

**ITEM 1**  
**COVER PAGE**

**Owl Creek Asset Management, L.P.**  
**Part 2A of Form ADV**  
**The Brochure**

640 Fifth Avenue  
New York, NY 10019  
Tel: (212) 688-2550  
Fax: (212) 753-2760

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This brochure (this "Brochure") provides information about the qualifications and business practices of Owl Creek Asset Management, L.P. (the "Investment Manager") and its "Relying Advisor"-- Owl Creek Advisors, L.L.C. ("Owl Creek Advisors"), which is deemed to be registered as an investment advisor under the Investment Manager's umbrella registration. The Investment Manager and its Relying Advisor shall collectively be referred to as "Owl Creek" or the "Firm". If you have any questions about the contents of this Brochure, please contact us at 212-688-2550. 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.

The Investment Manager is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Owl Creek is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 - Material Changes

Owl Creek's most recent update to Part 2A of Form ADV was made in August 2021. This ADV updates disclosures regarding (i) the termination of our registration for our affiliated broker dealer Owl Creek Asset Management Marketing, LLC, (ii) the termination of our registration as a commodity pool operator, (iii) an update to certain risk factors in Item 8.

Other than as disclosed above, Owl Creek's business activities have not changed materially since its previous update.

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## Item 4 - Advisory Business

The Investment Manager is a Delaware limited partnership founded in 2001. It is located in New York, NY, but certain services provided by the Investment Manager may be performed through its Miami, FL satellite office. Owl Creek Advisors is a “Relying Advisor” which is deemed registered under the Investment Manager’s “umbrella” registration. Owl Creek Advisors, a Delaware limited liability company, serves as the general partner of several funds advised by the Investment Manager as described in more detail below.

Owl Creek primarily provides investment management services to private pooled investment vehicles. These private investment vehicles are structured as Delaware limited partnerships and Cayman Islands exempted companies or limited partnerships. Owl Creek also serves as sub-advisor to, and provides investment management services to, the Sub-Account (as defined below) and a Separate Account(also defined below).

In connection with providing investment management services to its clients, Owl Creek has been appointed as investment manager with discretionary trading authority. Additional detailed

information about Owl Creek is provided below, including information about Owl Creek's advisory services, investment approach, personnel, affiliations and brokerage practices.

The Investment Manager serves as the investment manager to six investment partnerships organized under the laws of the State of Delaware: Owl Creek I, L.P. ("Owl Creek I"), Owl Creek II, L.P. ("Owl Creek II"), Owl Creek MGM Fund, L.P. (the "OCM Fund"), Owl Creek Credit Opportunities Fund, L.P. (the "Credit Domestic Fund,"), OC Opportunities Fund III, L.P. ("OCOPP Fund III", and together with any future fund we may form in the family, the "OCOPP Funds"), and Owl Creek Special Situations Fund, L.P. ("OCSS Fund", and collectively with Owl Creek I, Owl Creek II, the OCM Fund, and the OCOPP Funds, the "U.S. Funds").

Owl Creek Advisors, a limited liability company organized under the laws of the State of Delaware affiliated with the Investment Manager, serves as the general partner of the U.S. Funds (the "General Partner").

Interests in Owl Creek I, OCM Fund, and the OCOPP Funds (collectively the "3(c)(1) Funds") are offered on a private placement basis, and in reliance on Section 3(c)(1) of the Investment Company Act of 1940, as amended (the "Company Act"), to persons who generally are "accredited investors" as defined under the Securities Act of 1933, as amended (the "Securities Act"), and subject to certain other conditions, which are set forth in the offering documents for the applicable 3(c)(1) Funds. The interests in Owl Creek II, Credit Domestic Fund and OCSS Fund are offered on a private placement basis, and in reliance on Section 3(c)(7) of the Company Act, to persons who generally are "accredited investors" as defined under the Securities Act and "qualified purchasers" as defined under the Company Act, and who are subject to certain other conditions, which are set forth in the offering documents for the applicable Funds.

The Investment Manager is also the investment manager to the following investment funds organized under the laws of the Cayman Islands: Owl Creek Overseas Fund, Ltd. ("Owl Creek Overseas"), Owl Creek Asia Fund, Ltd. ("Owl Creek Asia Overseas"), Owl Creek Socially Responsible Investment Fund, Ltd. ("Owl Creek SRI"), Owl Creek Credit Opportunities Fund, Ltd. ("Credit Offshore Fund," and together with Owl Creek Overseas, Owl Creek Asia Overseas, and Owl Creek SRI, the "Offshore Funds"). The Offshore Funds together with the U.S. Funds, the Credit Intermediate Fund (as defined below) and the Master Funds (as defined below) are each referred to as a "Fund" and collectively, as the "Funds".

Shares in the Offshore Funds are generally offered to persons (x) who are not "U.S. Persons," as defined under Regulation S of the Securities Act, or who are tax-exempt U.S. Persons (or entities substantially comprised of tax-exempt U.S. Persons) on a private placement basis, and (y) who are subject to certain other conditions, which are fully set forth in the offering documents for the Offshore Funds.

To effect their respective investment objectives, Owl Creek Overseas invests its assets in Owl Creek Overseas Master Fund, Ltd. ("Owl Creek Overseas Master Fund"), Owl Creek Asia Overseas invests its assets in Owl Creek Asia Master Fund, Ltd. ("Owl Creek Asia Master Fund") (however, these funds are in the process of being wound down as described below), Owl Creek SRI invests its assets in Owl Creek SRI Master Fund, Ltd. ("Owl Creek SRI Master Fund"), and the Domestic Credit Fund invests its assets in Owl Creek Credit Opportunities Master Fund, L.P. (the "Owl Creek

Credit Master Fund”) and the Offshore Credit Fund invests its assets in Owl Creek Credit Opportunities Intermediate Fund, L.P. (the “Credit Intermediate Fund”), a Cayman Islands limited partnership, which in turn invests in the Owl Creek Credit Master Fund (Owl Creek Overseas Master Fund, Owl Creek Asia Master Fund, and Owl Creek Credit Master Fund, each, a “Master Fund” and collectively, the “Master Funds”). Each of the Master Funds is a Cayman Islands exempted company, except Owl Creek Credit Master Fund which is organized as a Cayman Islands limited partnership. The Investment Manager also serves as the investment manager to each Master Fund and the Intermediate Fund. Owl Creek Advisors serves as the management company to Owl Creek Overseas Master Fund, Owl Creek Asia Master Fund and Owl Creek SRI Master Fund and in that capacity has the overall responsibility for the investment strategy of such Master Funds, subject to the policies and control of the board of directors of each such Master Fund. In such capacity, Owl Creek Advisors is referred to herein as the “Manager.” Owl Creek Advisors also serves as the general partner of the Owl Creek Credit Master Fund and the Intermediate Fund.

The Investment Manager also serves as sub-adviser and provides investment advisory services to one offshore investment vehicle that is a Sub-Account of a UCITS (the “Sub-Account”) sponsored and advised by an unaffiliated investment adviser. In addition, the Investment Manager serves as the discretionary sub-adviser to a sub-account of a fund managed by a third-party manager (the “Separate Account”). The Investment Manager may advise additional managed accounts and other Clients in the future.

Owl Creek I, Owl Creek II, Owl Creek Overseas, Owl Creek Overseas Master Fund, Owl Creek SRI and Owl Creek SRI Master Fund are referred to herein as the “Flagship Funds.” Owl Creek Asia Overseas and Owl Creek Asia Master Fund are referred to herein as the “Asia Funds.” The Domestic Credit Fund, Offshore Credit Fund, Credit Intermediate Fund, and Owl Creek Credit Master Fund are referred to herein as the “Credit Funds.” The OCM Fund and the OCOPP Funds are referred to herein as the “Side Car Funds”. The Flagship Funds, Asia Funds, Credit Funds, Side Car Funds, OCSS Fund, the Sub-Account and the Separate Account are collectively referred to herein as the “Clients” (and each such Fund or Sub-Account shall be referred to as a “Client”).

Interests in the Asia Funds are no longer being offered as these funds are in the process of being wound down and the majority of capital has already been returned to investors. Interests in the OCSS Fund are also not currently being offered to investors. Similarly, interests in the OCM Fund are not presently being offered as the underlying investment is expected to be realized shortly. It is anticipated that the OCOPP Fund III will have sufficient capital to satisfy its investment mandate and, as such, will not be open for additional investment.

Owl Creek has full discretionary authority with respect to investment decisions on behalf of each Client. Owl Creek’s advice with respect to the Clients is tailored according to each Client’s investment objectives, guidelines, and requirements as set forth in their respective offering memoranda, investment management agreement, sub-advisory agreements, or investment guidelines. Owl Creek does not participate in any Wrap Fee Programs.

#### New Classes/Side Letter Agreements

Owl Creek and the Funds may establish new classes of shares/interests and has issued other classes of shares/interests to, and may and has entered into “side letter” agreements with, certain investors

which terms differ from the shares/interests generally offered to investors with respect to, among other things, the Incentive Allocation (as defined below) and Management Fee (as defined below), redemption and withdrawal rights (including more frequent redemption or withdrawal dates), informational rights and other rights. Owl Creek 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. The terms of such classes and "side letters" will be determined by Owl Creek and/or such Fund in their sole discretion.

### Ownership and AUM

Owl Creek was founded in 2001 and is primarily owned by Jeffrey Altman. As of December 31, 2021, Owl Creek managed approximately \$2.633 billion (including all withdrawals and redemptions effective as of such date) on a discretionary basis, on behalf of 17 clients. Assets under management ("AUM") reflect net assets invested by external investors and our related parties in our Funds. "Regulatory Assets Under Management" as of the same date was \$3.427 billion (after taking into account withdrawals effective as of such date). Regulatory Assets Under Management (as defined by the SEC) ("Reg. AUM") reflect the Balance Sheet value of Gross Assets. Gross exposure (being the market value of long and short positions) may exceed Regulatory Assets under Management. The above AUM and Reg. AUM numbers include the assets of the Asia Funds, which are in the process of being wound down and amounted to approximately \$9.4 million of net assets as of December 31, 2021.

## **Item 5 - Fees and Compensation**

The fees and expenses applicable to each Fund are set forth in detail in each of the Fund's respective offering documents. A brief summary of those fees and expenses is provided below. A summary of the fees in respect of the Sub-Account is also included below.

### U.S. Funds—Management Fees

With respect to Owl Creek I and Owl Creek II, each Fund generally pays Owl Creek at the beginning of each quarter, an amount ("Management Fee") equal to 0.375% (1.5% annualized) of a limited partner's beginning capital account for such quarter (prorated for partial periods). With respect to the Credit Domestic Fund, the Fund generally pays Owl Creek at the beginning of each quarter a Management Fee equal to 0.375% (1.5% annualized) of a limited partner's beginning capital account for such quarter (prorated for partial periods). No management fee is payable with respect to the OCM Fund or the OCOPP Funds. The OCSS Fund is not currently being offered to investors, but the management fee terms applicable in respect of the existing investors in the OCSS Fund are set forth in that Fund's limited partnership agreement.

With respect to all of the U.S. Funds, a pro rata portion of any Management Fee paid in advance will be repaid by Owl Creek to the relevant Fund and distributed to any limited partner that is permitted to withdraw prior to the end of a quarter. For the purpose of calculating the Management Fee, a limited partner's capital account shall include the fair value, as determined by Owl Creek, of certain investments which Owl Creek believes either lack a readily assessable market value or

should be held until the resolution of a special event or circumstance ("Special Investments") in which such limited partner has an interest.

