

Millburn Ridgefield Corporation

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of Millburn Ridgefield Corporation (“Millburn,” “We,” “Us,” or the “Company”). For more information on the disclosure requirements for Part 2A see the “General Instructions for Part 2 of Form ADV” by visiting www.sec.gov/rules/final/2010/ia-3060.pdf. If you have any questions about the contents of this brochure, please contact us at 212-332-7300. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about Millburn is also available on the SEC’s website at: www.adviserinfo.sec.gov.

We are registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Item 2 Material Changes

The date of this brochure is March 2021. It is an amendment to Millburn's previous brochure dated March 2020. While there are changes in this amended brochure as compared to the previous brochure, in our view none of the changes are material.

Item 3 Table of Contents

| | | |
|---------|--|----|
| Item 2 | Material Changes | 2 |
| Item 3 | Table of Contents | 3 |
| Item 4 | Advisory Business..... | 4 |
| Item 6 | Performance-Based Fees and Side-by-Side Management | 9 |
| Item 7 | Types of Clients | 10 |
| Item 8 | Methods of Analysis, Investment Strategies and Risk of Loss | 11 |
| Item 9 | Disciplinary Information | 19 |
| Item 10 | Other Financial Industry Activities and Affiliations..... | 20 |
| Item 11 | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..... | 21 |
| Item 12 | Brokerage Practices..... | 22 |
| Item 13 | Review of Accounts | 27 |
| Item 14 | Client Referrals and Other Compensation | 28 |
| Item 15 | Custody | 29 |
| Item 16 | Investment Discretion | 30 |
| Item 17 | Voting Client Securities | 31 |
| Item 18 | Financial Information..... | 32 |

Item 4 Advisory Business

Millburn Ridgefield Corporation is a Delaware corporation organized in May 1982. Millburn currently manages discretionary accounts in futures, spot and forward currency markets, and securities. Our primary business involves managing futures, spot and forward portfolios, although certain portfolios include securities as well. We have been registered with the Commodity Futures Trading Commission (“CFTC”) as a “commodity pool operator” since July of 1982 and as a “commodity trading advisor” since September of 1984. In March of 2002, we became registered with the SEC as an investment adviser. In 2019, we acquired a broker-dealer and then merged that broker-dealer into Millburn Ridgefield Corporation. Accordingly, Millburn is now registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) in that capacity. The registration of Millburn with the SEC or CFTC must not be taken as an indication that either such agency has recommended or approved either Millburn or its trading programs. The principal owners of Millburn are: Harvey Beker, Barry Goodman, Grant Smith and the estate of a former principal owner (George Crapple).

This brochure has been prepared by Millburn and provides an overview of the Company and the services it provides involving securities. Millburn currently sponsors and manages many different commodity pools. However, unless specifically stated otherwise, the information presented in this brochure relates only to the investment advisory services involving securities. To receive a disclosure brochure on our investment services involving futures, spot and forward contracts, please contact us at 212-332-7300 or write to Millburn Ridgefield Corporation at 55 West 46th Street, 31st Floor, New York, NY 10036, Attention: Client Services.

Millburn serves as:

- an investment manager or adviser to pooled investment vehicles that it sponsors and which were organized to invest in securities (each, a “Client Fund”);
- an investment manager or adviser to an institutional account organized to invest in securities and other assets (a “Separately Managed Account”); and
- a sub-adviser to mutual funds operated by unaffiliated advisers to invest in securities and/or other assets (each, a “Mutual Fund”).

As of December 31, 2020, we serviced 5 Client Funds, 1 Separately Managed Account and 2 Mutual Funds and the individual accounts described below. In providing such services to each Client Fund, Separately Managed Account and Mutual Fund (each, a “Client”), we direct and manage the investment and reinvestment of each Client’s assets. We also provide reports to investors in each Client Fund. We manage the assets of each Client in accordance with the terms of the governing documents applicable to that Client, which include any investment restrictions or limitations for the respective Client’s portfolio.

The Company invests the assets of certain of its Client Funds primarily in private investment funds or separate accounts (together, the “Investment Funds”) managed by other investment managers (the “Investment Managers”) who employ different absolute and relative return investment

strategies across diverse sectors and asset classes in pursuit of attractive risk-adjusted returns consistent with the preservation of capital.

In addition, we also directly invest certain Client Fund and other Client assets in futures, forward and spot contracts, exchange-traded funds (“ETFs”), mutual funds and investments in cash or money market accounts or funds with underlying portfolios consisting exclusively of short-term U.S. Treasury, agency and related securities. We also invest Client Fund assets in futures and/or currency related Investment Funds that we sponsor and manage.

Currently, we invest in securities for the following Clients:

- Millburn MCo Partners L.P. – this fund invests primarily in Investment Funds. The assets of the Investment Funds are managed by Investment Managers employing a variety of strategies in securities and other investment instruments. This fund also invests some of its assets in unaffiliated ETFs and mutual funds.
- Millburn Select Strategies L.P. – this fund invests a portion of its assets in Millburn MCo Partners, L.P. and the remaining portion of its assets in a systematic futures and currencies fund sponsored by us.

Millburn Equity Partners L.L.C. – this fund invests substantially all of its assets in accounts managed by Investment Managers and in mutual funds.

- Lumyna Millburn Adaptive Allocation Program UCITS Fund (“MAAP UCITS”) – a Client Fund organized in the European Union as an Undertakings for the Collective Investment in Transferable Securities (“UCITS”). This Client Fund invests, directly and indirectly, in a portfolio focused on equities and fixed income, and consisting of futures contracts, equity index swaps and a note that provides exposure to the investment program of Millburn Adaptive Allocation Program Sub-Portfolio, which is described immediately below.
- Millburn Adaptive Allocation Program Sub-Portfolio – this Client Fund invests in a portfolio of ETFs. Specifically, the fund is designed to trade the portion of the MAAP UCITS investment portfolio that cannot be traded directly by MAAP UCITS due to regulatory considerations. It provides MAAP UCITS with indirect exposure to the ETF portfolio through this pooled investment vehicle, which is available to others seeking a similar exposure.
- Separately Managed Account – we manage the assets in our capacity as trading advisor to this single investor fund, which is a limited company organized under the laws of Jersey. This fund invests in a portfolio of ETFs, futures contracts and currency spot and forward contracts.
- Catalyst/Millburn Hedge Strategy Fund – this Mutual Fund is a series of Mutual Fund Series Trust, an open-end management company. This fund invests in a portfolio of ETFs, futures contracts and currency spot and forward contracts, and short-term U.S. Treasury securities. This fund’s assets are managed entirely by us in our capacity as sub-adviser.

In addition, we invest Client assets in a portfolio of futures contracts and currency spot and forward contracts for the following non-securities Mutual Fund Client. For this Mutual Fund Client, the portion of the fund managed by us in our capacity as a sub-advisor to the fund does not invest in securities. However, this Mutual Fund Client is described in this brochure because this fund is our client.

- LoCorr Macro Strategies Fund - this Mutual Fund is a series of LoCorr Investment Trust, an open-end management company.

Interests in the Client Funds that are collective investment vehicles sponsored by us are not registered under the Securities Act of 1933, as amended (the “Securities Act”) or the Securities Exchange Act of 1934, as amended, and those Client Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Client Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements generally in private transactions within the United States. Typically, these investors are high net worth individuals, institutions and other entities.

