees/allocations are calculated on a basis that includes unrealized appreciation of a Fund's assets, it may be greater than if such amount was based solely on realized gains. As the management fees and Performance Fees are based directly on thenet asset value of the client accounts, Sandell has a conflict of interest in valuing the assets held in the accounts. Sandell will follow its documented valuation policies and consult with the third-party administrator to the accounts in order to mitigate this risk.

Sandell acts as investment adviser for several funds which have varying investment objectives and investment strategies and fees. In addition, the principal, directors, officers, employees or affiliates of Sandell may, through investment in other investment funds, have interests in the securities in which the Funds invest as well as interests in investments in which the Funds do not invest. As a result of the foregoing, Sandell will have conflicts of interest in allocating positions among the Funds and in effecting transactions for the Funds, including those in which Sandell may have a greater financial interest or be entitled to a higher fee. Sandell adheres to policies and procedures that require it to allocate trades among Funds in a fair and equitable manner. Although Sandell and its affiliates intend to allocate trading and investment opportunities in a manner which is in the best interests of all the accounts involved, there can be no assurances that a trading or investment opportunity which comes to the attention of Sandell and its affiliates will be allocated evenly or pro rata among Funds.

Sandell uses its best efforts in connection with the purposes and objectives of the Funds to fairly allocate positions.

Item 7 Types of *Clients*

As noted previously, Sandell provides discretionary investment advice to the Funds which are formed as pooled investment vehicles. Certain of the Funds may be limited to investors that meet certain suitability standards such as meeting the definition of "accredited investor" and "qualified purchaser" under US securities laws. These Funds are offered on a private placement basis and are exempted from registration in the US pursuant to section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Company Act"). Each Fund has a minimum investment requirement as well as minimum qualifications for each investor.

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

The assets of the Funds are invested and traded pursuant to various strategies in a variety of United States and non-United States equity and debt securities and other financial and investment interests, instruments and property. The Funds generally focus on global event-driven trading strategies which, depending on the specific Fund's strategy, may include, among other things, merger-arbitrage and distressed credit investments.

Sandell conducts extensive financial, legal and specific event research to assess the risk and quality of each event-driven transaction to determine if each deal will be consummated as planned. Outside regulatory counsel, industry consultants and economists may be used to enhance the analysis. Sandell's main sources of information include financial periodicals, research materials prepared by others, corporate rating services, filings with the Securities and Exchange Commission, and company press releases.

Sandell may also rely on conference calls or in-person meetings with representatives or agents of various companies (including investment bankers) and may also take part in "road show" presentations or similar marketing functions relating to potential investment opportunities. In addition, Sandell may retain consultants, lawyers, accountants or other experts to provide advice with respect to investments.

Event driven investing requires the investor to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, significant losses can result. In addition, a company may announce a plan of restructuring which promises to enhance value, but fail to implement it, which can result in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to a Fund of the security in respect of which such distribution was made. All securities trades risk the loss of capital. Sandell, through its trading program and research techniques, attempts to moderate these risks through a careful selection of securities and other financial instruments as well as risk management of positions.

Merger-Arbitrage Strategy

The Funds' merger-arbitrage strategy consists of investments in companies in event-driven situations, including but not limited to risk arbitrage and event arbitrage.

(continued on Continuation Pages 3 and 4)

Item 9 Disciplinary Information

In October 2007, Sandell and certain of its employees settled an enforcement matter with the SEC with respect to certain trades of a fund managed by Sandell ("Master Fund") in shares of Hibernia Corporation in August and September of 2005. Sandell conducted its own independent investigation into these trades at the time and concluded that certain trades were improperly executed. In response, Sandell instituted what it believed to be appropriate measures to clarify its trade execution procedures. In response to a later inquiry from the SEC, Sandell voluntarily reported its findings of its internal investigation and provided other information and documents to the SEC. Without admitting or denying the allegations contained in the SEC order, (i) Sandell agreed to accept relief based on SEC charges under Section 10(a) of the Securities Exchange Act of 1934, as amended ("Exchange Act") and Section 17(a)(2) of the Securities Act and paid a civil fine of $650,000, (ii) Thomas Sandell agreed to accept relief based on SEC charges of aiding and abetting under Section 10(a) and Rule 10a-1 of the Exchange Act (collectively, the "Short Sale Rule") and charges under Sections 203(e)(6) and 203(f) of the Advisers Act and paid a civil fine of $100,000, and (iii) Patrick Burke and Richard Ecklord agreed to accept relief based on SEC charges of aiding and abetting under the Short Sale Rule and paid smaller civil fines. Sandell was also ordered to disgorge approximately $7.5 million, which was intended to approximate losses avoided by the Master Fund plus interest. Sandell agreed to pay this disgorgement on behalf of the Master Fund so that the Master Fund would not incur any cost or expense as a result of the settlement.