If, after giving effect to a withdrawal, a capital account would be completely withdrawn from a U.S. Fund except for its interest in one or more Special Investments, the General Partner may determine to reserve or hold back a portion of the proceeds with respect to such withdrawal that is required, in its reasonable discretion, to pay for the Management Fees expected to be earned over the life of the Special Investments in which such capital account has an interest (the "Management Fee Reserve"). The Management Fee Reserve is not segregated from the applicable Fund's assets and does not earn interest. Any remaining amount of the Management Fee Reserve will be distributed to the holder of such capital account together with the withdrawal proceeds upon the realization of such Special Investments. If the Management Fee Reserve is insufficient, the relevant U.S. Fund will bill the holder of such capital account quarterly for Management Fees attributable to the Special Investments in which such capital account has an interest. If the full amount of an invoice is not paid by the date provided on such invoice, the General Partner may, in its sole discretion, reduce the amount of any proceeds paid with respect to such Special Investments by an amount equal to the unpaid invoice, together with interest thereon at a market rate, as determined by the General Partner.

Owl Creek may, in its discretion, elect to reduce or waive the Management Fee with respect to any limited partner of the U.S. Funds. Owl Creek typically waives the Management Fee with respect to Owl Creek affiliates. Management fees are deducted from investors' accounts.

#### U.S. Funds—Incentive Allocation

The General Partner is generally entitled to an amount (the "Incentive Allocation") equal to 20% of the net capital appreciation of each U.S. Fund (excluding the OCM Fund's and the OCOPP Funds' Incentive Allocation – as described below). Except as provided below with respect to Special Investments, net capital appreciation includes both realized gains and losses and unrealized gains and losses of securities held in each U.S. Fund's portfolio. Generally, any net capital depreciation in a fiscal year allocated to any limited partner is carried forward so that no Incentive Allocation is borne by such limited partner unless the losses have been recouped, subject to certain adjustments. A portion of each U.S. Fund's assets may be invested in Special Investments that may be maintained in special situation sub-accounts, in which case they are generally not subject to any Incentive Allocations until a gain is realized (or deemed realized). Such Special Investments generally are subject to the Management Fees described above and will be carried at fair value, as determined by the General Partner, for the period that they are maintained in such special sub-accounts. The Incentive Allocation in respect of each of the OCM Fund and each of the OCOPP Funds will generally be equal to 15% of net profits after investor capital is returned.

The General Partner may, in its discretion, elect to reduce or waive the Incentive Allocation with respect to any limited partner of the U.S. Funds, including, but not limited to, any affiliate of the General Partner.

The General Partner reserves the right to waive or impose different fees or allocations or otherwise modify the fee or allocation arrangements of an existing investor in a U.S. Fund with the consent of such investor. In addition, each U.S. Fund reserves the right to impose different fees or allocations

on future investors. In exchange for increased fees or allocations, such investors may receive more frequent withdrawal dates and less notice required upon withdrawal than other investors in such Fund. Owl Creek has provided certain investors in the U.S. Funds other significant rights, such as reduced fees, more frequent liquidity terms, access to information and capacity rights, which are not offered generally to other investors in the U.S. Funds. See "New Classes/Side Letter Agreements" in Item 4.

#### Offshore Funds—Management Fees

With respect to Owl Creek Overseas and Owl Creek SRI, each Fund generally pays Owl Creek a Management Fee, payable quarterly (prorated for partial periods), in advance, equal to 0.375% (1.5% annualized) for Owl Creek Overseas and 0.5% (2.0% annualized) for Owl Creek SRI of the net asset value ("NAV") of each series of shares as of the beginning of the quarter prior to any accrual for Incentive Allocation.

With respect to Owl Creek Asia Overseas, Owl Creek Asia Master Fund generally pays Owl Creek a Management Fee, payable quarterly (prorated for partial periods), in advance, equal to 0.375% (1.5% annualized) of the NAV of each series of shares of Owl Creek Asia Master Fund corresponding to the shares of Owl Creek Asia Overseas as of the beginning of the quarter.

With respect to the Offshore Credit Fund, the Credit Offshore Fund generally pays Owl Creek a Management Fee, payable quarterly (prorated for partial periods), in advance, equal to 0.375% (1.5% annualized) of the NAV of each series of shares of the Fund as of the beginning of the quarter.

With respect to all of the Offshore Funds, a pro rata portion of any Management Fee paid in advance will be repaid by Owl Creek to the relevant Fund and distributed to any shareholder that is permitted to redeem prior to the end of a quarter.

Owl Creek may designate an investment made by Owl Creek Overseas, Owl Creek SRI, and the Offshore Credit Fund as a Special Investment, in which case, a pro rata portion of each series of shares will be automatically exchanged by way of redemption and issuance of a new class of shares (generally Class C Shares). In calculating the Management Fees paid, these shares are valued at fair value.

If, after giving effect to a redemption, a shareholder only owns shares relating to Special Investments, the relevant Fund may determine to reserve or hold back a portion of the proceeds with respect to such redemption in order to establish a Management Fee Reserve to pay for the Management Fees expected to be earned over the life of such Special Investments. The Management Fee Reserve is not segregated from the applicable Fund's assets and does not earn interest. Any remaining amount of the Management Fee Reserve will be distributed to the Fund, and in turn, to the shareholder together with the redemption proceeds upon the realization of such Special Investments. If the Management Fee Reserve is insufficient, the relevant Offshore Fund will bill the shareholder quarterly for Management Fees attributable to the Special Investments attributable to such shareholder. If the full amount of an invoice is not paid by the date provided on such invoice, such Offshore Fund may, in its sole discretion, reduce the amount of any proceeds paid with respect to such Special Investments by an amount equal to the unpaid invoice, together with interest thereon at a market rate, as determined by such Offshore Fund.

In the sole discretion of Owl Creek, the Management Fee may be reduced or waived with respect to any shareholder of the Offshore Funds. Owl Creek typically waives the Management Fee with respect to Owl Creek affiliates. Management fees are deducted from investors' accounts.

#### Offshore Funds—Incentive Allocation

Generally, at the end of the fiscal year of each of the Offshore Funds an Incentive Allocation equal to 20% of the net realized and unrealized appreciation (taking into account gains and losses with respect to realized or deemed realized Special Investments allocated during such year) in the NAV of each series of shares of the relevant Master Fund corresponding to a series of shares of the corresponding Offshore Fund during each fiscal year (after adjustments for any redemption of shares in such series and accruals for the Incentive Allocation made with respect to redemptions made during such year (if any) and after taking into account the Management Fee and any net expenses that are charged at the Offshore Fund level and are not otherwise reflected in such Master Fund's NAV) will be reallocated from the NAV of such Master Fund series to the NAV of the Class M Shares of such Offshore Fund (which are held by the Manager); provided, however, that an Incentive Allocation will only be made with respect to the net realized and unrealized appreciation in the NAV of a series of shares of such Master Fund in excess of its Prior High Net Asset Value.

The "Prior High Net Asset Value" of a series of shares of a Master Fund is the NAV of that series immediately following, and after reduction for, the most recent calculation of the Incentive Allocation with respect to such series (or if no Incentive Allocation has yet been determined with respect to such series, the NAV of the series immediately following its initial offering). The Prior High Net Asset Value of a series will be adjusted for redemptions (including redemptions of any shares of a series exchanged for Class C Shares) and distributions (excluding any distributions relating to the Management Fee) and for expenses charged at the corresponding Offshore Fund level (each with respect to Owl Creek Overseas Master Fund and Owl Creek SRI Master Fund only) made subsequent to the date on which the last Incentive Allocation with respect to such series was determined. Special Investments, represented by Class C Shares, generally are not subject to Incentive Allocation until a gain is realized (or deemed realized).

With respect to the Offshore Credit Fund, at the end of each fiscal year of the Intermediate Fund (December 31), the General Partner will generally allocate to the General Partner an Incentive Allocation equal to 20% of the net realized and unrealized appreciation (taking into account gains and losses realized or deemed realized by Owl Creek with respect to Special Investments) allocated to the Intermediate Fund capital account corresponding to each series of shares of the Offshore Credit Fund (each, a "Series Capital Account") for such fiscal year (after adjustments for any redemption of shares in such series and accruals for the Incentive Allocation made with respect to redemptions made during such year (if any) and after taking into account the Management Fee and any net expenses that are incurred at the Offshore Credit Fund level that are not otherwise reflected in the Intermediate Fund's net asset value).

The Intermediate Fund maintains a memorandum loss recovery account (a "Loss Recovery Account"), sometimes called a "high water mark," for each Series Capital Account. For each fiscal year, each Loss Recovery Account is debited with the aggregate net capital depreciation, if any, allocated to such Series Capital Account for such fiscal year (taking into account gains and losses realized or deemed realized from Special Investments, Special Investment Income and expenses of



the Offshore Credit Fund) and credited, but not beyond zero, with the aggregate net capital appreciation, if any, allocated to such Series Capital Account for such fiscal year (taking into account gains and losses realized or deemed realized from Special Investments, Special Investment Income and Feeder Expenses). The General Partner will not be allocated any Incentive Allocation with respect to a Series Capital Account until such Series Capital Account has recovered any negative balance in its Loss Recovery Account. The amount which must be recovered will be adjusted for withdrawals of capital.

The aggregate incentive allocation allocated to Owl Creek ("Incentive Allocation") is deducted from investors' series of shares.

In the sole discretion of Owl Creek or the Manager (as applicable), the Incentive Allocation may be reduced or waived with respect to any shareholder of Owl Creek Overseas, Owl Creek SRI, Owl Creek Asia Overseas or the Offshore Credit Fund, including, but not limited to, any affiliate of Owl Creek.

Owl Creek and the Manager reserve the right to waive or impose different fees or allocations or otherwise modify the fee or allocation arrangements of an existing investor in an Offshore Fund with the consent of such investor. In addition, Owl Creek and the Manager reserve the right to impose different fees or allocations on future investors in the Offshore Funds. In exchange for increased fees or allocations, such investors may receive more frequent redemption dates and less notice required upon redemption than other investors in such Fund. Owl Creek has provided certain investors in the Offshore Funds other significant rights, such as reduced fees, enhanced liquidity, and access to information and capacity rights, which are not offered generally to other investors in the Offshore Funds. See "New Classes/Side Letter Agreements" in Item 4.

Owl Creek and its personnel may invest in the Funds and neither Owl Creek nor its personnel are subject to the Incentive Allocation or Management Fees.

The Flagship Funds have entered into agreements with certain investors whereby such investors have agreed to be subject to a redemption fee, which will be retained by the relevant Master Fund for the benefit of the non-redeeming Master Fund shares, in the event such investors redeem on certain dates.

#### Sub-Account Fees

Owl Creek receives fixed management fees from the investment adviser to the Sub-Account for serving as sub-investment adviser to the UCITS Sub-Account. Such fees may vary but are generally based on average daily assets under management in the Sub-Account and are generally payable monthly.

#### Separate Account Performance Compensation

Owl Creek Advisors, which is invested in the Separate Account as a special limited partner, receives a share of the "net gain" of the Separate Account as compensation for Owl Creek managing the account.