In addition to the foregoing, Millburn provides certain services to two private foundations and one individual and certain entities and individuals affiliated with or related to the individual that may be deemed to be advisory or financial planning services. These services are limited in nature and are not being offered generally to others.

As of December 31, 2020, Millburn was managing approximately \$3.3 billion in assets for its advisory clients described above, including approximately \$200.91 million in its Client Funds (each of these numbers has been adjusted to make sure that assets invested by one Client in a Client Fund are not double-counted). As of December 31, 2020, Millburn’s assets under management were approximately \$5.57 billion in its systematic futures and currencies accounts (this number includes all of the assets of the Clients listed above, including Mutual Funds, that at least in part trade a systematic futures and currencies strategy managed by us). As of December 31, 2020, Millburn’s aggregate assets under management were approximately \$5.71 billion. For purposes of the calculation of advisory client assets and systematic futures and currencies assets under management, certain accounts that hold both securities and systematic futures and currencies investments are included in more than one category (approximately \$3.15 billion), but no assets were counted twice for the aggregate assets under management total.

The assets under management and systematic futures and currencies numbers above include approximately \$965 million in assets managed by Shanghai Quadrant Asset Management Co., Ltd. (“Quadrant”) and its affiliate, SIYE Investment Management Co., Ltd. (“Siye”), each of which is a Chinese-registered asset management company that invests in Chinese futures markets on behalf of its Chinese clients. The owners of Millburn also own 40% of Quadrant, which operates as a joint venture between Millburn and the principal of Siye. We believe that it is appropriate and necessary to include these assets in Millburn’s assets under management as the trading conducted by Quadrant utilizes investment strategies developed and serviced by Millburn personnel.

Item 5 Fees and Compensation

The compensation we receive from the Client Funds generally comprises fees based on a percentage of assets under management and, in certain cases, also includes performance-based amounts. Detailed information regarding the fees charged to the Client Funds is provided in the respective fund's confidential private placement memorandum and other governing documents; while similar information for a Separately Managed Account is provided in the agreement or disclosure document specifically governing the account. Generally, the asset-based fees range from 0% up to 1.5% (per annum). Unless disclosed otherwise in a Client's confidential private placement memorandum, advisory agreement or other governing documents, asset-based fees are payable at a rate of 1/12 of the per annum fee payable in arrears as of each month-end. In certain accounts, the Company receives a performance-based fee or allocation, generally in the range of 0% to 10% of the profits in a Client Fund or Separately Managed Account. Unless disclosed otherwise in a Client's confidential private placement memorandum, advisory agreement or other governing documents, a performance-based fee or allocation is generally payable on an annual basis at the end of a calendar year in arrears with respect to the calendar year or partial calendar year then completed. Specific fees, including the particular mix of asset-based and performance-based fees, are sometimes negotiated with investors on a case-by-case basis. We may (and currently do in certain cases) waive or rebate all or any portion of the management and performance-based fee with respect to any investor in a Client Fund or Separately Managed Account. No direct compensation is currently received by us from any advisory clients that are not Client Funds, Separately Managed Accounts or Mutual Funds. See also Item 10: *Other Financial Industry Activities and Affiliates* for a discussion of potential fee structures applicable in cases where a Client Fund invests in another Client Fund or a commodity fund we sponsor.

Additionally, the fees paid to us do not include custodial and transaction costs paid to custodians, broker-dealers, or any other third parties (See Item 12: *Brokerage Practices* for more information about trading with broker-dealers). Fees are charged to each investor's capital account in a Client Fund. In addition to and/or in clarification of the fees described above, investors will bear indirectly other fees and expenses incurred by the Client Funds or Separately Managed Accounts including, but not limited to, the following, as applicable: (i) direct and indirect investment expenses (such as, but not limited to, brokerage commissions and other transaction-execution costs; dealer spreads, give-up fees; National Futures Association fees; exchange-related fees, externally incurred costs of establishing and utilizing electronic trading, computer, software and systems connections directly or indirectly with brokers and counterparties or with third parties to facilitate electronic trading with brokers and counterparties; costs relating to the use of trading algorithms; clearing fees; valuation and portfolio pricing; interest charges; custodial fees and charges and financing charges; and applicable withholding and other taxes); (ii) all expenses related to the purchase, sale, transmittal or custody of trading assets and related items; (iii) costs and expenses associated with or deriving from obtaining and maintaining exchange memberships and credit ratings; (iv) any taxes and duties payable in any jurisdiction in connection with the particular Client's operations; (v) compliance costs of regulatory and governmental inquiries, subpoenas and proceedings (in each case, to the extent involving the particular Client or us in our capacity as investment adviser to the Client); (vi) costs associated with possible reorganizations or restructurings of the Client; (vii) costs of any litigation or investigation involving Client activities and any indemnification payments, if any; (viii) any administration fees that are payable to us that are separately disclosed in the offering

documents or other agreements relating to a particular Client; (ix) legal, financial and tax accounting, auditing and other professional fees and expenses, including consulting and appraisal fees and expenses pertaining to the Client; (x) external administrative costs (including the fees and out-of-pocket expenses of any third-party administrator); (xi) establishing computer and systems connectivity with the administrator and other third-party service providers; (xii) any paying agency, transfer agency, accounting verification (if any) and/or investor registrar services and the costs of middle-office and back-office support as provided by the administrator; (xiii) due diligence expenses, including due diligence relating to anti-money laundering, know your customer and other inquiries; (xiv) costs of maintaining a Client's registered office in any applicable jurisdiction; (xv) costs associated with the offering and sale of beneficial interests in a Client Fund (including, without limitation, all ongoing offering expenses of the Client Fund; professional fees and expenses in connection with the update of the offering documents, constitutional documents and other relevant documents; communication expenses with respect to investor services and all expenses relating to investor meetings, if any; and costs of preparing, printing and distributing financial and other reports, forms, proxies and similar documents); (xvi) legal, compliance, tax, accounting and audit costs, fees and expenses relating to the Client's regulatory and self-regulatory filings, registrations, memberships and reporting (including, but not limited to, expenses incurred in connection with complying with applicable U.S. and non-U.S. reporting obligations, such as those required by the SEC, the CFTC and their counterparts in other jurisdictions, as applicable, as well as out-of-pocket costs of preparing regulatory filings related to the Client or us with respect to the Client, including but not limited to Form PF and Form CPO-PQR); (xvii) the costs and fees attributable to any third-party proxy voting or class actions service or consultant, including any part of any class action recovery that may be retained by a class action service provider in connection with a recovery with respect to which it provides services ; (xviii) the Client's insurance costs, including without limitations, errors and omissions insurance and directors and officers insurance, if any; and any other operating or administrative expenses related to accounting, research, third-party consultants, and reporting; (xix) organizational and registration expenses; (xx) management fees charged by the Investment Managers and the Investment Funds (which is further discussed later in this brochure under Item 8: *Methods of Analysis, Investment Strategies and Risk of Loss - Funds-of-Funds generate multiple levels of fees and expenses*); and (xxi) background investigation fees for investigations performed on non-affiliated Investment Managers. Investors should review all fees charged by us and the expenses charged to the Clients to fully understand the total amount of fees and expenses to be paid by the Client. With respect to Millburn MCo Partners L.P. and Millburn Equity Partners L.L.C., we receive additional fees in exchange for providing administrative services to those Client Funds. The administrative services provided to these Client Funds are, in many similar funds, typically provided by third party administrators who are compensated for those services. The amounts of these fees are fully disclosed in the relevant fund documents and we believe are fair and reasonable in amount. Millburn does not effect transactions for its clients in its capacity as a broker-dealer and thus does not receive any fees in such capacity.