Item 10 Other Financial Industry Activities and Affiliations

Sandell has three affiliated advisers, Sandell Asset Management Europe Limited ("SAME"), which is licensed with the Financial Services Authority in the United Kingdom, Sandell Advisors, LLC and Sandell Investment Services, LLC which is also registered as an investment adviser with the Securities and Exchange Commission. SAME has entered into a sub-advisory agreement with Sandell whereby it provides investment advisory services to Sandell with respect to the Funds. Sandell Advisors, LLC and Sandell Investment Services, LLC act as general partners and/or investment managers for certain Funds.

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

As a fiduciary Sandell owes a duty to all of its investors to act in an ethical manner and to place the interests of clients first. Accordingly, Sandell maintains a written Code of Ethics setting forth certain policies designed to address potential conflicts. The Code contains policies and procedures relating to insider trading, gifts and entertainment, service on a board of directors and personal securities trading. A copy of the Sandell Code of Ethics will be provided to any investor or prospective investor upon request.

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Sandell, its affiliates and personnel (each an "Advisory Affiliate" and collectively, the "Advisory Affiliates"). Sandell has established policies and procedures to monitor and resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems equitable to the extent possible under prevailing facts and circumstances. Potential conflicts also may arise due to the fact that Advisory Affiliates may have investments in some Funds, but not in others or may have different levels of investments in the various Funds, and because the Funds may pay different levels of fees to Sandell.

Sandell will devote as much of its time to the activities of the Funds as it deems necessary and appropriate. Sandell is not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Funds and may involve substantial time and resources of Sandell. These activities and the provision of discretionary investment management services to the Funds could be viewed as creating a conflict of interest in that the time and effort of the members and partners of Sandell and the Advisory Affiliates will not be devoted exclusively to the business of one Fund, but will be allocated between the businesses of all of the Funds.

(continued on Continuations Page 5-7)

Item 12 Brokerage Practices

As noted previously, Sandell has full discretionary authority to manage the Funds, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. As more fully described below, Sandell's authority is limited by its own internal policies and procedures and each Fund's investment guidelines and other restrictions set out in the offering materials of such Fund.

In selecting an appropriate broker-dealer to effect a client trade, Sandell seeks to obtain best execution, taking into consideration such factors as generation of investment opportunities, price, the ability of the brokers and dealers to effect the transactions, the brokers' and dealers' facilities, reliability and financial responsibility and the provision of or payment for (or the rebate to the Funds for payment of) the cost of brokerage and research products or services that are of benefit to the Funds and Sandell. Sandell does not have an obligation to seek the lowest available commission cost. Accordingly, if Sandell determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and research products or services provided by such broker, Sandell may pay commissions to such broker in an amount greater than the amount another broker might charge.

On a quarterly basis, Sandell's trading review committee periodically evaluates the execution performance of the broker-dealers it uses to execute client transactions. The trading review committee also evaluates, and seeks to resolve, any conflicts of interest that Sandell may have in selecting brokers to execute client transactions.

Generally, the use of commission or "soft" dollars to pay for research products or services falls within the safe harbor for soft dollars created by Section 28(e) of the Securities Exchange Act of 1934, as amended. Where a product or service obtained with commission dollars provides both research and non-research assistance to the Funds, Sandell will make a reasonable allocation of the cost that may be paid for with commission dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Sandell's allocation of the costs of such benefits and services between those that primarily benefit Sandell and those that primarily benefit the Funds.