#### Expenses

As fully described in each Fund's offering documents, each Fund bears expenses related to its operations, which may include, without limitation, investment related expenses, whether or not such investments are consummated, such as brokerage commissions (see the Brokerage Practices section below for more information), research expenses, interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, bank service fees, withholding and transfer fees, taxes, clearing and settlement charges, professional fees (including, without limitation, expenses of attorneys, consultants and experts) relating to investments, fees and other expenses related to the purchase, sale or transmittal of Fund investments, expenses related to risk management and reporting provided by third-parties, investment, expenses associated with regulatory filings related to the applicable Funds and their portfolios (including, without limitation, Section 13(D) and Section 13(G) filings and Section 16 reporting and filings), insurance costs incurred with the Funds' business (including, without limitation, acquiring and maintaining D&O and E&O insurance for the Funds, the Board of Directors of the Offshore Funds, and Owl Creek and their respective affiliates), travel expenses related to investments (including the costs of travel, lodging and meals), legal, accounting, valuation and pricing, audit and tax preparation expenses, fees of one or more third party administrators, Management Fees, fees and expenses relating to software tools, programs and other technology utilized in managing the Funds, including operations, risk management and trading related software (such as trade order management software), corporate licensing fees, organizational and offering expenses, costs related to errors and omissions of directors and officers insurance, and other similar expenses related to such Fund and any extraordinary expenses as the General Partner (for the U.S. Funds) or the Board of Directors (for the Offshore Funds) determines their sole discretion. Brokerage and research expenses of a Fund may be paid for through the use of "soft dollars" (see the Brokerage Practices section below for more information). The Firm has implemented policies and procedures to seek to ensure that investment-related and research expenses attributable to one or more Clients or their investments are allocated in a fair and equitable manner. In this regard, although the Funds bear their investment and research related expenses pursuant to their governing agreements and applicable disclosures to investors as described above, the Sub-Account and the Separate Account generally do not bear such expenses. Since certain investment and research expenses may benefit these account as well as the Funds, the Firm's policy is to bear a portion of such expenses to the extent they apply to such account's investments.

From time to time, the Funds may invest in unaffiliated registered mutual funds and/or exchange-traded funds, which charge management fees and expenses, as described in such fund's prospectus.

Owl Creek generally bears its own normal and recurring operating expenses incurred in connection with the investment and other management services that it provides to Clients, including office space and utilities, telephone, secretarial, clerical and other personnel services and salaries. The Firm also bears the portion of expenses related to certain items (e.g. Bloomberg and Eze OMS utilized for compliance, accounting, or operations purposes) that would fall outside the Section 28(e) safe harbor.

Owl Creek and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of its Clients that will neither be subject to an offset against Management Fees or other compensation payable by the Clients nor will otherwise be shared with Clients or their investors. For example, airline travel or hotel stays

incurred as an investment expense may result in cash rebates, “miles”, credit card “points”, or credits in loyalty or status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to the Firm and/or such personnel (and not to Clients or investors) even though the cost of the underlying service may be borne by the Clients.

At the discretion of the General Partner (for the U.S. Funds) or the Board of Directors (for the Offshore Funds), any investment expense relating specifically to a Special Investment shall be charged against the capital accounts or shares of the investors participating in such Special Investment in proportion to their respective participating percentage interests therein. In the event an investor has withdrawn its investment and continues to have an interest in any Special Investment(s), the General Partner (for the U.S. Funds) or the Board of Directors (for the Offshore Funds) may determine to hold back a portion of the proceeds with respect to such withdrawal or redemption, as applicable, that is required, in its reasonable discretion, to pay for the expenses expected to be incurred over the life of such Special Investment(s). Upon the realization or deemed realization of all such Special Investments, any unapplied holdback amounts will be distributed to such investor.

The Firm has implemented policies and procedures to seek to ensure that investment-related and research expenses attributable to one or more clients or their investments are allocated in a fair and equitable manner consistent with its fiduciary duties to its clients. The Firm generally considers the facts and circumstances associated with each investment and research expense in determining how to allocate an expense among applicable clients and the Firm, if applicable.

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

Owl Creek and its affiliates may receive performance-based fees or allocations in respect of the Funds and the Separate Account as described in Item 5 above. In allocating investment opportunities between accounts, performance-based fee/allocation arrangements may also create an incentive to favor accounts from which an adviser will receive a greater performance fee/allocation over accounts from which an adviser will receive a lesser performance fee/allocation (e.g., if a Fund is below its “high water mark” and another Fund is not). Performance-based compensation arrangements may also create an incentive for an investment adviser to recommend investment opportunities that may be riskier or more speculative given the adviser’s potentially greater participation in upside performance than would be the case in fixed asset-based fee arrangements. However, Owl Creek has adopted investment allocation policies designed to ensure that investments are suitable for Clients and all Clients are treated fairly and equitably and to prevent these conflicts of interest from influencing the allocation of investment opportunities among Clients.

Although Owl Creek and its affiliates may receive performance-based compensation from the Funds and the Separate Account, Owl Creek only receives fixed asset-based fees in respect of the Sub-Account. The side-by-side management of accounts subject to performance-based compensation arrangements and accounts which are not subject to such compensation arrangements presents a conflict of interest, as the compensation payable may be higher for accounts subject to performance-based compensation arrangements. Owl Creek has adopted investment allocation policies and procedures designed to allocate investment opportunities among Clients (including the Sub-Account, where consistent with their investment objectives and guidelines) to ensure that investments are allocated in a fair and equitable basis over time among all suitable Clients, regardless of the fee and compensation arrangements. In

allocating investment opportunities among Clients, Owl Creek takes into account a number of factors, including, without limitation, the relative amounts of capital available for new investments, Client suitability and eligibility, regulatory and legal requirements, tax considerations, risk considerations, investment guidelines, and the investment programs and portfolio positions of the Accounts for which participation is appropriate. See Item 12 for more information on the Firm's allocation policies and procedures.

The Side Car Funds do not charge management fees, but instead are only subject to an Incentive Allocation (i.e., there is no fixed fee based on assets, only performance-based compensation). The Flagship Funds, Credit Funds and OCSS Fund are subject to both forms of compensation. The side-by-side management of these types of funds may create a potential conflict, as more compensation may be payable in respect of accounts subject to both fixed fees and performance-based compensation arrangements. However, Owl Creek has adopted investment allocation policies and procedures designed to allocate investment opportunities among Clients (including the Side Car Funds and the OCSS Fund, where consistent with their investment objectives and guidelines) to ensure that investments are allocated in a fair and equitable basis over time among all suitable Clients, regardless of the fee and compensation arrangements. In particular, it should be noted that the Flagship Funds and Credit Funds were generally at their target exposures for the investments in which the Side Car Funds also invested in at the time of the launch of the applicable Side Car Fund or at the time an investment is initiated by the OCSS Fund, and changes in these investments thereafter are subject to the Firm's allocation policies and procedures as described above.

## **Item 7 - Types of Clients**

Owl Creek provides advice to the U.S. Funds and the Offshore Funds, which are private investment funds, as described above. Investors in the Funds may include some or all of the following: individuals, banks or thrift institutions, investment companies, pension and profit sharing plans, trusts, estates or charitable organizations, or corporations or business entities other than those listed previously, private investment funds or other entities.

Investors in the Funds are generally required to make minimum initial investments of at least \$5 million. The Board of Directors (for the Offshore Funds) or the General Partner (for the U.S. Funds) may waive the minimum initial investment amount. Additional investments in the Funds by existing investors generally must be in the minimum amount of \$100,000.

Investors in the Funds are persons who generally are (x) "accredited investors" as defined under the Securities Act or (y) not U.S. Persons (as defined under Regulation S of the Securities Act). In addition, investors in Owl Creek II, Owl Creek Overseas, Owl Creek SRI, the Domestic Credit Fund and Offshore Credit Fund and OCSS Fund who are U.S. Persons (as defined under Regulation S of the Securities Act) must generally be "qualified purchasers" as defined under the Investment Company Act.

Owl Creek also provides investment management services as a sub-investment adviser to the Sub-Account. The sponsor and adviser of the UCITS determine the types of investors that may invest in the UCITS and the minimum investment requirements for the UCITS.

Owl Creek also provides investment management services as a sub-investment adviser to the Separate Account. The manager of the private fund in which the Separate Account resides determines the types of investors that may invest in the private fund.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

The investment strategies, methods of analysis, and (material) risks applicable to each Fund are set forth in detail in each of the Fund's respective offering documents. A brief summary of those investment strategies, methods of analysis, and (material) risks is provided below.

The descriptions set forth in this Brochure of specific advisory services that Owl Creek offers to Clients, and investment strategies pursued and investments made by Owl Creek on behalf of its Clients, should not be understood to limit in any way Owl Creek's investment activities. Owl Creek may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Owl Creek considers appropriate, subject to each Client's investment objectives and guidelines. The investment strategies Owl Creek pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

### Investment Strategies and Methods of Analysis

The investment objective of the Flagship Funds is to seek above average returns through an opportunistic event-driven value strategy and with respect to Owl Creek SRI, consistent with that fund's socially responsible investment criteria. Owl Creek generally employs an investment strategy for the Flagship Funds, which includes, among other strategies, (i) event-driven investing, (ii) fundamental, value driven long/short equities, and (iii) long/short credit incorporating long distressed investments. The Flagship Funds have made an investment in the Asia Funds and the Credit Funds.

Owl Creek analyzes each potential investment using a “bottom-up” analysis. The conclusions reached from this “bottom-up” approach are used to purchase or sell short a variety of financial instruments including, but not limited to, listed and unlisted common stocks, preferred stocks, convertible securities, American Depositary Receipts, SPACS, public and private debt issues (including bank loans and trade claims), rights, warrants, put and call options, swaps, forward contracts, when-issued securities and other derivatives, including futures contracts. In addition to investing directly, the Funds may invest indirectly from time to time through special purpose vehicles. Owl Creek may use leverage in connection with the Clients' investment program. Generally, leverage is utilized as determined by Owl Creek, subject to applicable investment guidelines and legal and regulatory limitations. Owl Creek may invest a portion of the Clients' assets in registered investment companies, including, but not limited to, exchange-traded funds and closed-end funds, subject to Company Act limitations and applicable investment guidelines. Advisers to such funds charge a management fee and performance compensation in addition to fees charged by Owl Creek.

The investment objective of the Credit Funds is to generate positive absolute returns, while minimizing the risk of loss of principal. The Credit Funds seek to achieve this investment objective through opportunistic investments across the credit spectrum. Owl Creek generally employs a

fundamental, value investment approach in selecting investments on behalf of the Credit Funds. Owl Creek generally utilizes a fundamental, “bottom-up” investment process.

The Credit Funds focus on various credit-related investment strategies, including distressed, event-driven and long-short investment strategies. The Credit Funds seek to exploit the mispricing of securities and other instruments via both long and short positions. The Credit Funds invest primarily in bank debt, including revolving credit facilities, bridge financings, debtor-in-possession financings, corporate bonds, including high-yield debt, receivables and trade claims, sovereign debt, and credit default swaps and other credit-related derivatives. The Credit Funds may also invest in futures and forward contracts, options, and convertible securities, preferred stock and equities of private and public issuers, SPACS, as well as asset-backed securities, mortgages, loans, and real estate and real-estate related securities.

The Side Car Funds generally focus on single investment ideas that may be represented by exposure to a single security or group of securities. These investments may take the form of outright investments or exposure to securities through total return swaps. Their objective is to generate a return over a specified investment period based on the potential occurrence of an event or series of events.