Investors in Client Funds and Mutual Funds may redeem their investments in accordance with the confidential private placement memorandum or prospectus and other governing documents. For Client Funds, in general, the investors' ability to withdraw assets is subject to minimum holding periods and formal notice requirements.

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

Performance-based fees are fees based on a share of capital appreciation of the assets of a client. An adviser charging performance fees to some accounts and not others faces a variety of conflicts because the adviser can potentially receive greater fees from its accounts having a performance-based compensation structure than from those accounts it charges a fee unrelated to performance (*e.g.*, an asset-based fee). As a result, the adviser may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee.

We will enter into performance-based fee arrangements, and the fact that we are compensated based on the trading profits creates an incentive for us to make investments on behalf of Client Funds or Separately Managed Accounts that are riskier or more speculative than would be the case in the absence of such compensation. Performance-based fees received by us are based primarily on net realized and unrealized gains and losses. As a result, a performance-based fee earned could be based on unrealized gains that clients may never realize. In addition, some Clients are not charged a performance-based fee. Although we have an incentive to favor Clients for which we receive a performance-based fee, in no instance will we favor Clients paying performance-based fees over Clients not paying performance-based fees. However, when we charge a performance-based fee with respect to a Client, it may be indicative that the investment strategy being provided is somehow different from those for which no performance-based fee is being charged, and this may account for differences in holdings, leverage or targeted volatility, among other considerations. As a fiduciary, we recognize our duties to act in good faith and with fairness in all of our dealings with all Clients, and it is our policy to allocate securities trades and opportunities across all Clients in a fair and equitable manner.

Item 7 Types of Clients

See Item 4: *Advisory Business* for information on the types of clients to whom we generally provide investment advice. The Client Funds and Separately Managed Account have minimum investment amounts and the Client Funds have investor suitability criteria, which are set forth in their respective offering documents and subscription application materials. Investors will be required to make certain representations when investing in a Client Fund, including but not limited to that they (i) are acquiring interests for their own accounts, (ii) received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment, and (iii) have the ability to bear the economic risk of an investment in the fund.

In addition, we may enter into, and have entered into, separate agreements, commonly referred to as “side letters,” with certain investors in a Client Fund, to waive certain terms, or allow such investors to invest on different terms than those specifically described in the governing documents of the Client Fund. Under certain circumstances, these agreements could create preferences or priorities for such investors with respect to other investors.

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

For Clients Investing in Investment Funds:

When we manage a Client Fund that invests in Investment Funds, our objective is to achieve high, risk-adjusted returns by investing in a diversified group of Investment Funds managed by Investment Managers.

Investment Funds and Investment Managers are selected by an investment committee composed of the following personnel: Harvey Beker, Gregg Buckbinder and Thomas Cheung. When evaluating a prospective Investment Fund or Investment Manager, the Company performs a host of quantitative and qualitative analyses. Quantitative criteria include risk-adjusted performance, Sharpe ratios, drawdown and recovery statistics, response to disrupted markets, risk control, assets under management and length of performance record. Qualitative criteria are more subjective and focus on our evaluation of a prospective manager's experience, intelligence, market knowledge, integrity, reputation, coherence of strategy and operational infrastructure. Although quantitative factors are significant in our selection process, they function primarily as a "filter" to screen prospective managers from the universe of potential managers in order to identify a group of eligible candidates which merit further evaluation. Further evaluation of prospective managers includes additional quantitative analysis, but focuses primarily on qualitative and/or in-person "due diligence" and review, generally including on-site visits to a manager's offices, interviews with the manager's senior management, an assessment of service providers (auditors, administrators, legal counsel, etc.) selected by a manager, and third-party background checks on a manager's senior management.

Our main quantitative source of information for Investment Funds and Investment Managers is historical return data. We may also use in-house research, industry publications or direct contact with other Investment Managers. Additional sources of information that may be used include recommendations from other investment professionals, personal interviews with Investment Managers, information received at industry conferences, articles, performance measurement services, other publicly available information and reviews of offering documents and limited partnership agreements.

The Investment Funds implement a wide range of strategies in diverse domestic and international markets. These strategies include equity hedge investing (U.S., non-U.S. and market sector), global macro, event driven, merger arbitrage, investing in distressed securities and reorganizations, relative value, convertible bond arbitrage, fixed-income arbitrage, mortgage arbitrage, various hedged or long/short strategies, foreign currencies and financial instruments and commodities trading. The Company believes that such an investment program has the potential to achieve investment performance without the levels of volatility and risk that such assets, or the Investment Funds and Investment Managers, may individually experience. Each prospective Investment Fund investment is evaluated both on a stand-alone basis and in the context of the overall anticipated client portfolio. The Investment Managers are identified and monitored on an ongoing basis by the Company.

From time to time, Investment Funds may make distributions in kind of securities in lieu of or in addition to cash to satisfy redemptions. In the event that an Investment Fund makes a distribution

of securities in kind, such securities generally would be liquidated as soon as practicable by us on behalf of the Client Fund. These securities may also be held for a longer time period so as to take advantage of the lower tax rates applicable to a longer term holding period.

For Clients Investing in Combined Systematic Futures and Currencies and ETF Strategies:

The following briefly describes our investment strategy of investing in a combination of systematic futures and currencies, ETFs, mutual funds and investments in cash or money market accounts or funds with underlying portfolios consisting exclusively of short-term U.S. Treasury, agency and related securities.

When we manage Client Fund or other Client assets that invest in a combination of one or more of systematic futures and currencies, ETFs, mutual funds and investments in cash or money market accounts or funds with underlying portfolios consisting exclusively of short-term U.S. Treasury, agency and related securities, our objective is to achieve a positive long-term rate of return.

For the trading of its systematic futures and currencies (which includes both futures, forward and spot contracts), the Company uses its proprietary trading methods to make systematically-based investment and trading decisions. ETFs may also be traded, in whole or in part, using this approach, or may utilize a passive, less active approach. Millburn's proprietary trading methods are subject to change as the result of active research but currently rely upon a multi-feature, quantitative, systematic approach. This approach considers many sources of quantitative data to produce frequent near-term return forecasts for each instrument we trade. We also take into account risk measurements in determining what and when to trade, and how much of a contract or fund to trade. We try to develop and select a mix of systems in each market and to allocate risk across a wide array of markets, so as to contain overall portfolio risk within a targeted range and to provide diversification. In putting together the universe of markets that are available to trade in this strategy, we consider the following factors, among others: strategy, mandate, profitability, liquidity of markets, professional judgment, desired diversification, transaction costs, exchange and other regulations and depth of market.

The descriptions provided above are brief overviews of the investment strategies and are not intended to be complete. All investing involves a risk of loss, and the investment strategies we offer could lose money over short or even long periods. Investing in Client Funds, Mutual Funds or Separately Managed Accounts involves a number of risks. An investment in a Client Fund or Separately Managed Account is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Client Fund or Separately Managed Account. No guarantee or representation is made that the Client Fund or Separately Managed Account will achieve its investment objective or that investors will receive a return of their capital. The description contained below is a brief overview of different investment risks related to Millburn's investment strategies. A more complete description of these and other risks can found in the offering or governing documents relating to a particular Client.