(continued on Continuation Pages 8-9)

Item 13 Review of Accounts

The portfolio managers perform various informal reviews of the Funds' portfolios, typically on a daily, weekly, monthly and quarterly basis. Each Fund may also be reviewed on a periodic basis by the Chief Compliance Officer and Chief Financial Officer, with the assistance of portfolio managers, if necessary, to determine whether the account is being managed in a manner that is consistent with such Fund's investment objectives, guidelines and/or restrictions. Furthermore, Fund accounts are reconciled daily (i) internally by the operations group and (ii) externally by an independent administrator. The operations group performs a reconciliation at the beginning of the day for the prior day's trading against Sandell's accounting system and then against prime broker data. The controller or operations manager reviews all of the reconciliations performed by the operations group for reasonableness and notes any exceptions or errors.

Investors in Sandell's Funds receive (i) performance information on a weekly (estimated) and monthly (final) basis, (ii) quarterly reports from Sandell and (iii) an annual year-end audit from the applicable Fund's independent accounting firm within 120 days of the Fund's fiscal year-end. Investors may receive more frequent information and/or meet with Sandell representatives upon request.

Item 14 *Client* Referrals and Other Compensation

Strict legal limitations apply to payment by a registered investment adviser, such as Sandell, of referral or finder's fees for assistance in obtaining new investment advisory clients.

Sandell utilizes third-party placement agents which receive compensation for referring investors to the Funds.

Sandell has the following agreements in place whereby it may compensate persons for referrals of investors in a Fund:

(i) Non-exclusive agreement with Vivien De Gunzburg ("Gunzburg") whereby Sandell agrees to pay Gunzburg .50% per annum of the value of all shares in Castlerigg International Ltd. purchased by investors introduced to Sandell by Gunzburg during the term of this agreement.

(ii) Non-exclusive agreement with Gallatin Capital LLC ("Gallatin") whereby Sandell agrees to pay Gallatin 15% of the management and incentive fees/allocations paid to Sandell in relation to any investors in Castlerigg International Ltd. or Castlerigg Partners, L.P. purchased by investors introduced to Sandell by Gallatin and listed in the agreement during the term of this agreement.

(iii) Non-exclusive agreement with Alternative Leaders SA ("ALSA") whereby Sandell agrees to pay ALSA 15% of the management and incentive fees/allocations collected by Sandell with respect to investors in Castlerigg International Ltd. introduced to Sandell by ALSA during the term of this agreement.

Item 15 *Custody*

As a general matter, all of the assets of the Funds are maintained with custodians that are independent of Sandell. However, under the Federal securities laws, Sandell is deemed to have custody of client assets if it can deduct fees or other expenses directly from a client's account.

An investment adviser to a "pooled investment vehicle" (e.g., a limited partnership, limited liability company or another type of pooled investment vehicle) such as Sandell that utilizes The Pooled Vehicle Annual Audit Exception with respect to such pooled investment vehicle is exempt from certain of the requirements under the rule related to notice and legends, account statements and surprise examinations. Sandell may rely on the Pooled Vehicle Annual Audit Exception with respect to the Funds and special purpose vehicles (SPVs) with outside investors it advises because such Funds and SPVs are subject to annual audit and audited financial statements are delivered to investors within the required timeframes.

Sandell adheres to the applicable requirements of the Custody Rule with respect to each Fund for which it or an affiliate serves as general partner, managing member or investment adviser (or is otherwise deemed to have custody). All Fund securities are held with at least one qualified custodian. In addition, Sandell arranges for the delivery to investors in each of the Funds of an audited financial statement for their Fund, prepared in accordance with GAAP by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, on an annual basis, and within the required time frames. The assets of the SPVs with outside investors that the Firm advises are subject to their own independent audit and audited financial statements are delivered to investors in the required timeframes. The assets of SPVs that are wholly-owned by a Fund are consolidated with the audit of such Fund.

Sandell may conduct background and credit checks on employees who will have access (or could acquire access) to client assets to determine whether it would be appropriate for those employees to have access to such assets. Sandell also limits employees who are permitted to interact with custodians with respect to client assets to the Operations Group and such other employees as are reasonably necessary to enable the firm to comply with its obligations under the Custody Rule.

## Item 16 Investment Discretion

As noted previously, Sandell has full discretionary authority to manage the Funds, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Sandell's authority is limited by its own internal policies and procedures and each Fund's investment guidelines and other restrictions set out in the offering materials of such Fund.