The investment program of the OCSS Fund is to invest in investments that are also made by the Flagship Funds and/or Credit Funds if Owl Creek determines, in its sole discretion, that (a) such other funds have acquired, in the aggregate, an allocation of such investments that is appropriate for such other funds at such time and (b) such investments can be acquired at attractive prices relative to Owl Creek’s assessment of the applicable investment’s potential for long-term appreciation prior to the end of the OCSS Fund’s investment period, provided that Owl Creek may also determine, in its discretion, to allocate investments to other Clients, to the extent that it determines in its sole discretion, that such other Clients have additional capacity for such investments.

The investment objective of the Sub-Account may vary and is determined by the principal investment adviser to the Sub-Account. The investment objective in respect of the Sub-Account are set forth in the UCITS’s Prospectus, the investment guidelines for the Sub-Account, and as mutually agreed with such principal investment adviser. The principal investment adviser has currently selected to invest entirely in SPACS.

The investment objective of the Separate Account, as agreed with Owl Creek, is to invest in SPACS within certain risk limits, with such investments being limited to exchange cleared SPACs and related warrants listed on major stock exchanges as well as exchange listed equity and index options.

#### *Event Driven Transactions:*

Across both distressed debt and equities, both long and short, Owl Creek will pursue opportunities that are event driven in nature. It is the belief of Owl Creek that mispriced securities are most abundant in situations where a company or industry is undergoing a large, material change. Furthermore, securities which have a risk/reward profile which is dependent on the outcome of a certain situation will have some lesser amount of overall market exposure as a result, which we consider important to generate above average returns. Some examples of event driven situations include restructurings, mergers, asset injections, recapitalizations, rights offerings, divestitures and spin-offs, post-bankruptcy equities, litigation plays, potential changes in laws and regulations, and

situations where an activist investor is trying to unlock value buried in a company. Owl Creek may also play an activist role if in doing so it believes it will help a particular security realize its full value, but this will be a secondary alternative as the primary objective is to be a passive long-term investor.

*Long/Short Equities:*

Owl Creek typically takes positions in equity securities of companies that Owl Creek has identified as undervalued (long equity positions) and overvalued (short equity positions). Owl Creek generally will purchase equity securities of companies with strong long-term fundamentals when the securities can be purchased at a discount to the perceived present value of a future stream of cash flows to the stockholder, or which in other ways represent assets with an attractive risk/reward profile. As Owl Creek focuses on the long-term cash generating potential of companies, it will seek to take advantage of price volatility caused by shorter-term concerns, such as temporarily disappointing financial performance, and purchase equity securities at attractive levels. Alternatively, Owl Creek usually will short equity securities of overvalued companies when an identifiable catalyst exists for eliminating the spread between price and fair value.

*Research, Analysis, Sources of Information:*

In order to determine whether a specific investment meets the Clients' investment guidelines, the Investment Manager typically performs extensive financial analysis of the company's underlying business fundamentals. The Investment Manager does research which may include making a determination of the company's competitive position, financial needs, liquidity, industry prospects as well as a liquidation value analysis. The Investment Manager may do an analysis of the company's financial statements, including a comparative analysis of margins and changes in balance sheet items in comparison with the company's competitors. The analysis of both equity and debt may include discounted cash flow analysis and centers on absolute (not relative) value. The Investment Manager also considers low cash flow multiples with solid long-term fundamentals. The Investment Manager looks for drivers or catalysts that will serve to close the value gap within the investment time horizon, which will usually be within a range of nine to twenty-four months.

Owl Creek utilizes many sources of information in its analyses of investments. These sources include, but are not limited to, financial filings; business, economic, financial and other publications; trade journals; third-party data services; outside research; and one-on-one conversations with company management teams, suppliers, customers, end users and sector specialists, as well as lawyers, lobbyists and academic specialists. In addition, Owl Creek may employ third-party consultants, other investment managers and other third parties to provide it with fundamental and technical research, including, but not limited to, information regarding various markets, industries, assets and companies.

Risk of Loss

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Funds or the Sub-Account. These risk factors include only those risks Owl Creek believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by Owl Creek.

All investing involves a risk of loss that clients should be prepared to bear. The investment strategies offered by Owl Creek could lose money over short or long periods of time. Identifying undervalued securities and other assets is difficult, and there are no assurances that Owl Creek's investment strategies will succeed. Furthermore, Clients may be forced to hold such investments for a substantial period of time (e.g., Special Investments in the case of certain Funds) before realizing any anticipated value. Owl Creek cannot give any guarantee that it will achieve a Client's investment objectives or that any Client will receive a return of its investment.

Investors should ultimately refer to the Funds' respective offering documents or, in the case of the Sub-Account and the Separate Account, the Prospectus of the UCITS or the offering documents for the fund in which the Separate Account resides, for which Owl Creek provides sub-advisory services for detailed risk disclosures that specifically address risks of each Client's investment strategies, methods of analysis, and/or particular types of securities recommended. Below is a summary of potentially material risks for each significant Owl Creek investment strategy used, the methods of analysis used, and/or the particular type of security recommended. Please note that Owl Creek's use of the term "investor" in this section may refer to either a limited partner in a U.S. Fund or a shareholder in an Offshore Fund, UCITS in the case of the Sub-Account, or a limited partner in the case of the Separate Account.

- General Investment and Trading Risks - Clients invest in equity securities and other financial instruments using investment techniques with significant risk characteristics. The Clients' investment programs utilize such investment techniques as short sales, leverage, options, swaps and other derivatives investments, including futures contracts, which practices can, in certain circumstances, maximize the adverse impact to which the Clients may be subject.
- Leverage and Financing Risk - The Investment Manager uses leverage in connection with the Clients' investment programs. Accordingly, Clients may pledge their securities in order to borrow additional funds for investment purposes. Clients may also leverage their investment return with options, commodity futures contracts, short sales, swaps, forwards and other derivative instruments. The amount of borrowings which Clients may have outstanding at any time may be substantial in relation to their capital. While leverage presents opportunities for increasing Clients' total returns, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Clients would be magnified to the extent Clients are leveraged. The cumulative effect of the use of leverage by Clients in a market that moves adversely to the Clients' investments could result in a substantial loss to the Clients which would be greater than if the Clients were not leveraged. In the futures and forward markets, margin deposits are typically low relative to the value of the futures contracts purchased or sold. Such low margin deposits are indicative of the fact that any futures or forward contract trading is typically accompanied by a high degree of leverage. Low margin deposits mean that a relatively small price movement in a contract may result in immediate and substantial losses to the investor. In general, the use of short-term margin borrowings results in certain additional risks to the Clients. For example, should the securities pledged to brokers to secure the Clients' margin accounts decline in value, the Clients could be subject to a "margin call," pursuant to which the Clients must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for



the decline in value. In the event of a sudden drop in the value of the Clients' assets, the Clients might not be able to liquidate assets quickly enough to satisfy their margin requirements. Due to an increase in margin requirements or other changes in the terms of financing relationships, there can be no assurance that the Clients will be able to maintain adequate financing arrangements or avoid having to close out positions at losses which if held would have been profitable. Although UCITS requirements and/or applicable investment guidelines may limit the Sub-Account's use of leverage or instruments with embedded leverage (e.g., futures and other derivatives), the risks described above still apply in respect of the Sub-Account to the extent they may utilize leverage. The Separate Account may use up to 50% leverage and therefore faces similar liquidation risks to the above accounts.

- Cybersecurity Risk** - As part of its business, Owl Creek processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of Owl Creek's Clients. Similarly, service providers of Owl Creek may process, store and transmit such information. Owl Creek has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. For example, advances in computer capabilities, new discoveries in the field of cryptography or other developments could result in a compromise or breach of the algorithms that the Investment Manager and its service providers use to protect data, including transaction data and investor data. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Investment Manager may be susceptible to compromise, leading to a breach of the Investment Manager's network. Owl Creek's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by Owl Creek to the limited partners or shareholders may also be susceptible to compromise. Breach of Owl Creek's information systems may cause information relating to the transactions of Clients and personally identifiable information to be lost or improperly accessed, used or disclosed, or the operations of Owl Creek may be compromised or disabled. As cybersecurity threats are inherently difficult to predict and can take many forms, insurance coverage may not be available for losses associated with cyber-attacks or information security breaches, or where available, such losses may exceed insurance limits. Owl Creek and the Funds do not currently maintain cybersecurity insurance, and although certain of their existing insurance policies may in theory cover certain aspects of cyber incidents, such as cyber incidents driven by employee misconduct, there can be no assurance that any of their existing insurance policies will actually cover any losses associated with any cyber-attacks or information security breaches, and where available, such losses may exceed insurance limits. Cybercrime against the Funds or its service providers could result in the Fund improperly issuing funds. In recent years, a variety of U.S. and global firms, including financial services businesses and their service providers, have experienced significant distributed denial-of-service attacks, some of which involved sophisticated and targeted attacks intended to disable or

degrade service, or sabotage systems. Other potential attacks have attempted to obtain unauthorized access to confidential information or destroy data, often through the introduction of computer viruses or malware, ransomware, cyber-attacks and other means. Such security attacks can originate from a wide variety of sources, including persons who are involved with organized crime or who may be linked to terrorist organizations, hackers or national governments. Those same parties may also attempt to fraudulently induce employees, customers or other users of our systems to disclose sensitive information in order to gain access to the data of Owl Creek and its clients.

The service providers of Owl Creek are subject to the same electronic information security threats as Owl Creek. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Funds and personally identifiable information of the shareholders may be lost or improperly accessed, used or disclosed, or the ability of a service provider to operate may be compromised or disabled. Cyberattacks could also affect Owl Creek's ability to communicate with its service providers and its ability to process and account for transactions.

- Illiquid Investments - The Funds may invest in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable and the Funds may not be able to sell them when they desire to do so or to realize what they perceive to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.
- Special Investments - The Funds may invest in Special Investments, which are assets or securities which the Investment Manager believes either lack liquidity or a readily assessable market value or should be held until the resolution of a special event or circumstance. Special Investments are illiquid and difficult to value and may require a significant amount of time from the date of initial investment before disposition. Sales of Special Investments may not be possible and, if possible, may be made at substantial discounts from costs. Additional information about Special Investments is available in the *Fees and Compensation* section above.
- Hedging - The success of the hedging strategy of a Client will be subject to the Investment Manager's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Client's hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Client than if it had not engaged in any such hedging transactions. For a variety of reasons, the Investment

Manager may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Client from achieving the intended hedge or expose a Client to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of a Client's portfolio holdings. Subject to a Client's applicable investment guidelines, the Investment Manager may not hedge or elect not to fully hedge certain risks in its discretion.

- Short Selling - Short selling involves selling securities which are not owned and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which a Client engages in short sales depends upon the Investment Manager's investment strategy and opportunities, and the Client's investment guidelines. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to a Client of buying those securities to cover the short position. There can be no assurance that a Client will be able to maintain the ability to borrow securities sold short. In such cases, a Client can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.
- Forward Trading – Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis, although this is expected to change. Currently, forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Client due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of a Client. Market illiquidity or disruption could result in major losses to a Client.
- Swap Agreements – A Client may enter into swap agreements. Swap agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease a Fund's exposure to long-term or short-term interest rates (in the United States or abroad), non-U.S. currency values, corporate borrowing rates, or other factors such

as security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. A Client is not limited to any particular form of swap agreement if consistent with a Client's investment objective and policies. Swap agreements tend to shift a Client's investment exposure from one type of investment to another. For example, if a Client agrees to exchange payments in dollars for payments in non-U.S. currency, the swap agreement would tend to decrease a Client's exposure to U.S. interest rates and increase its exposure to non-U.S. currency and interest rates. Depending on how they are used, swap agreements may increase or decrease the overall volatility of a Client's portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from a Fund. If a swap agreement calls for payments by a Client, a Client must be prepared to make such payments when due. This is only true in default and not part of mark-to-market. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by a Client.