Funds-of-funds generate multiple levels of fees and expenses. Typically, an investor in a Client Fund or Separately Managed Account may bear asset-based fees and may also bear performance-based fees or allocations. By indirectly investing in Investment Funds, the investor may bear additional asset-based fees and fund expenses and performance-based fees and allocations. Thus,

investors in the Client Funds or Separately Managed Account will be subject to higher operating expenses than if he or she invested in an Investment Fund directly. In addition, certain of the Investment Funds are subject to a performance-based fee or allocation, and this will be incurred indirectly by an investor irrespective of the performance of other Investment Funds. Accordingly, an adviser to an Investment Fund with positive performance may receive performance-based compensation from the Investment Fund even if the Client Fund's or Separately Managed Account's overall performance is negative. Generally, fees payable to advisers of Investment Funds will range from 1% to 3% (annualized) (they currently range from 0.5% to 2% annualized) of the average NAV of each fund's investment. In addition, certain advisers charge a performance-based fee generally ranging from 0% to 25% of an Investment Fund's net profits, although it is possible that in the future such ranges may be higher or lower for certain advisers. The performance-based compensation received by an adviser to an Investment Fund also creates an incentive for that adviser to make investments that are riskier or more speculative than those it might have made in the absence of the performance-based fee or allocation. Such compensation typically is based on calculations of realized and unrealized gains made by the adviser. Those unrealized gains may ultimately never be realized and the compensation may be calculated without independent oversight other than an annual audit by an independent accounting firm.

Each Investment Fund invests independently. Each Investment Fund will generally invest wholly independently of each other Investment Fund and may at times hold economically offsetting positions. To the extent that Investment Managers hold such positions, the Client Fund or Separately Managed Account, considered as a whole, may not achieve any gain or loss despite incurring fees and expenses in connection with such positions.

Investment Funds are illiquid. A Client Fund or Separately Managed Account may make additional investments in or effect withdrawals from an Investment Fund only at certain times pursuant to limitations set forth in the governing documents of the Investment Fund. The withdrawal provisions regarding the Investment Funds vary from fund to fund. Therefore, a Client Fund or Separately Managed Account may not be able to withdraw its investment in an Investment Fund promptly after it has made a decision to do so. Some Investment Funds may impose early withdrawal fees. This may limit a Client Fund's or Separately Managed Account's ability to pay amounts investors seek to withdraw.

Investment Funds may not allow withdrawals and may distribute securities instead of cash. Investment Funds generally are permitted to pay withdrawing investors in kind. Thus, upon a Client Fund's or Separately Managed Account's withdrawal of an interest in an Investment Fund, it may receive securities that are illiquid or difficult to value. Limitations on a Client Fund's or Separately Managed Account's ability to withdraw its assets from Investment Funds may, as a result, limit each Client Fund's or Separately Managed Account's ability to fund withdrawals by its investors. For example, many Investment Funds may impose lock-up periods prior to allowing withdrawals. After expiration of the lock-up period, withdrawals may be permitted only on a limited basis, such as annually. Because the primary source of funds with which a Client Fund or Separately Managed Account may pay withdrawals is the withdrawal of corresponding amounts from Investment Funds, the application of these lock-ups and other withdrawal limitations, such as gates or suspension provisions, will significantly limit a Client Fund's or Separately Managed Account's ability to pay investors seeking to withdraw all or part of their investments.

Investment Funds may be difficult to value. The valuation of a Client Fund's or Separately Managed Account's investments in Investment Funds is ordinarily determined based upon valuations calculated by us based on information provided by the Investment Funds and their auditors. Although we review the valuation procedures used by the Investment Funds, we may not be able to confirm or review the accuracy of such valuations. Furthermore, revisions to an Investment Fund's gain and loss calculations will be an ongoing process, and no appreciation or depreciation figure can be considered final until the audit of the Investment Fund has been completed.

Indemnification of Investment Funds. The Investment Fund managers may have broad indemnification rights and limitations on liability. A Client Fund or Separately Managed Account may also agree to indemnify certain of the Investment Funds and their managers from liability arising out of, among other things, certain acts or omissions relating to the offer or sale of the interests in the Investment Funds.

A Client Fund's confidential private placement memorandum provides a summary of additional risks investors face when investing in the Client Fund. Investors in a Client Fund should review the confidential private placement memorandum of that Client Fund to fully understand those additional risks.

ETF General Risks. Client Funds or Separately Managed Accounts that may invest in ETFs will bear certain inherent risks generally associated with investments in a portfolio of underlying securities. In addition, if the securities or instruments in which an ETF invests decline in value, the ETF would also go down in value and so would the Client Fund or Separately Managed Account invested in that ETF. ETFs in which a Client Fund may invest have their own fees and expenses as set forth in the ETF prospectuses. Although ETFs themselves are generally classified as equities, the underlying holdings of ETFs can include a variety of asset classes, including but not limited to equities, bonds or commodities. A full disclosure of the specific risks of each ETF can be found in the prospectus for that ETF.

ETFs may have exposure to derivative instruments, such as futures contracts, forward contracts, options, and swaps. There is a risk that a derivative may not perform as expected. The main risk with derivatives is that some types of derivatives can amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative; or that the counterparty may fail to honor its contract terms, causing a loss for the ETF. Use of these instruments may also involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk, and the risk that an ETF could not close out a position when it would be most advantageous to do so.

Commodity General Risks. Exposure to the commodities markets may subject a Client to greater volatility than investments in traditional securities. The value of commodity-linked derivative instruments and commodity-based ETFs and notes may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or sectors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political and regulatory developments.

Derivatives General Risks. We use derivatives such as futures or forward contracts as part of some investment strategies. Our use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) the risk that the counterparty to a derivative transaction may not fulfill its contractual obligations; (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index. Derivative prices are highly volatile and may fluctuate substantially during a short period of time. Such prices are influenced by numerous factors that affect the markets, including, but not limited to: government programs and policies; national and international political and economic events, changes in interest rates, inflation and deflation and changes in supply and demand relationships. Trading derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities, including:

- *Leverage and Volatility Risk:* Derivative contracts ordinarily have leverage inherent in their terms. The low margin deposits normally required in trading derivatives, including futures contracts, permit a high degree of leverage. Accordingly, a relatively small price movement may result in an immediate and substantial loss to a Client. The use of leverage may also cause us to have to liquidate portfolio positions when it would not be advantageous to do so in order to satisfy a Client's obligations or to meet collateral segregation requirements. The use of leveraged derivatives can magnify a Client's potential for gain or loss and, therefore, amplify the effects of market volatility on the value of a portfolio.
- *Liquidity Risk:* Although it is anticipated that the derivatives traded by a Client will be actively traded, it is possible that particular investments might be difficult to purchase or sell, possibly preventing us from executing positions at an advantageous time or price, or possibly requiring us to dispose of other investments at unfavorable times or prices in order to satisfy Client obligations. Most U.S. commodity futures exchanges impose daily limits regulating the maximum amount above or below the previous day's settlement price which a futures contract price may fluctuate during a single day. During a single trading day no trades may be executed at prices beyond the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, it may be difficult, costly or impossible to liquidate a position. It is also possible that an exchange or the CFTC, which regulates commodity futures exchanges, may suspend trading in a particular contract, order immediate settlement of a contract or order that trading to the liquidation of open positions only.