Before assuming this authority, an investment management agreement is entered into among Sandell and the Fund(s) (collectively, the "Investment Management Agreement"). Under the Investment Management Agreement, Sandell is granted discretionary authority to trade the Funds' accounts.

Item 17 Voting *Client* Securities

Sandell has adopted a policy with respect to the exercise of securities holders rights, including proxy voting, providing that Sandell will act in the best interest of the Funds in determining whether and how to exercise a Fund's rights as a securities holder, including whether and how to vote on any proxy voting matter. Sandell will classify all requests for securities holder voting authority and related proxy materials as routine (e.g., uncontested director elections, reappointment of independent audit firms and issues reflecting social or environmental concerns) or non-routine. In the case of any routine matter, Sandell generally will vote in accordance with the recommendations of the issuer's management unless, in the opinion of the appropriate portfolio manager, such votes are not in the best interest of the Funds. In the case of any non-routine matter, the appropriate senior portfolio manager will determine how to vote. In general, proxy votes for or against will be based on the probable financial results to the Fund. In certain instances, Sandell may choose to abstain from or withhold on voting of certain proxies if such actions are deemed to be in the best interest of a Fund. Sandell may also elect to retain a third party service to assist it in coordinating and voting proxies with respect to a particular security, including but not limited to another holder of such security, where Sandell believes that doing so is in the best interest of the Funds holding such security. Investors may obtain a copy of Sandell's proxy voting policies upon request.

Item 18 Financial Information

Not Applicable

Item 19 Requirements for State-Registered Advisers

Not Applicable

Item 4. Advisory Business (continued)

Although the Funds focus on global event-driven strategies in general, certain Funds may focus in on a particular event-driven strategy more so than others. While investors may not impose restrictions on Sandell's investment in certain securities, they may choose in which Fund to invest, thereby tailoring their investment to meet their specific needs. Please refer to the offering materials of a particular Fund to learn more about the specific investment strategy of that Fund.

As of March 31,2011 Sandell managed approximately $796,485,000 assets on a discretionary basis and no assets on a non-discretionary basis.

Item 5. Fees and Compensation (continued)

From time to time, Sandell and the Funds may enter into "side letter" agreements with certain investors the terms of which differ from the shares/interests generally offered to investors with respect to, among other things, the Performance Fees and Management Fee. Sandell and/or a Fund may establish new classes of shares/interests or enter into "side letter" arrangements without providing prior notice to, or receiving consent from, existing investors. This may result in a conflict of interest when Sandell allocates opportunities among these accounts because Sandell will have an incentive to favor accounts that have higher Performance Fees. The terms of such classes and "side letters" will be determined by Sandell and/or such Fund in their sole discretion.

Each investment management agreement with a Fund states that it is effective for a fixed period of time except that Sandell or any Fund may terminate the investment management agreement effective at the close of business on the last day of any fiscal year by giving not less than 30 or 90 days written notice, as applicable. Certain investment management agreements also provide that they will be terminated upon dissolution of all of the Fund(s) named in such agreement as clients.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Risk arbitrage primarily involves trading in securities that are the subject of a takeover, merger, exchange offer, restructuring, liquidation, spin-off or other extraordinary transaction. In analyzing risk arbitrage transactions, Sandell does not engage in speculation on rumors, but rather tries to identify and source value that may be overlooked in each situation. It evaluates the likelihood of completion of the deal, the timing of the transaction, and the dynamics of the country in which the deal is taking place.

Forms of event arbitrage include spin-offs, stub equities, business form conversions and various other forms of corporate restructuring. Some of these trading strategies are market-sensitive, while others are subject primarily to particular and unique risk and reward factors which may be unrelated to stock or bond market fluctuations.

Risks Inherent in Merger-Arbitrage

An event and risk arbitrage position is generally taken after a merger, tender offer, exchange offer or other transaction is announced at which point the security has generally risen to a significant premium over the market price that prevailed prior to the announcement. If the transaction is not subsequently consummated, the market price of the securities will fall, usually to a level comparable to or below that which existed prior to the announcement. This can cause a Fund to suffer a significant loss with respect to any long positions that it has established in the security. Similarly, with respect to any short positions, to the extent such positions have to be covered, a Fund could be adversely affected. Various events may occur which may result in a transaction not being consummated which could adversely affect a Fund's position. Some of the reasons why a transaction may be terminated include a successful takeover defense, a decline in financial performance, a rise in interest rates, a market crash, regulatory restrictions, market risk and liquidity risk.