The Sub Account and Separate Account are limited to using the swap counterparties selected by the underlying adviser and primarily gain exposure to equity derivatives and currency forwards using swap agreements.

- Other Derivative Instruments – A Client may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of a Client and legally permissible. Special risks may apply to instruments that are invested in by a Client in the future that cannot be determined at this time or until such instruments are developed or invested in by a Client. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.
- Regulation in the Derivatives Industry. There are many rules related to derivatives that may negatively impact our Clients, such as requirements related to recordkeeping, reporting, portfolio reconciliation, central clearing, minimum margin for uncleared over-the-counter ("OTC") instruments and mandatory trading on electronic facilities, and other transaction-level obligations. Parties that act as dealers in swaps, are also subject to extensive business conduct standards, additional "know your counterparty" obligations, documentation standards and capital requirements. All of these requirements add costs to the legal, operational and compliance obligations of Owl Creek and its Clients and increase the amount of time that Owl Creek spends on non-investment-related activities. Requirements such as these also raise the costs of entering into derivative transactions, and these increased costs will likely be passed on to Clients.

These rules are operationally and technologically burdensome. These compliance obligations require employee training and use of technology, and there are operational risks borne by Clients in implementing procedures to comply with many of these additional obligations.

These regulations may also result in Clients forgoing the use of certain trading counterparties (such as broker-dealers and futures commission merchants ("FCMs")), as the use of other parties may be more efficient for Clients from a regulatory perspective. However, this could limit Clients' trading activities, create losses, preclude them from engaging in certain transactions or prevent them from trading at optimal rates and terms.

Many of these requirements were implemented under legislation intended to reform the U.S. financial regulatory system, the EU Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (known as the European Market Infrastructure Regulation, or "EMIR") and similar regulations globally. In the United States, the regulatory responsibility for derivatives is divided between the SEC and the CFTC, a distinction that does not exist in any other jurisdiction. The SEC has regulatory authority over "security-based swaps" and the CFTC has regulatory authority over "swaps". EMIR is being implemented in phases through the adoption of delegated acts by the European Commission. As a result of the SEC and CFTC bifurcation and the different pace at which the SEC, the CFTC, the European Commission and other international regulators have promulgated necessary regulations, different transactions are subject to different levels of regulation. Though many rules and regulations have been finalized, there are others, particularly SEC regulations with respect to security-based swaps, that are still in the proposal stage or are expected to be introduced in the future.

The following describes derivatives regulations that may have the most significant impact on our Clients:

*Reporting.* Most swap transactions have become subject to anonymous "real time reporting" requirements, meaning that information relating to transactions entered into by Clients will become visible to the market in ways that may impair their ability to enter into additional transactions at comparable prices or could enable competitors to "front run" or replicate their strategies.

*Central Clearing.* To mitigate counterparty risk and systemic risk in general, various U.S. and international regulatory initiatives, including EMIR, are underway to require certain derivatives to be cleared through central clearinghouses. In the United States, clearing mandates affect certain interest rate and credit default swaps. The CFTC and the SEC may introduce clearing requirements for additional classes of derivatives in the future. EMIR also requires OTC derivatives contracts meeting specific criteria to be cleared through central counterparties. While such clearing requirements may be beneficial for certain Clients in many respects (for instance, they may reduce the counterparty risk to the dealers to which a Client would be exposed under non-cleared derivatives), Clients could be exposed to new risks, such as the risk that an increasing percentage of derivatives will be required to be standardized and/or cleared through central clearinghouses, and, as a result, Clients may not be able to hedge risks or express an investment view as well as they would have been able to had they used customizable derivatives available in the over-the-counter markets. Clients may have to split its derivatives portfolio between centrally cleared and over-the-counter derivatives, which may result in operational inefficiencies and an inability to offset risk between centrally cleared and over-the counter positions, and which could lead to increased costs.

Another risk is that Clients may be subject to more onerous and more frequent (daily or even intraday) margin calls from both FCMs and the clearinghouse. Virtually all margin models utilized by the clearinghouses are dynamic, meaning that unlike traditional bilateral swap contracts where the amount of initial margin posted on the contract is typically static throughout of the life of the contract, the amount of the initial margin that is required to be posted in respect of a cleared contract will fluctuate, sometimes significantly, throughout the life of the contract. The dynamic nature of the margin models utilized by the clearinghouses and the fact that the margin models might be changed at any time may subject Clients to an unexpected increase in collateral obligations by clearinghouses during a volatile market environment, which could have a detrimental effect on Clients. Clearinghouses also limit collateral that they will accept to cash, U.S. treasuries and, in some cases, other highly rated sovereign and private debt instruments, which may require Clients to borrow eligible securities from a dealer to meet margin calls and raise the costs of cleared trades. In addition, clearinghouses may not allow Clients to portfolio-margin its positions, which may increase costs.

Although standardized clearing for derivatives is intended to reduce counterparty risk (for instance, it may reduce the counterparty risk to the dealers to which a Client would have been exposed under OTC derivatives), it does not eliminate risk. Derivatives clearing may also lead to concentration of counterparty risk, namely in the clearinghouse and FCMs, subjecting Clients to the risk that the assets of the FCM are insufficient to satisfy all of the FCM's payment obligations, leading to a payment default. The failure of a clearinghouse or FCM could have a significant impact on the financial system. Even if a clearinghouse does not fail, large losses could force significant capital calls on FCMs during a financial crisis, which could lead FCMs to default and thus worsen the crisis.

*Swap Execution Facilities.* In addition to the central clearing requirement, certain swap transactions are required to trade on regulated electronic platforms such as swap execution facilities ("SEFs"), which require the Funds to become subject to regulation by these venues and subject them to the jurisdiction of the CFTC. CFTC rules governing the operations of SEFs continue to evolve; the SEC has yet to finalize rules related to security-based SEFs.

It is not clear whether these trading venues will benefit or impede liquidity, or how they will fare in times of market stress. Trading on these trading venues may increase the pricing discrepancy between assets and their hedges as products may not be able to be executed simultaneously, therefore increasing basis risk. It may also become relatively expensive to obtain tailored swap products to hedge particular risks in portfolios due to higher collateral requirements on bilateral transactions as a result of these regulations.

*Margin Requirements for Non-Cleared Swaps.* Rules issued by U.S., EU and other regulators globally (the "Margin Rules") impose various margin requirements on all swaps that are not centrally cleared, including the establishment of minimum amounts of initial margin that must be posted, and, in some cases, the mandatory segregation of initial margin with a third-party custodian. Although the Margin Rules are intended to increase the stability of the derivatives market, the overall amount of margin that

Clients will be required to post to swap counterparties may increase by a material amount, and as a result Clients may not be able to deploy capital as effectively. Additionally, to the extent a Client is required to segregate initial margin with a third-party custodian, additional costs will be incurred.

- Credit Default Swaps. Credit default swaps can be used to implement the Investment Manager's view that a particular credit, or group of credits, will experience credit improvement or deterioration. In the case of expected credit improvement, the applicable Client(s) may sell credit default protection in which it receives a premium to take on the risk. In such an instance, the obligation to make payments upon the occurrence of a credit event creates leveraged exposure to the credit risk of the referenced entity. Clients may also buy credit default protection with respect to a referenced entity if, in the Investment Manager's judgment, there is a high likelihood of credit deterioration. In such instance, the Client(s) will pay a premium regardless of whether there is a credit event.
- Call and Put Options. There are risks associated with the sale and purchase of call options and put options. Under a conventional cash-settled option, the purchaser of the option pays a premium in exchange for the right to receive upon exercise of the option (i) in the case of a call option, the excess, if any, of the reference price or value of the underlier (as determined pursuant to the terms of the option) above the option's strike price or (ii) in the case of a put option, the excess, if any, of the option's strike price above the reference price or value of the underlier (as so determined). Under a conventional physically-settled option structure, the purchaser of a call option has the right to purchase a specified quantity of the underlier at the strike price, and the purchaser of a put option has the right to sell a specified quantity of the underlier at the strike price.

A purchaser of an option may suffer a total loss of premium (plus transaction costs) if that option expires without being exercised. An option's time value (i.e., the component of the option's value that exceeds the in-the-money amount) tends to diminish over time. Even though an option may be in-the-money to the purchaser at various times prior to its expiration date, the purchaser's ability to realize the value of an option depends on when and how the option may be exercised. For example, the terms of the transaction may provide for the option to be exercised automatically if it is in-the-money on the expiration date. Conversely, the terms may require timely delivery of a notice of exercise, and exercise may be subject to other conditions (such as the occurrence or non-occurrence of certain events) and timing requirements, including the "style" of the option.

Uncovered option writing (i.e., selling an option when the seller does not own a like quantity of an offsetting position in the underlier) exposes the seller to potentially significant loss. The potential loss of uncovered call writing is unlimited. The seller of an uncovered call may incur large losses if the reference price or value of the underlier increases above the exercise price by more than the amount of any premiums earned. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The seller of an uncovered put option bears a risk of loss if the reference price or value of the underlier declines below the exercise price by more than the amount of any premiums earned. Such loss could be substantial if there is a significant decline in the value of the underlier.

- Futures Contracts - Each Client may trade in futures contracts (and options on futures). Futures positions may be illiquid because, for example, most U.S. commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices on various commodities or financial instruments occasionally have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent a Client from promptly liquidating unfavorable positions and subject a Client to substantial losses. In addition, a Client may not be able to execute futures contract trades at favorable prices if trading volume in such contracts is low. It is also possible that an exchange or a regulator (such as the SEC or the U.S. Commodity Futures Trading Commission (the "CFTC")) may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. In addition, the CFTC and various exchanges impose speculative position limits on the number of positions that may be held in particular commodities. Trading in commodity futures contracts and options are highly specialized activities that may entail greater than ordinary investment or trading risks. Furthermore, low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss.
- Counterparty Default - The stability and liquidity of financing agreements, swap transactions, forward transactions and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transaction. The Clients monitor on an on-going basis the creditworthiness of firms with which it has such arrangements. If there is a default by the counterparty to such a transaction, the Clients will under most normal circumstances have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Clients being less than if the Clients had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. If one or more of a Client's counterparties were to become insolvent or the subject of insolvency proceedings in the United States (either under the Securities Investor Protection Act or the United States Bankruptcy Code), there exists the risk that the recovery of a Client's securities and other assets from such prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer. In addition, there are a number of proposed rules that, if they were to go into effect, may impact the laws that apply to insolvency proceedings and may impact whether a Client may terminate its agreement with an insolvent counterparty. Collateral that a Client posts to its counterparties that is not segregated with a third-party custodian may not have the benefit of customer-protected "segregation" of such funds. In the event that a counterparty was to become insolvent, the applicable Client(s) may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return.



In addition, a Client may use counterparties located in jurisdictions outside the United States. Such local counterparties are subject to laws and regulations in non-U.S. jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to a Client's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on a Client and its assets. Investors should assume that the insolvency of any counterparty would result in a loss to a Client, which could be material.