Foreign Currency General Risks. Currency trading involves significant risks, including market risk, interest rate risk, country risk, counterparty credit risk and short sale risk. Market risk results from the price movement of foreign currency values in response to shifting market supply and demand. Since exchange rate changes can readily move in one direction, a currency position carried overnight or over a number of days may involve greater risk than one carried a few minutes or hours. Interest rate risk arises whenever a country changes its stated interest rate target associated with its currency. Country risk arises because virtually every country has interfered with international transactions in its currency. Interference has taken the form of regulation of the local exchange market, restrictions on foreign investment by residents or limits on inflows of investment funds from abroad. Restrictions on the exchange market or on international transactions are

intended to affect the level or movement of the exchange rate. This risk could include the country issuing a new currency, effectively making the “old” currency worthless. A Client may also take short positions through derivatives. A “short” position is, in effect, similar to a sale in which we cause the Client to sell a currency it does not own but has borrowed in anticipation that the market price of the currency will decline. The Client must replace a short currency position by purchasing it at the market price at the time of replacement, which may be more or less than the price at which it took a short position in the currency.

Foreign Investment Risks. Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability, differing auditing and legal standards, and less transparent and mature regulatory regimes. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.

Foreign Exchanges Risks. Some Client derivatives trades may take place on foreign markets. Neither existing CFTC regulations nor regulations of any other U.S. governmental agency apply to transactions on foreign markets. Some of these foreign markets, in contrast to U.S. exchanges, are so-called principals’ markets in which performance is the responsibility only of the individual counterparty with whom the trader has entered into a commodity interest transaction and not of the exchange or clearing corporation. In these kinds of markets, there is risk of bankruptcy or other failure or refusal to perform by the counterparty.

Futures and Forward Contract Risks. The successful use of futures contracts draws upon our skill and experience with respect to such instruments and is subject to special risk considerations. The primary risks associated with the use of futures contracts are (a) the imperfect correlation between the change in market value of the instruments held and the price of the forward or futures contract; (b) possible lack of a liquid secondary market for a forward or futures contract and the resulting inability to close a forward or futures contract when desired; (c) losses caused by unanticipated market movements, which are potentially unlimited; (d) our inability to predict correctly the direction of securities prices, interest rates, currency exchange rates and other economic factors; (e) the possibility that the counterparty will default in the performance of its obligations; and (f) if the Client has insufficient cash, it may have to sell securities from its portfolio to meet daily variation margin requirements, and it may have to sell securities at a time when it may be disadvantageous to do so.

Short Position Risks. A Client’s long positions could decline in value at the same time that the value of the short positions increase, thereby increasing overall potential for loss. Short positions may result in a loss if the price of the short position instruments rises and it costs more to replace the short positions. In contrast to long positions, for which the risk of loss is typically limited to the amount invested, the potential loss on short positions is potentially large. Market factors may prevent us from closing out a short position at the most desirable time or at a favorable price. Furthermore, Clients that hold short positions may prematurely be forced to close out a short position if a counterparty from which the security was borrowed demands their return, resulting in a loss on what might otherwise have ultimately been a profitable position. If it is determined by the broader market that Clients (and other market participants) are short a heavily shorted security, the

Clients that have shorted that security may be susceptible to the risk that groups of investors may coordinate, on social media or otherwise, to drive up the price of the short position for the purpose of causing the holders of such positions, including the Clients, to close out of such positions. If the Clients were required to buy the shorted security in the market to make delivery under conditions which cause a period of sudden and unexpected significant increase in the value of the investment, the Clients could incur substantial losses.

Inaccurate or Incomplete Third-Party Data Could Affect Profitability . Certain of our strategies are dependent to a significant degree on the receipt of timely and accurate market data from third parties including, but not limited to, exchanges and clearing houses, futures commission merchants, prime brokers and other market counterparties and service providers. The receipt of inaccurate data or the failure to receive data in a timely manner could disrupt trading and cause a Client to experience significant trading losses or miss opportunities for profitable trading.

Cybersecurity . We rely heavily on computer hardware and software, online services and other computer-related or electronic technology and equipment to facilitate investment activities and we also trade certain financial instruments through electronic trading or order routing systems. Electronic trading exposes a Client to the risk of system or component failure. Should events beyond our control cause a disruption in the operation of any technology or equipment, a Client's investment program may be severely impaired, causing it to experience substantial losses or other adverse effects.

The computer systems, networks and devices used by us and service providers to us and a Client to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A Client and its investors could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a Client; interference with our ability to calculate the value of an investment in a Client portfolio; impediments to trading; the inability of us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a Client invests; counterparties with which a Client engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

United Kingdom Exit from the European Union . The United Kingdom (the “UK”) withdrew from the European Union (the “EU”) on January 31, 2020 (“Brexit”). On December 24, 2020, the UK and EU reached agreement as to certain aspects of their ongoing relationship, which is now pending ratification by the European Parliament. Other aspects of their future relationship remain uncertain. . Accordingly, there is considerable uncertainty as to the position of the UK and the arrangements that will apply to its relationships with the EU and other countries in the future. This uncertainty may affect other countries in the EU, or elsewhere, if they are considered to be impacted by these events. The impact of such events on us and our Clients is difficult to predict but they may adversely affect returns. There may be detrimental implications for the value of certain investments, the ability to enter into transactions or to value or realize such investments or otherwise to implement a Client’s investment program. Once the position of the UK and the arrangements which will apply to its relationships with the EU and other countries have been established, it is possible that certain investments may need to be restructured to enable a Client’s objectives to be pursued fully. This may increase costs or make it more difficult for us to pursue a Client’s objectives.

Epidemics and Pandemics . Since the mid-1990s, the world has seen a number of outbreaks of new viral illnesses of varying severity, including avian flus, Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome (MERS), the H1N1 Flu (Swine Flu), and COVID-19 caused by the novel Coronavirus known as SARS-CoV-2. The responses to these outbreaks have varied as has their impact on human health, local economies and the global economy, and it is impossible at the outset of any such outbreak to estimate accurately what the ultimate impact of any such outbreak will be. Protective measures taken by governments and the private sector, including Millburn, to mitigate the spread of such illness, including travel and meeting restrictions and outright bans, quarantines, and work-at-home arrangements, and the spread of any such illness within our offices and/or those of our service providers, could seriously impair our or their operational capabilities, potentially harming a Client’s operating results. In addition, such health crises could exacerbate market based and specific investment, political, social, and economic risks previously mentioned, and result in significant breakdowns, delays and other disruptions to important global, local and regional markets and functions, with potential corresponding impacts on the performance of portfolio investments.

Item 9 Disciplinary Information

Millburn has not been involved in any legal or disciplinary events since its inception that would be material to an investor's evaluation of the company or its personnel. In addition, Millburn's employees have not been involved in any legal or disciplinary events in the past 10 years (and, to the best of our knowledge and belief, in years preceding that 10-year period) that we believe would be material to a client's evaluation of the Company or its personnel.

Item 10 Other Financial Industry Activities and Affiliations

In addition to being registered as an investment adviser with the SEC, Millburn also has been registered with the CFTC as a “commodity pool operator” since July of 1982 and as a “commodity trading advisor” since September of 1984, and is a member of the National Futures Association. Millburn has also been an approved swaps firm with the National Futures Association since December of 2012. Millburn is also registered with the SEC as a broker-dealer and is a member of the FINRA in that capacity.