Credit Opportunities/Distressed Securities

Certain Funds may invest in credit situations, including, but not limited to, bankruptcies, high yield securities, leveraged loans, credit default protection, preferred stock and non-performing debt obligations.

(continued on Continuation Page 4)

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Risks Inherent in Credit Opportunities/Distressed Securities

Investing in securities and obligations of entities which are experiencing significant financial or business difficulties may result in significant returns, but also involve a substantial degree of risk not normally associated with investments in healthier companies, including adverse business, financial or economic conditions that can lead to defaulted principal and interest payments and insolvency proceedings. A Fund may lose a substantial portion or all of its investment in a distressed security or may be required to accept cash or securities with a value less than the investment. In addition, it frequently may be difficult to obtain information as to the true condition of such issuers. Such trades also may be adversely affected by laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market price of such securities is subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. At certain times the markets for these securities can become illiquid, and certain of these investments by their nature are illiquid and do not publicly trade. In trading distressed securities, litigation is sometimes required, which can be time-consuming and expensive, and can frequently lead to unpredictable delays or losses.

In other credit opportunities trades, such as liquidations, spin-offs and other forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (for example, for failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security in respect of which such distribution was made.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (continued)

From time to time, Sandell may purchase or sell securities on its own behalf or on behalf of one or more Funds that may differ from those purchased or sold for other Funds, even though their investment objectives may be the same or similar. A Fund, for example, may make an investment at the same time that one or more other Funds is disposing of the same or a similar investment. Likewise, a Fund may make an investment in a position which is already held by one or more of the other Funds or a position that is subordinated or senior to or otherwise adverse to a position held by one or more of the other Funds (e.g., a Fund may own debt of a portfolio company while another Fund owns equity in the same portfolio company). It is possible that the activities or strategies used for one or more Funds could conflict with the activities and strategies employed in managing the assets of other Funds and affect the prices and availability of the securities and instruments in which such Funds invest (e.g., in a situation where a Fund invests in debt securities of a company in which another Fund holds or is contemporaneously acquiring equity securities, questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced). Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside bankruptcy, and the terms of any work-out restructuring, raise conflicts of interest. A situation may arise where certain assets held by one or more Funds may be transferred to another Fund, including for the purpose of rebalancing the portfolios of such Funds. For example, certain "cross" trades may occur between Funds as may be necessary to rebalance cash or various portfolio positions. Any such transactions will be conducted in accordance with, and subject to, Sandell's fiduciary obligations to both of the Funds and the Advisers Act. In addition, except for cross trades to correct misallocations of trades among client accounts and for cross trades that are exempt from the prohibited transaction rules under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the Internal Revenue Code of 1986, as amended (the “Code”), as provided by the Pension Protection Act of 2006, Sandell will not effect any cross trades on behalf of any client account that constitutes “plan assets” under ERISA or the Internal Revenue Code.

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Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (continued)

In the event that we effect a cross trade between an account in which Sandell or its controlling persons own more than twenty five percent (25%) and another client account, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions may create a conflict of interest because Sandell may put its or its control persons' interests in such accounts before the interests of its clients in the other account. In order to mitigate this conflict of interest, Sandell monitors the interests of its principals, their immediate family members and their affiliates in client accounts, and Sandell will not effect any cross trades between accounts if Sandell believes that such trade would result in a principal transaction unless:

1) Sandell believes that such transaction is in the best interest of the clients participating in the transaction; and

2) Sandell obtains the consent of the applicable clients as required by the Advisers Act.

Sandell recognizes that conflicts may arise under such circumstances and will endeavor to treat all Funds fairly and equitably.

The Advisory Affiliates may, subject to the Code of Ethics, invest on behalf of themselves in securities and other instruments that would be appropriate for, held by, or may fall within the investment guidelines of the Funds. The Code of Ethics requires employees to provide, on a monthly basis, copies of statements for any trading account for which they have discretionary trading authority. The Code of Ethics also provides that employees and certain close relatives of employees may not trade, gift or otherwise transfer securities of any company for any account in which such person(s) have any beneficial ownership without the prior consent of Sandell.