- Non-U.S. Investments - Investments in non-U.S. issuers (including non-U.S. governments) and investments denominated or whose prices are quoted in non-U.S. currencies pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability) as well as a range of other potential risks which could include, expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of funds or other assets of the Clients, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding investments of non-U.S. issuers and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. issuers. Transaction costs of investing in non-U.S. investment markets are generally higher than in the U.S. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the U.S. The Clients might have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect Client performance.
- Risks of Event Driven Investing - Event driven investing requires the investment manager 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, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market as the Investment Manager had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting 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 the Clients of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a federal or state regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions

resulting in material changes in securities prices; (vi) compliance with any applicable U.S. federal or state securities laws; and (vii) inability to obtain adequate financing. Because of the inherently speculative nature of event driven investing, the results of the Clients' operations may be expected to fluctuate from period to period. Accordingly, investors should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

- Investments in Undervalued Equity Securities - One of the objectives of the Clients is to invest in the equity securities of undervalued companies. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of risk and can result in substantial losses. In addition, the Clients may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of the Clients' funds would be committed to the securities purchased, thus possibly preventing the Clients from investing in other opportunities.
- Risks Associated with Debt Securities Generally. The Funds may invest in private and government debt securities and instruments. The Funds may invest in debt instruments that are unrated, and whether or not rated, the debt instruments may have speculative characteristics. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions.
- Risks Associated with Investments in Distressed Securities. The Clients may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such investments may result in significant returns to a Client, they involve a substantial degree of risk. Any one or all of the issuers of the securities in which a Client may invest may be unsuccessful or not show any return for a considerable period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Investment Manager will correctly evaluate the value of the assets collateralizing a Client's investments in loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which a Client invests, the Client may lose its entire investment, may be required to accept cash or securities with a value less than the Client's original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Client's investments may not compensate the investors of the Client adequately for the risks assumed.

Troubled company and other asset-based investments require active monitoring and may, at times, require participation in business strategy or reorganization proceedings by the Investment Manager. To the extent that the Investment Manager becomes involved in such proceedings, a Client may have a more active participation in the affairs of the issuer than that assumed generally by an investor. In addition, involvement by the Investment Manager in an issuer's reorganization proceedings could result in the imposition of restrictions limiting a Client's ability to liquidate their position in the issuer.

The Funds may invest in bonds or other fixed income securities, including, without limitation, "higher yielding" (and, therefore, higher risk) debt securities, when the Investment Manager believes that such securities offer opportunities for capital growth. Such securities may be below "investment grade" and face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which react primarily to fluctuations in the general level of interest rates. It is likely that a major economic recession could have a materially adverse impact on the value of such securities. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of securities rated below investment grade.

- Risks Associated with Bankruptcy Cases. The Funds may invest in bankruptcy claims, which are amounts owed to creditors of companies that are debtors in pending bankruptcy cases. Bankruptcy claims typically are illiquid, generally do not pay interest and there can be no guarantee that the debtor will ever be able to satisfy the obligation on the bankruptcy claim. Because bankruptcy claims are frequently unsecured, holders of such claims may have a lower priority in terms of payment than certain other creditors in a bankruptcy case.

Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of the Funds. Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such when they take over management and functional operating control of a debtor. In those cases where the Funds, by virtue of such action, are found to exercise "domination and control" of a debtor, the Funds may lose their priority if the debtor can demonstrate that its business was adversely impacted or other creditors and equity holders were harmed by the Funds.

Generally, the duration of a bankruptcy case can only be roughly estimated. Unless the Funds' claim in such case is secured by assets having a value in excess of such claim, no interest will be permitted to accrue and, therefore, the Funds' return on investment can be adversely affected by the passage of time during which the plan of reorganization of the debtor is being negotiated, approved by the creditors, and confirmed by the bankruptcy court. The risk of delay is particularly acute when a creditor holds unsecured debt or when the collateral value underlying secured debt does not equal the amount of the secured claim. It should also be noted that reorganizations outside of bankruptcy are also subject to unpredictable and potentially lengthy delays.

The administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors (other than out of assets or proceeds hereof, which are subject to valid and enforceable liens and other security interests) and equity holders. In addition, certain claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be quite high.

The Investment Manager, on behalf of the Funds, may elect to serve on creditors' committees or other groups to ensure preservation or enhancement of the Funds' position as a creditor. A member of any such committee or group may owe certain obligations generally to all parties similarly situated that the committee represents. If the Investment Manager concludes that its obligations owed to the other parties as a committee or group member conflict with its duties owed to the Funds, it will resign from that committee or group, and the Funds may not realize the benefits, if any, of participation on the committee or group. In addition, and also as discussed above, if the Funds are represented on a committee or group, they may be restricted or prohibited under applicable law from disposing of their investments in such company while they continue to be represented on such committee or group.

The Funds may purchase creditor claims subsequent to the commencement of a bankruptcy case. Under judicial decisions, it is possible that such purchase may be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser.

- Special Purpose Acquisition Companies. - Units of a SPAC (generally composed of equity, warrants and share rights) can be acquired in an initial public offering or in the secondary market. In addition, the Funds may also invest in founder shares (which can be highly speculative) and warrants in connection with a SPAC transaction. A SPAC is a publicly traded company formed for the purpose of raising capital through an initial public offering to fund the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination, of one or more operating businesses that are typically not publicly-listed. Following the acquisition of a target company, a SPAC's management team may exercise control over the management of the combined company in an effort to increase its value. Often now, though, management of the target company will continue to manage the now publicly-traded business subsequent to completion of its business combination with the SPAC. Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust account until acquired business combination is completed or a predetermined period of time (typically 24 months) elapses. Investors in a SPAC would receive a return on their investment in the event that a target company is acquired and the combined publicly-traded company's shares trade above the SPAC's initial public offering ("IPO") price, or alternatively, the market price at which an investor acquired a SPAC's shares subsequent to its IPO. In the event that a SPAC is unable to locate and acquire a target business by the timeframe established at the time of its IPO, the SPAC would be forced to liquidate its assets, which may result in losses due to the expenses and liabilities of the SPAC, to the extent third parties are permitted to bring claims against IPO proceeds held in the SPAC's trust account. Investors in a SPAC are subject to the risk that, among other things, (i) such SPAC may not be able to complete a qualifying business combination by the

deadline established at the time of its IPO, (ii) assets in the trust account may become subject to third-party claims against such SPAC, which may reduce the per share liquidation value received by the investors in the SPAC in the event it fails to complete a business combination within the required time period, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect investors in "blank check" companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) such SPAC will likely only complete one business combination, which will cause its returns and future prospects to be solely dependent on the performance of a single acquired business, (v) the value of any target business, including its stock price as a public company, may decrease following its acquisition by such SPAC, (vi) the value of the funds invested and held in the trust account may decline, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the applicable record date to do so, and (viii) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. The Funds may invest in a SPAC that, at the time of investment, has not selected or approached any prospective target businesses with respect to a business combination. In such circumstances, there may be limited basis for the Investment Manager to evaluate the possible merits or risks of such SPAC's investment in any particular target business. In addition, to the extent that a SPAC completes a business combination, it may be affected by numerous risks inherent in the business operations of the acquired company or companies. For these and additional reasons, investments in SPACs are speculative and involve a high degree of risk.

Further, SPACs are structured as publicly-traded blank check companies. Accordingly, the Funds will also be subject to risks that arise from investments in vehicles that are managed by independent third parties, as well as the risk that the underlying business combinations being pursued by the SPACs in which the Funds invest will not be consummated or will not be successful.

Notwithstanding the risks above, certain risks may be partially mitigated when the Clients invest in Class A shares, and the underlying SPAC provides investors, in connection with a business combination, with the opportunity to redeem their shares rather than become a shareholder of the combined company. This redemption is based on the funds held in trust which is often the IPO price. Such provisions may ultimately limit the size of investor potential losses.

- SPAC PIPE Transactions. SPACs will often seek third-party equity capital in the form of a PIPE transaction that is funded on a concurrent basis with the consummation of the underlying business combination that is being pursued by the SPAC. While such SPAC PIPEs are typically entered into at the time a proposed business combination is announced, certain SPACs may seek PIPE commitments at the time of their IPO in the form of forward purchase agreements. The Funds may participate in such SPAC PIPE transactions, including pursuant to forward purchase agreements, whereby they may make an irrevocable commitment to subscribe for equity securities of the combined company surviving the business combination between the SPAC and its target at a set price at the time that an agreement for the underlying business combination is signed. Consummation of a SPAC

PIPE is typically contingent on and generally occurs concurrently with the successful closing of the underlying business combination which itself may be subject to conditions (such as regulatory approval, shareholder approval, etc.). As a result, a Fund, in its capacity as an investor in a SPAC PIPE, may bear the market or pricing risk of the transaction between the time of executing a subscription agreement to participate in the PIPE and the closing of the underlying business combination being pursued by the SPAC. In addition, during the period of time between a Fund's subscription to a PIPE and the consummation of the underlying business combination being pursued by the SPAC, the Fund may have to reserve capital in anticipation of funding its irrevocable commitment. Such time period may be substantial in the case of a forward purchase agreement executed at the time of a SPAC's IPO. In such circumstances, any capital being reserved by a Fund will not be available for participation in other investment opportunities. Further, the shares issued at the closing of a SPAC PIPE will generally be restricted for a period of time following the closing until the company that results from the business combination is readmitted for trading on the relevant exchange and the securities are registered under the Securities Act.

- Sovereign Debt - Sovereign debt instruments, which are debt obligations issued or guaranteed by a governmental entity, are subject to the risk that the governmental entity may delay or fail to pay interest or repay principal on debt that it has issued or guaranteed, due to, for example, cash flow problems, insufficient foreign currency reserves, political considerations, relationships with other lenders such as commercial banks, the relative size of the governmental entity's debt position in relation to the economy or the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies. If a governmental entity defaults, it may ask for more time to pay or for further loans, or it may ask for forgiveness of interest or principal on its existing debt. Furthermore, a governmental entity may be unwilling to renegotiate the terms of its sovereign debt. There may be no established legal process for bondholders (such as the Funds) to enforce their rights against a governmental entity that does not fulfill its obligations, nor are there bankruptcy proceedings through which all or part of the sovereign debt that a governmental entity has not may be collected.
- Effect of the Socially Responsible Investment Principles (including Owl Creek SRI and certain socially responsible investment classes in other funds) - To the extent a Fund's socially responsible investment principles prevents such Fund from making an investment it otherwise would have made or requires the Fund to divest an investment, the Fund may earn less profit than it otherwise would have earned had it not been for such prohibition. Such a Fund may have higher concentrations in the permitted socially responsible investments.
- Regulatory Restrictions Applicable to Sub-Account - The Sub-Account is subject to other regulatory and legal constraints based on rules applicable in its jurisdiction, namely the Luxembourg UCITS regulations. For example, the Sub-Account may be subject to concentration and liquidity limitations that may not otherwise apply to the Funds. As such, the performance and holdings of the Sub-Account and Funds will vary. In addition, Owl Creek may be required to make investment decisions in respect of the Sub-Account due to legal, regulatory or tax considerations applicable to the Sub-Account which may cause them

to experience investment losses (e.g., the Sub-Account may be forced to sell positions to bring them in line with legal or regulatory requirements). In addition, the Sub-Account may be restricted from investing in certain equities, ETFs, and REITs, and restricted from shorting equities.

- Alternative Investment Fund Managers Directive. The Alternative Investment Fund Managers Directive (the "AIFM Directive") regulates: (i) alternative investment fund managers (each, an "AIFM") based in the European Economic Area (the "EEA"); (ii) the management of any alternative investment fund ("AIF") established in the EEA (irrespective of where an AIF's AIFM is based); and (iii) the marketing of any AIF, such as the Fund, to professional investors in the EEA.