As discussed under Item 4: *Advisory Business*, Millburn sponsors pooled investment partnerships and other entities for which it serves as the general partner, managing member, managing owner or investment manager. Investments in any Client Funds sponsored by the Company are conducted on a private placement basis and prospective investors are solicited by means of the current prospectus or confidential private placement memorandum of the relevant Client Fund, among other practices. Client Funds may from time to time invest in other funds sponsored by us. In such cases, where a Client Fund (a “top-tier fund”) invests in another Client Fund or a commodity fund we sponsor (a “lower-tier fund”), we either (i) do not charge management and performance fees at the top-tier fund level or waive or rebate those fees at the top-tier fund level; or (ii) do not charge management and performance fees at the lower-tier fund level or waive or rebate those fees at the lower-tier fund level. The purpose of the foregoing is so that there is no layering of fees. For this purpose, Client Fund expenses, administrative services expenses and overhead costs borne by top-tier funds and lower-tier funds are not considered fees. In addition, the commodity funds we sponsor have different fee structures. Therefore, we do have an incentive to favor one or more commodity funds that charge higher fees.

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

We, along with some of our employees, invest in the Client Funds that we manage. Therefore, Millburn and its employees have a financial interest in Client Funds. Investments made by us and employees are generally made on the same terms as other investors in Client Funds. However, fees and investment minimums may be waived or reduced for Millburn and its employees. We do not believe this arrangement presents any material conflicts of interest, since our interests are aligned with the interests of Client Fund investors. In addition, when possible and not adverse to the particular Client Fund or its investors, we try to accommodate investments in and withdrawals from a Client Fund that may be received after the deadline designated in that Client Fund's governing documents. This policy is applied equally to Millburn, its employees and any other investors in a Client Fund.

Millburn and its employees may also trade in the same securities traded by Investment Managers, Investment Funds and Client Funds. To mitigate material conflicts of interest associated with personal trading, we have imposed various restrictions on personal trading and have policies and procedures designed to prevent employees who have knowledge of any transaction or proposed transaction from trading the same securities before the Investment Manager, Client Fund or Investment Fund completes its transaction. These restrictions are outlined in our Code of Ethics (the "Code"), which has been adopted in accordance with the provisions of Rule 204A-1 under the Advisers Act. The Code recognizes, among other things, that clients' interests are paramount and all employees must place the interests of clients before their own. Personal securities transactions must be conducted in such a manner as to avoid any material conflicts of interest or any abuse of an employee's position of trust and responsibility. The Code also requires, with respect to relevant personnel, periodic reporting of personal securities transactions and holdings and the pre-clearance of investments in initial public offerings of securities, in private placements of securities and investments in ETFs. A copy of our Code is available upon request. You may request a copy of the Code by contacting us at 212-332-7300 or by writing to Millburn Ridgefield Corporation at 55 West 46th Street, 31st Floor, New York, NY 10036, Attention: Client Services.

Item 12 Brokerage Practices

Although Millburn is registered as a broker-dealer, we do not effect transactions in securities on behalf of our Clients. It is our policy in selecting brokers to seek “best execution” of transactions effected on behalf of our Clients.

Fund of Funds/Manager of Managers

When investing in Investment Funds, Millburn ordinarily contracts directly with the Investment Funds and/or Investment Managers without the involvement of any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments. In addition, we do not play any role in the selection of the broker-dealers whose services are utilized by Investment Funds. However, we do conduct due diligence on Investment Managers regarding their policies regarding, and efforts to achieve, best execution.

Millburn’s Principles of Best Execution

The term “best execution” can have multiple meanings, depending on the context in which it is used. To us, this term means that in placing portfolio transactions on behalf of our Clients, we seek to obtain the best execution for the Clients, taking into account factors we deem relevant, including but not limited to: price, the ability of the brokers to effect the transactions, reliability and financial responsibility, responsiveness and ease of trading with that broker. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of such services provided by that broker, we may cause a Client to pay commissions to the broker in an amount greater than the amount another broker might charge. Currently, we do not have any formal arrangements in place with brokers in which we cause a Client to pay a higher commission in return for research, also known as soft dollars. However, it may be possible to obtain better pricing from other brokers or banks whose services may not be as desirable based on the non-price factors discussed above (excluding research).

In furtherance of our policy to seek “best execution,” we periodically evaluate the performance of the brokers used for executing trades, and may change the brokers we use from time to time. An initial evaluation of brokers is conducted prior to a broker being selected to execute trades. A form evidencing this evaluation is then completed and each broker that has been evaluated and deemed acceptable is approved for the execution of client securities transactions. This process is followed except where other brokers have been designated by Clients. The approved brokers are reviewed at least annually in accordance with the criteria mentioned above, and brokers may be approved for use or cease to be used as a result of such review. A form evidencing this annual review is also completed.

Potential investors in a Client Fund may be introduced by representatives of brokerage firms. We will not direct brokerage to brokers based on sales of interests in Client Funds. We may direct brokerage to those brokerage firms in connection with portfolio transactions, provided that we otherwise independently determine to use those brokers in accordance with the criteria described above in connection with our best execution practices and, provided further that, the conflict of

interest created thereby is disclosed to each investor affected thereby. Currently, there are no such arrangements.

Additionally, Millburn does not currently utilize any executing brokers that are affiliated with Millburn.

Securities Trading

To the extent we engage in transactions involving securities on behalf of Clients (*e.g.*, purchasing or selling shares of ETFs), we typically have the authority to determine the broker-dealers to be used in connection with such transactions and to negotiate the amount of commission or other compensation to be paid in connection with such transactions. To the extent feasible and practicable, Millburn negotiates commission schedules with broker-dealers. As of March 2021, Millburn currently utilizes the services of Goldman Sachs International, Goldman Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Charles Schwab & Co. Inc. for ETF trade execution, primarily due to favorable commission rates, ease of trading, satisfactory ability to effect the transactions and the other factors cited above. We may decide to change brokers or utilize additional brokers at any time, based on the same criteria described above.

For our securities trading, on an annual basis, we prepare a brokerage report listing all brokers used to effect client transactions during the preceding year, the prices at which such transactions were effected and any items, including research or soft dollar items (if any), that were received from each broker as a result of a request by Millburn or its personnel. The list of brokers is analyzed in order to confirm that only approved brokers are being utilized and that best execution is received.

Futures and Currency Trading (“FX”)

Of primary concern in selecting brokers to execute transactions are efficiency, responsiveness, connectivity, reliability, creditworthiness and industry reputation. Millburn only compares pricing and commissions among those brokers that are deemed acceptable after analyzing the factors above. Initially, the commission rates of each broker are analyzed, and brokers are selected to execute in each market based on commission and the other factors discussed above. Millburn receives notices from each broker every time any commission rate changes and re-evaluates the continued use of that broker at those times. We utilize give-ups and broker or bank algorithms in some of our trading, in each case as part of our effort to improve the prices achieved on transactions.

A substantial majority of Millburn’s FX trades are currently executed electronically. Millburn prepares a detailed database of all trade executions that is used to analyze and evaluate execution. Once a counterparty is deemed acceptable based on the factors described above, Millburn seeks the best price from among the available and acceptable counterparties.