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Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading (continued)

Sandell also maintains insider trading policies and procedures (the "Insider Trading Policies") that are designed to prevent the misuse of material, non-public information. Sandell's Insider Trading Policies prohibit Sandell and its personnel from trading for the Funds or themselves, or recommend trading, in securities of a company while in possession of material, non-public information ("Inside Information") about the company, and from disclosing such information to any person not entitled to receive it. By reason of its various activities, Sandell may have access to Inside Information or be restricted from effecting transactions in certain investments that might otherwise have been initiated. Sandell has designed and implemented policies and procedures reasonably designed to shield its investment professionals in most cases from access to Inside Information so that investment decisions may be made on the basis of public information only. Among other things, such policies seek to control and monitor the flow of Inside Information to and within Sandell, as well as prevent trading based on Inside Information. Accordingly, Sandell may not have access to Inside Information that other market participants or counterparties are eligible to receive.

Notwithstanding such policies and procedures, there may be certain cases where Sandell either may receive Inside Information due to its various activities on behalf of itself or the Funds or may be restricted in acting for the Funds, resulting in limited liquidity or using such information for the benefit of certain clients in specific securities. Sandell seeks to minimize those cases whenever possible, consistent with applicable law and its Insider Trading Policies, but there can be no assurance that such efforts will be successful and that such restrictions will not occur.

Item 12. Brokerage Practices (continued)

Research products and services provided to Sandell may include research reports on particular industries and companies, economic surveys and analyses, market reports, recommendations as to specific securities, market data and other products and services (e.g., quotation services and computer-related costs and expenses, including investment- and trading-related computer software) providing lawful and appropriate assistance to Sandell in the performance of its investment decision-making responsibilities.

From time to time, the Funds may execute over-the-counter trades on an agency basis rather than on a principal basis. In these situations, the broker used by a Fund may acquire or dispose of a security through a market-maker (a practice known as "interpositioning"). The transaction may thus be subject to both a commission and a markup or markdown. Sandell believes that the use of a broker in such instances is consistent with its duty of obtaining best execution for the Funds. The use of a broker can provide anonymity in connection with a transaction. In addition, a broker may, in certain cases, have greater expertise or greater capability in connection with both accessing the market and executing a transaction.

Brokers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. A broker is not excluded from receiving business because it has not been identified as providing research products or services. Investment information received from a Fund's brokers may be used by Sandell in servicing all of its accounts, and not all such information need be used by Sandell in connection with such Fund. Nonetheless, Sandell believes that such investment information provides each Fund with benefits by supplementing the research otherwise available to the Fund.

Representatives of Sandell from time to time speak at conferences and programs for investors interested in investing in hedge funds which are sponsored by prime brokers. These conferences and programs may be a means by which Sandell can be introduced to prospective investors in the Funds. Generally, the prime brokers are not compensated by Sandell, the Funds, their affiliates, or prospective investors for providing such "capital introduction" opportunities. However, the provision of these opportunities, as well as other introductions to prospective investors, as well as any other services, by a prime broker may influence Sandell in deciding whether to use the services of such prime broker, and the size of the portfolio custodied with such prime broker, in connection with the activities of the Funds.

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Item 12. Brokerage Practices (continued)

If it is determined by Sandell that it would be appropriate for more than one Fund to participate in an investment opportunity, Sandell will generally seek to execute orders for all of the participating investment accounts pro rata based on available capital. This general rule however, may be subject to change in a manner deemed fair and equitable to all Funds involved, taking into account such factors as the perceived volatility of such opportunities, the relative amounts of capital available for new investments, the liquidity of the position relative to the needs of the particular account, the transaction costs involved, other investment guidelines and limitations established by the Fund, the judgment and discretion of Sandell, and applicable tax and regulatory considerations. Such considerations may result in allocations among Funds on other than a *pari passu* basis. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis that Sandell considers equitable.

Pursuant to indemnification and exculpation applicable to Sandell, the Funds (and not Sandell or its affiliates) will be responsible for any losses resulting from trading errors and similar human errors, absent bad faith, gross negligence, willful misconduct or fraud. Given the volume of transactions executed on behalf of the Funds, investors should assume that trading errors (and similar errors) will occur and that the Funds may be responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence) of Sandell or its affiliates.