Under the AIFM Directive, certain conditions must be met to permit the marketing of a Fund's shares to any potential and existing investors in the EEA. The ability of the Fund or the Investment Manager to offer shares in the EEA will depend on the relevant EEA state permitting the marketing of non-EEA domiciled funds under the national private placement regimes implementing the AIFM Directive and the ability of the Fund and the Investment Manager to comply with such national private placement regimes, where available. Compliance with the requirements of such regimes may increase the costs of the administration of the Fund significantly, including the costs of regulatory reporting, custody and prime brokerage services provided to the Fund. As such, a Fund's ability to market the Shares to EEA investors may be limited.

The UK, although it is no longer part of the EEA has an equivalent directive, "UK AIFMD". UK AIFMD regulates (i) – (iii) above for AIFM and AIFs based in the UK or AIFs marketed in the UK. There are also local conditions under the UK private placement regime that must be complied with when marketing of a Fund's shares to any potential and existing investors. Owl Creek Overseas and Credit Offshore Fund presently comply with the UK private placement regime and relevant parts of UK AIFMD.

- Identity of Beneficial Ownership and Withholding on Certain Payments. In order to avoid a U.S. withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, the Offshore Funds have registered with the U.S. Internal Revenue Service (the "Service") and generally will be required to identify, and report information with respect to, certain direct and indirect U.S. account holders (including debt-holders and equity-holders). The Cayman Islands has signed a Model 1B (non-reciprocal) inter-governmental agreement with the United States (the "U.S. IGA") to give effect to the foregoing withholding and reporting rules. So long as the Funds comply with the U.S. IGA and the Cayman Islands enabling legislation, they will not be subject to the related U.S. withholding tax.

A non-U.S. investor in the Offshore Funds will generally be required to provide information which identifies its direct and indirect U.S. ownership. Under the U.S. IGA, any such information provided to the applicable Fund and certain financial information related to such investor's investment in such Fund will be shared with the Cayman Islands Tax Information Authority or its delegate (the "Cayman TIA"). The Cayman TIA will exchange the information reported to it with the Service annually on an automatic basis. A non-U.S.

investor that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Internal Revenue Code of 1986, as amended (the "IRC"), will generally be required to timely register with the Service and agree to identify, and report information with respect to, certain of its own direct and indirect U.S. account holders (including debt-holders and equity-holders). A non-U.S. investor who fails to provide such information to the Fund or timely register and agree to identify, and report information with respect to, such account holders (as applicable) may be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund, and the Board of Directors may take any action in relation to an investor's shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or comply with such requirements gave rise to the withholding. Investors should consult their own tax advisers regarding the possible implications of these rules on their investments in the Fund.

- U.S. Partnership Tax Audit Risk. Under current law, the Offshore Funds that are treated as a partnership for U.S. tax purposes, may be required to file a tax return with the Service. If the tax returns are audited by the Service, the U.S. tax treatment of such Offshore Fund's or a U.S. Fund's, as applicable, income and deductions generally is determined at the Fund level and U.S. tax deficiencies arising from the audit, if any, are paid by the Fund (and in the case of the Offshore Funds, to the extent of any income that is, or is treated as, effectively connected with a trade or business in the United States or otherwise subject to withholding or other tax in the United States) and the other members of the Fund who were partners for U.S. tax purposes in the year subject to the audit.

Under the general rule imposed under new legislation, an audit adjustment of a Fund's U.S. tax return filed or required to be filed for any tax year beginning after 2017 (a "Prior Year") could result in a tax liability (including interest and penalties) imposed on the Fund for the year during which the adjustment is determined (the "Current Year"). The tax liability generally is determined by using the highest tax rates under the Internal Revenue Code applicable to U.S. taxpayers, in which case the Fund and any other Current Year partners of the Fund would bear the audit tax liability at significantly higher rates (including interest and penalties) arising from audit adjustments and in amounts that are unrelated to their Prior Year economic interests in the Fund partnership items that were adjusted. Under the new legislation, the Fund may be able to use a lower tax rate to compute the tax liability by taking into account the fact that the Fund is generally not expected to be subject to U.S. tax on most, if not all, of its share of the Fund's income. However, the details of how this rule will be implemented are not yet known, and there can be no guarantee that a Fund would be able to use a lower tax rate to calculate the tax liability for any particular Prior Year under audit.

To mitigate the potential adverse consequences of the general rule, a Fund may be able to elect with the Service to pass through such audit adjustments for any year to its members who participated in the Fund for the Prior Year, in which case the Fund and each Prior Year participating member (and not the Fund) generally would be responsible for the payment of any tax deficiency, determined after including their share of the adjustments on their tax returns for the Current Year and calculated, in the case of an Offshore Fund, using the tax rates generally applicable to non-U.S. entities. The Fund may also be able to mitigate such adverse consequences by, after the audit adjustments are made, filing an amended U.S. tax



return for the Prior Year and paying tax, if any, on its share of the items adjusted on audit. However, the extent to which the Fund will be able to mitigate the operation of the general rule under either of these alternatives is highly uncertain and may depend upon future regulatory guidance and amendments to the legislation.

- OCM Fund and the OCOPP Funds- Concentration of Investments. The OCM Fund and the OCOPP Funds do not intend to diversify their respective investments. An investment in a concentrated investment vehicle, such as the Side Car Funds, generally entails greater risk than an investment in a diversified investment fund. A significant portion of the OCM Fund's assets will be allocated to investments in a single issuer while the assets of OCOPP Fund III will be invested primarily in securities of SPACs managed by a SPAC manager that the Investment Manager has sourced using its contacts in the SPAC investing community. Therefore, the OCM Fund's performance will be directly correlated to the performance of such issuer and would be substantially adversely affected in the event of the unfavorable performance of such issuer. Similarly, the OCOPP Fund III's performance will be correlated to the ability of the SPAC manager to find and execute upon SPAC merger opportunities. The OCM Fund's concentrated investments in a single issuer, and the OCOPP Fund's investments in the above-mentioned issuers, may subject the performance of each Side Car Fund to more rapid change in value than would be the case if its assets were diversified among a greater number of investment and this lack of diversity could expose each Side Car Fund to losses disproportionate to market movements in general. There can be no assurance that such investments will have successful performance returns. The OCM Fund and the OCOPP Funds will not actively seek to minimize or hedge any risks since the purpose of these funds is to invest in a limited number of issuers.
- Co-Investments. The Investment Manager and/or its affiliates may, from time to time, offer one or more investors in the Funds and/or other third-party investors the opportunity to co-invest with one or more of the Funds in particular investments (including investments held by the Funds where there is excess capacity). The Investment Manager and its affiliates are not obligated to arrange co-investment opportunities, no investor in the Funds will be obligated to participate in such an opportunity, and the Investment Manager may offer co-investment opportunities only to certain of the persons referenced above in its sole discretion. The Investment Manager and its affiliates have sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular investor and may allocate co-investment opportunities instead to investors in certain Funds or Accounts or to third parties. Investors that choose to participate in an offered co-investment opportunity will generally be required to notify the Investment Manager within the applicable time period required by the Investment Manager of the intent to participate in such co-investment opportunity. If the Investment Manager determines that an investment opportunity is too large for a Fund, the Investment Manager and its affiliates may, but will not be obligated to, make proprietary investments therein. The Investment Manager or its affiliates may receive fees and/or allocations from co-investors, which may differ as among co-investors and also may differ from the fees and/or allocations borne by the Funds. Other terms and rights applicable to such co-investors (including without limitation, withdrawal or redemption rights, information rights and the terms related to the particular structure of any co-

investment vehicle) may also differ from the terms and rights applicable to investors in the Funds as well as among co-investors.

- Sanctions. Our operations are or may become subject to economic sanctions laws and regulations of various jurisdictions. At any given time, whether under applicable law, by contractual commitment or as a voluntary risk management measure, Owl Creek may be required, or elect, to comply with various sanctions programs, including the Specially Designated Nationals and Blocked Persons List and Sectoral Sanctions programs administered by OFAC, the sanctions regimes administered by subsidiary organs of the United Nations Security Council, the Sanctions Orders of the Cayman Islands (including as extended to the Cayman Islands by Order of the government of the United Kingdom from time to time), and the restrictive measures adopted by the European Union. Some sanctions that may apply to Owl Creek prohibit or restrict dealings with particular identified persons. Other potentially applicable sanctions programs broadly prohibit or restrict dealings in certain countries or territories or with individuals and entities located in such countries or territories. In addition to such current sanctions, additional sanctions may be imposed in the future. Such sanctions may be imposed with little or no advance warning or "safe harbor" for compliance and may be ambiguous, including as to the scope of financial activities that regulators may ultimately deem to be covered by the sanctions.

Sanctions may negatively impact Owl Creek's ability to effectively implement its investment strategy and have a material adverse impact on Owl Creek's investment program. Sanctions may adversely affect Owl Creek in various ways, including by preventing or inhibiting Owl Creek or its Funds from making certain investments, forcing the divestment from investments previously made, and leading to substantial reductions in the revenues, profits and value of companies in which the Funds has invested. In addition, if Owl Creek or any Fund were to violate or be deemed in violation of any such sanction, such entity could face significant legal and monetary penalties. Depending on the scope and duration of a particular sanctions program, compliance by the Owl Creek may result in a material adverse effect on the Funds and its investments.

- Discontinuation of LIBOR. It is expected that the U.S. dollar London Interbank Offered Rate ("LIBOR"), which is commonly used as a reference rate within various financial contracts (any such rate, a "Reference Rate"), will not be published after June 30, 2023 (other than the one-week and two-month tenors, which ceased to be published after December 31, 2021). In anticipation of the end of LIBOR, the United States and other countries have worked to replace LIBOR with alternative Reference Rates. The Secured Overnight Financing Rate ("SOFR") is the Reference Rate recommended by the Alternative Reference Rates Committee (the "ARRC"). As a general matter, the expected discontinuation of LIBOR may significantly impact financial markets; specifically, discontinuation may impact financial contracts to which Owl Creek or a Fund is a party. Generally, the transition to alternative Reference Rates may (i) cause the value of a Reference Rate to be uncertain or to be lower or more volatile than it would otherwise be; (ii) result in uncertainty as to the functioning, liquidity or value of certain financial contracts; (iii) involve actions of regulators or rate administrators that adversely affect certain markets or specific financial contracts; and (iv) impact the strategy, products, processes, legal

positions and information systems of market participants. With respect to financial contracts to which Owl Creek or a Fund is a party, including corporate and municipal bonds and loans, consumer loans, bank loans, floating rate debt, certain asset-backed securities, and interest rate swaps and other derivatives, any such contract that has a maturity that extends beyond June 2023 and uses LIBOR as a Reference Rate (other than contracts that include curative fallback language or which have other curative mechanisms available, such as safe harbor legislation adopted in the State of New York to permit the replacement of LIBOR with the rates recommended by the ARRC in contracts governed by New York law) may need to be renegotiated, and may result in disputes among counterparties, the result of which may be adverse to Owl Creek or a Fund. Regulators encouraged market participants to cease entering new contracts that use U.S. Dollar LIBOR as a reference rate by December 31, 2021. As a result, U.S. Dollar LIBOR's liquidity and usefulness will likely diminish. Investors should expect that Owl Creek and its Funds will be a party to SOFR-based contracts, or contracts utilizing alternative reference rates in the near-future. Considered in their entirety, the impacts of the discontinuation of LIBOR on financial markets generally and on the specific financial contracts to which a Fund is a party may adversely affect the performance of a Fund.