Each month, Millburn’s personnel prepare a monthly report that looks at the quality of futures executions. During this process, the following factors, among others, are typically analyzed in order to determine if we are achieving best and expected executions and/or if we need to alter our signal or execution method in particular markets: trade size, bid/ask spread and size in the market at the time of execution. This report is reviewed at a meeting generally with research, technology,

operations and trading personnel in attendance. In addition, these personnel review transaction cost analysis factors, upcoming projects and any developments that could potentially alter current processes or methodology, in order to further foster the team concept within Millburn with respect to trade execution.

At each quarter-end, futures commissions paid to the respective futures commission merchants are analyzed. The monthly commissions incurred during the quarter are compared to the estimated commissions expected to be incurred based on average net asset value during that month. Operations personnel obtain the number of futures contracts traded (grouped by Client and month) and calculate the average trading commissions per contract. The expected range is generally \$1.50-\$2.50 USD per contract. Any Millburn-managed funds/accounts falling outside this range are further investigated.

With respect to Millburn's systematic futures and currencies trading, Millburn utilizes the services of an electronic trading platform that increases execution costs incurred by the Client for which trading is conducted. The resulting increased costs are incurred on a per-trade basis and, depending on the nature of the Client account, are added to the commission cost of the relevant trade directly or are paid by Millburn, which is then reimbursed by the Client. These costs may appear similar to soft dollar arrangements, as they increase the commissions associated with trading. However, they are not incurred as a result of an association with trading in securities. These costs, and the fact that they are borne by the relevant Client, are disclosed to the relevant Client. Millburn believes this expense provides a direct benefit to the Client utilizing these services in the form of better and more efficient execution.

Directed Brokerage

We may accept direction from Clients or agree to limitations with respect to our discretion as to which brokers or dealers are to be used and what commissions are to be paid. Typically, in return for the brokerage commissions from such transactions, the broker or dealer provides services directly to the Client or pays certain expenses of the Client. These types of arrangements are commonly referred to as "directed brokerage arrangements." In situations where the Client designates the broker, we may not be in a position to freely negotiate commission rates or spreads, obtain volume discounts on aggregated orders, or select brokers on the basis of best price and execution. As a result, directed brokerage transactions may result in higher commissions, greater spreads or less favorable execution on some transactions than would be the case if we were free to choose the broker. A senior individual at Millburn will have oversight responsibility for any directed brokerage arrangements and shall require written direction from the Client setting forth the amount of transactions/commissions (if not all) to be directed to a particular broker. This written direction will typically include an acknowledgment by the Client that the directed brokerage arrangement may jeopardize Millburn's ability to obtain best price and execution.

Aggregating Trades; Trade Allocations; Cross Trades

We generally do not aggregate orders across Clients when placing security orders with broker-dealers since it is very rare for more than one Client to participate in an investment opportunity at the same time. However, in the event Clients participate in the same investment opportunity, we

will place a trade at the firm level and allocate the investment *pro rata*, based on assets, across all participating Clients at the same price, or on another equitable basis. Allocation decisions are subject to any regulatory restrictions or other investment restrictions imposed by Clients and may be subject to rounding due to size of an account. Our policy is to allocate orders in a manner that treats each Client fairly and in no instance will we give preference to Clients based upon factors such as size of the account, amount of fees paid to us, or performance of the account.

As noted earlier, the description above applies solely to the allocation of opportunities in the trading of securities. We maintain a separate detailed policy governing the allocation of trades and bunched orders in our systematic futures and currencies trading, which is designed to comply with CFTC and National Futures Association rules and regulations and which we monitor regularly in an effort to make sure it is fair to all participating accounts, including Clients, over shorter and longer periods of time. Due to the specialized nature of certain funds or accounts we manage, a particular fund or account may receive a larger allocation of certain types of trades. For example, an account specializing in commodities may receive a larger than *pro rata* allocation of commodity based futures contracts than a more diversified account or fund (in which commodity futures are a less essential component) because of the integral nature of commodity investments to the specialized commodity account. Further, some funds or accounts may be allocated opportunities to a greater or lesser extent than the same or similar portfolios which are traded on behalf of other funds or accounts because of instructions received from a Client and/or the size or nature of a client account. For example, if a certain futures contract constitutes a *de minimis* portion of the trading performed on behalf of a large client account, Millburn may decide not to trade that contract on behalf of the client account even though the market would otherwise be traded. As a result, certain funds or client accounts may receive increased allocations to the detriment of other funds or client accounts.

We may also determine that it would be in the best interests of certain Clients to transfer a security from one Client to another (each such transfer, a “Cross Trade”). We do not intend to conduct Cross Trades on a regular basis. If we decide to engage in a Cross Trade, we will take steps to ensure that the transaction is consistent with relevant disclosure in the Client’s offering document or advisory agreement and the duty to obtain best execution for each of those Clients and that no Client is disfavored by the Cross Trade. We will not receive any fees or compensation in connection with the completion of the transaction. No Cross Trades will be placed for any Clients subject to the Employee Retirement Income Security Act of 1974, as amended. No Cross Trade that may be viewed as a principal transaction will be effected without obtaining the consent required under the Advisers Act. No Cross Trade will be effected without complying with any laws that may be applicable to it.

Trade Errors

Millburn generally exercises great care in order to avoid the occurrence of any errors in the course of providing services to its Clients. Millburn has safeguards in place to prevent trades from being executed in error and will use its best efforts to ensure that orders are entered correctly. However, Millburn recognizes that on rare occasions errors do occur.

When Millburn is responsible for trading errors, Millburn’s policy is generally to make the client whole by correcting the error, *i.e.*, to restore the client’s account to the position it would have been in if the error had not occurred. However, there are two material limitations on this policy:

- 1) Millburn will net trade error losses against trade error gains that occurred prior to the losses within the same calendar year (*i.e.*, if a trade error gain of \$40 occurred in the Client account in January and a trade error loss of \$100 occurs in June of the same year, Millburn will only bear \$60 of the loss, because the Client already benefited from a trade error gain that offset the trade error loss by \$40); and
- 2) Millburn reimburses a Client out of the asset-based fees it collects at the end of that month from that Client's account, so the trade error loss borne by Millburn is capped at the amount of fees due to Millburn from the Client with respect to the month in which the trade error loss takes place (*i.e.*, if a trade error loss of \$100 occurs in April and Millburn is owed only \$50 in management fees from the Client's account at the end of April, then Millburn will only bear \$50 of the trade error loss and the Client will bear the balance).

We classify trade errors in our trade error policy as those orders executed by Millburn that are: (i) an order that is executed other than in accordance with the instructions of the portfolio manager or investment committee due to a mistake of fact, processing error or other similar reason; or (ii) an order that is executed other than in accordance with the relevant trade signal due to a mistake of fact, processing error or other similar reason (subject to the applicable terms of the relevant investment management agreement). However, certain situations will not be considered trade errors subject to reimbursement under Millburn's policies including incidents that occur in connection with Millburn's use of models and/or data sources in the investment management process (such as the use of faulty data) that may impact a Client's portfolio, a trade failing to occur or a deliberate override of a previous decision or signal. Errors caused by brokers or other third parties also are not subject to reimbursement under Millburn's policies. While Millburn will attempt to correct the error promptly, correction of trade errors may be delayed in certain cases where investigation of the error is necessary or where consultation with a particular Client is sought. Millburn will not use another Client's account to correct a trade error or incident, nor will commission or soft dollars be used to correct trade errors. Millburn may agree to comply with a specific Client's policies regarding the handling of trade errors that may be different from the policies set forth above.

Millburn's research and modeling process is complex and involves financial, economic, mathematical and statistical theories, research and modeling and applications. The results of those processes are then translated into computer code. Although Millburn seeks to employ individuals skilled in these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks and the limited ability to perform actual real-time testing of the end product increases the chances that the finished model may contain an error. One or more of such errors could adversely affect a Client's portfolio and would generally not constitute a trade error subject to reimbursement under Millburn's policies.

Item 13 Review of Accounts

We review any direct trading that occurs in Client accounts daily. Our investment personnel continually supervise the Investment Funds and the Investment Managers and, to the extent we are aware of their positions, assess the appropriateness of their investments in connection with each Client's investment objectives and the general economic environment. In addition, investment personnel (with the assistance of outside vendors as deemed necessary) perform ongoing monitoring of Investment Funds held in accounts by reviewing such factors as performance return, performance volatility, adherence to investment guidelines, and portfolio management changes. All Client accounts are reviewed no less than monthly by one or more members of the Investment Committee or its designees.

Investors in Client Funds receive annual audited financial statements prepared by an independent accounting firm that is subject to regular inspection by the Public Company Accounting Oversight Board. The financial statements are prepared in accordance with United States generally accepted accounting principles. Reports are also issued no less than quarterly, which include a statement of the net asset value of the investor's interest in the Client Fund. In addition, we may agree to provide certain investors more frequent or more detailed reports of a Client's portfolio holdings or performance, which may include analysis of such holdings or performance and other data or analyses. This information is available to any investor in a Client Fund or Separately Managed Account upon request, subject to the conditions described below. The Company furnishes Clients with the annual tax information relating to the Client necessary for the preparation of their federal income tax returns. However, in the case of Clients that invest in Investment Funds, such information is unlikely to be furnished in time for an April 15 tax filing. Therefore, investors may be required to obtain extensions of their tax return filing dates.

On occasion, we are asked to provide transparency regarding portfolio positions held by Clients, including Client Funds. Generally, we do not provide this information unless it is specifically requested by an investor, prospective investor or other party such as a consultant or due diligence firm. In such cases, information will only be provided if we are satisfied that the recipient understands and agrees that (1) the information is requested for the recipient's own use and is to be used only for the purpose for which it has been requested, (2) the information is not to be redistributed except with our prior consent, and (3) the information provided may change and is not to be construed as an endorsement or recommendation of any particular investment.

Item 14 Client Referrals and Other Compensation

From time to time, we compensate unaffiliated persons or entities for acting as selling agents for interests in Client Funds or for otherwise referring investors to us. The Company has entered into a contractual agreement with an organization that solicits investors for one of the Client Funds. We may enter into similar arrangements with one or more other individuals or organizations (“agents”) that solicit investors for one or more Client Funds. While the specific terms of each arrangement may differ, generally an agent’s compensation is based upon the value of the assets under management of the referred investor(s) and the amount of fees collected. We may increase the management fee with respect to any investor referred to us by an agent, subject to disclosure to and the consent of that investor, in order to compensate agents.

Item 15 Custody

All Client assets are held in custody by unaffiliated broker-dealers or banks or other custodians. However, a registered investment adviser who, directly or through an affiliate, acts as the general partner or managing member to a limited partnership, limited liability company or other comparable pooled investment vehicle is considered to have custody over client assets. We also have custody under Rule 206(4)-2 of the assets of other Clients. Rule 206(4)-2 under the Advisers Act imposes a number of requirements on an SEC-registered investment adviser that has, or is deemed to have, custody of its clients' funds and securities.

To comply with Rule 206(4)-2 and to provide meaningful protection to investors, each Client Fund is subject to an annual financial statement audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. The audited financial statements are prepared in accordance with United States generally accepted accounting principles, and are distributed to each investor within 120 days of the Client Fund's fiscal year end, or 180 days in cases of Client Funds considered funds of funds. For purposes of this item, a fund of funds is a pooled investment vehicle that invests 10 percent or more of its total assets in other pooled investment vehicles that are generally not, and are not advised by, a related person of the pool, its general partner, or its adviser.

Clients that are not Client Funds or Mutual Funds and for which we have custody under Rule 206(4)-2 undergo an annual surprise verification of assets by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, as required by Rule 206(4)-2. In addition, the assets of these Clients are held with qualified custodians that send quarterly, or more frequent, account statements directly to the Client. If you are this type of Client, you should expect to receive account statements directly from the broker-dealer, bank or other qualified custodian(s) and you should carefully review those statements. We urge you to compare the account statements you receive from the qualified custodian(s) with those that you receive from us.

Item 16 Investment Discretion

There are no limitations on our authority to determine the securities to be bought or sold or the amounts thereof. We have complete investment discretion over all Client Funds, Mutual Fund and Separately Managed Accounts. We are responsible for managing the business and investments of these Clients and for certain administrative matters as set forth in Client Funds' offering or other governing documents. We currently have clients and may in the future accept clients with respect to which we do not have this type of complete discretion. Any such limitations, if any, will be expressed in the agreement or disclosure document governing the relationship with the Client, if any.

Item 17 **Voting Client Securities**

The Advisers Act requires investment advisers that have proxy voting authority to: (i) adopt policies and procedures for voting proxies in the best interest of the client; (ii) describe the procedures to clients; and (iii) inform clients how they may obtain information about how the adviser has actually voted their proxies.

When investing in other Investment Funds, we rarely vote proxies of traditional operating companies. Rather, we are requested to vote on behalf of Clients in their capacities as investors in other Investment Funds. In voting proxies, the Company is guided by general fiduciary principles. Our goal is to act prudently, solely in the best interest of the Clients and their investors. We attempt to consider all factors of our vote that could affect the value of the underlying Investment Fund. We vote proxies in the manner that we believe is consistent with efforts to achieve a Client's stated objectives, including maximizing portfolio values. With respect to certain Investment Funds that are structured as separately managed accounts, either the Investment Manager votes the proxies in accordance with its policies or we vote those proxies as instructed by the Investment Manager in accordance with the Investment Manager's policies.

Generally, we divide proxies into routine matters (*i.e.*, those covering primarily administrative matters on which a vote is requested and that are typically addressed specifically in our policies) and non-recurring or extraordinary matters such as a change in business terms. It is our general policy, absent a particular reason to the contrary, to vote with an Investment Fund's management's recommendations on routine matters. For non-recurring extraordinary matters, we vote on a case-by-case basis. If it is determined that a conflict of interest is material when voting a proxy, our Chief Compliance Officer will, in accordance with the procedures described in our proxy voting policies and procedures, seek to resolve the conflict before voting. We maintain a record of all proxy votes cast on behalf of Clients. Investors may contact us for a copy of our proxy voting policy or information with respect to one or more client proxy votes, at no cost. To request a copy please contact us at 212-332-7300 or by writing to Millburn Ridgefield Corporation at 55 West 46th Street, 31st Floor, New York, NY 10036, Attention: Client Services.

Item 18 Financial Information

We have never filed for bankruptcy and are not aware of any financial condition that is expected to affect our ability to manage client accounts.