- Assumption of Catastrophe Risks. There is a risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; war, terrorism and other armed conflicts; cyberterrorism; major or prolonged power outages or network interruptions; and public health crises, including infectious disease outbreaks, epidemics and pandemics. To the extent that any such event occurs and has a material effect on global financial markets or specific markets or issuers in which the a Fund invests (or has a material negative impact on the operations of the Owl Creek or the service providers), the risks of loss can be substantial and could have a material adverse effect on a Fund and its investments. Furthermore, any such event may also adversely impact one or more individual shareholders' financial condition, which could result in substantial redemption requests by such shareholders as a result of their individual liquidity situations and irrespective of a Fund's performance.
- Coronavirus Risks. An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected by public health authorities in December 2019. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. COVID-19 has resulted in numerous deaths, travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, the imposition of "work from home" measures, widespread event cancellations, supply chain disruptions and lower consumer demand. The ongoing spread of COVID-19 has had, and is expected to continue to have, a material adverse impact on local economies and also on the global economy, as commercial activity and market sentiment are increasingly impacted by the outbreak and government and other measures seeking to contain its spread. COVID-19, and other infectious illness outbreaks that may arise in the future, could adversely affect investments made by the Funds in ways that cannot necessarily be foreseen. In addition, actions taken by governmental and quasi-governmental authorities and regulators throughout the world in response to the COVID-19 outbreak, including significant fiscal and

monetary policy changes, may affect the operations, performance, ability to make distributions and liquidity and the value, volatility, and pricing of the investments made by the Funds. The duration of the COVID-19 outbreak and its ultimate impact on the Funds and on the economy, cannot be determined with certainty. The COVID-19 pandemic and its effects may last for an extended period of time, and could result in significant market volatility, business failures, bankruptcies, declines in global financial markets, higher default rates, and a substantial economic downturn or recession. The foregoing could significantly impact the operations of the Funds and the Funds' ability to make distributions, and may disrupt the operations of Owl Creek's third party service providers, adversely affect the value and liquidity of the investments made by the Funds, and negatively impact the Funds' performance

## **Item 9 - Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Owl Creek's advisory business or the integrity of Owl Creek's management.

## **Item 10 - Other Financial Industry Activities and Affiliations**

As indicated above, the General Partner serves as the general partner to the U.S. Funds and certain Offshore Funds. Previously each of the Investment Manager and General Partner was registered as a commodity pool operator ("CPO") and each was a member of the National Futures Association. As of the January 2022, however, each of the Investment Manager and the General Partner deregistered as a CPO as each are exempt from registration with the CFTC pursuant to CFTC Rule 4.13(a)(3).

The General Partner is associated with Owl Creek and provides investment advisory services to each U.S. Fund and Master Fund. The General Partner is a Relying Advisor of the Investment Manager; it is not separately registered as an investment adviser with the SEC, but instead relies on the Investment Manager's umbrella registration with the SEC. The General Partner will comply, in all respects, with SEC rules that apply to registered advisers. Personnel of the General Partner, if any, will be deemed to be associated persons of the Investment Manager and will be subject to the Investment Manager's compliance program.

Owl Creek Asset Management Marketing, LLC ("OCAM Marketing"), was previously a FINRA-registered broker-dealer wholly-owned by the Investment Manager, was previously engaged as placement agent for certain of the Funds. OCAM Marketing was a limited purpose broker-dealer that's sole activity was referring prospective investors to such Funds on a private-placement basis. As of January 11, 2022 OCAM Marketing is deregistered as a registered broker-dealer and no longer an active entity.

The Investment Manager and its Relying Advisor do not have any other relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

Owl Creek and its personnel do not purchase or sell any securities for their own accounts from or to Clients (however, certain Funds may be deemed to be principal accounts under applicable SEC guidance to the ownership interest of persons affiliated with the Investment Manager, and such Funds may engage in cross transactions pursuant to process described below).

Subject to applicable laws as well as each Fund's respective investment guidelines and restrictions, Owl Creek may enter into internal cross transactions between the Funds for the purpose of rebalancing the portfolios of such Funds (certain Funds may be deemed to be principal accounts under applicable SEC guidance). Such transactions may be effected by direct purchases and sales of securities (and other instruments) by/from one Fund from/to another Fund or by increasing or decreasing a Fund's participation in securities that are held through special purpose vehicles in which two or more of the Funds are members. Owl Creek effects these transactions at a predetermined time, generally after the close of the market on the last business day of each month, pursuant to a formula that generally will result in each Fund holding substantially similar securities relative to each Fund's respective net asset value. With respect to publicly traded securities, Owl Creek effects these transactions based on the then current independent market price as of the applicable month end (although effected at month end, final valuations for equity securities are not finalized until the first business day of the following month, and the valuation of credit instruments is generally not finalized until the fourth day of the following month). All cross transactions are effected at prices determined in accordance with the valuation procedures established by Owl Creek for all of Funds. With respect to bank debt and similar securities held through special purpose vehicles, Owl Creek adjusts ownership participation through relative participating percentages. Neither Owl Creek nor any related party receives any compensation in connection with these rebalancing transactions. These cross transactions generally will be made without brokerage commissions being charged; except to the extent local market regulations require that transactions be effected on a security or a commodity market, as presently occurs with US Futures, US equity options and Hong Kong equities. (Owl Creek and its affiliates do not receive any commissions or compensation in respect of such transactions). A majority of securities owned by the Flagship Funds are currently being rebalanced. There may be a percentage of investments that Owl Creek does not rebalance due to, among other things, regulatory, business or tax considerations.

Owl Creek may also effect cross transactions for non-rebalancing purposes in accordance with applicable law and the policies set forth herein.

Both the UCITS Sub-Account and the Separate Account will generally not engage in any internal cross transactions with other Owl Creek Clients.

By executing a partnership agreement or subscription agreement, as applicable, each limited partner of a U.S. Fund and shareholder of an Offshore Fund has authorized the General Partner or Investment Manager, as applicable, on behalf of such limited partner or shareholder, to select one or more persons, who will not be affiliated with the General Partner or Investment Manager, to serve on a committee or as an independent representative, the purpose of which will be to consider and, on behalf of investors, approve or disapprove, to the extent required by applicable law, principal transactions and certain other related party transactions (the "Independent

Representative”). The General Partner and Investment Manager have appointed Mayflower Management Services (Bermuda) Limited to serve as the Independent Representative for the Funds.

In addition, the Flagship Funds have invested a portion of their assets in the Asia Funds and the Credit Funds. Such investments are not subject to Management Fees, Incentive Allocations or redemption fees.

A principal or employee of Owl Creek or a related person may, from time to time, serve as a director with respect to companies, the securities of which are purchased on behalf of the Clients. In the event Owl Creek or a related person (i) obtains material non-public information in such capacity with respect to any such company or (ii) is subject to trading restrictions pursuant to the internal policies of Owl Creek, Owl Creek may be prohibited from engaging in transactions with respect to the securities or instruments of such company, which prohibition may have an adverse effect on the Clients.

#### Additional Considerations

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Owl Creek, its affiliates and its personnel (each an “Advisory Affiliate” and, collectively, the “Advisory Affiliates”). Owl Creek 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 the prevailing facts and circumstances.

In addition, Owl Creek may give advice or take action with respect to the investments of one or more Clients that may not be given or taken with respect to other Clients with similar investment programs, objectives, and strategies. Accordingly, although the Clients have similar strategies, they may not hold the same securities or instruments or achieve the same performance. These activities also may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Clients.

The Advisory Affiliates may also have ongoing relationships with companies whose securities are in or are being considered for the Clients. Owl Creek recognizes that conflicts may arise under such circumstances and will endeavor to treat all Clients fairly and equitably.

#### Code of Ethics

Owl Creek strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, Owl Creek has adopted a Code of Ethics (the “Code”). The Code incorporates the following general principles that all employees are expected to uphold: employees must at all times place the interests of clients first; all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility must be avoided; employees must not take any inappropriate advantage of their positions; information concerning the identity of securities and financial circumstances of the Clients, including the Clients’ investors, must be kept confidential; and independence in the investment decision-making process must be maintained at all times.

The Code also places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to Owl Creek on a periodic basis. Owl Creek generally prohibits purchases or short-selling by employees of individual securities or purchases of IPOs. However, employees may be permitted to sell securities held in their personal accounts, purchase securities to cover short positions held in their personal accounts, and engage in certain other transactions, in each case, with appropriate prior written approval. Employees are permitted to purchase and sell uncovered securities (including index funds, treasury securities and certain exchange-traded funds). Some clients may invest in the same or similar instruments. The Code includes restrictions designed to supervise the giving or receiving of gifts and entertainment, and employees' outside business activities. The Code also includes restrictions on certain political contributions and related solicitation activities.

*Investors may request a copy of the Code by contacting Owl Creek at the address or telephone number listed on the first page of this document.*

#### The Altman Family Foundation

The Altman Family Foundation (formerly known as The Jeffrey A. Altman Foundation, Inc.) (the "Foundation"), a charitable foundation for which Jeffrey Altman has investment authority, may purchase or sell the same securities as the Clients; however, Owl Creek has established a policy, as reflected in the Compliance Manual, whereby investment opportunities are generally first allocated to the Clients. Owl Creek may place trades on behalf of the Foundation. Accordingly, the Foundation may be deemed to be a client of Owl Creek. However, neither Mr. Altman nor Owl Creek receive any compensation in respect of the Foundation and Owl Creek does not provide investment recommendations to the Foundation. Note: The Foundation is not included in client counts and Regulatory Asset Under Management as described on page 6 in the "Ownership and AUM" section of Item 4.

#### Restrictions Due to Insider Information

Owl Creek also maintains insider trading policies and procedures (the "Insider Trading Policies") that are designed to prevent the misuse of material, non-public information. Owl Creek's personnel are required to certify to their compliance with the Code, including the Insider Trading Policies, on a periodic basis.

Owl Creek's Insider Trading Policies prohibit Owl Creek and its personnel from trading for the Clients 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, Owl Creek may have access to Inside Information or be restricted from effecting transactions in certain investments that might otherwise have been initiated. Owl Creek 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 Owl Creek, as well as prevent trading based on Inside Information. Accordingly, Owl Creek 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 Owl Creek either may receive Inside Information due to its various activities on behalf of itself or the Clients or may be restricted in acting for the Clients, resulting in limited liquidity or using such information for the benefit of certain clients in specific securities. Owl Creek 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**

In selecting and approving brokers to effect portfolio transactions for the Clients, the factors Owl Creek considers include, but are not limited to: quality of execution, reputation, financial strength, stability, block trading and block positioning capabilities, willingness to execute difficult transactions, willingness and ability to commit capital, access to underwritten offerings and secondary markets, ongoing reliability and financial responsibility, overall costs of a trade, nature of the security and the available market makers, desired timing of the transaction and size of the trade, confidentiality of trading activity, market intelligence regarding trading activity, idea generation, conferences, the receipt of brokerage or research services, and the brokers' facilities. Owl Creek need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Accordingly, if Owl Creek determines in good faith that the commissions charged by a broker are reasonable in relation to the value of the brokerage and research products or services provided by such broker, the Clients may pay commissions to such broker in an amount greater than the amount another broker might charge.

### Soft Dollar Usage

Owl Creek intends that the use of commissions or "soft dollars" to pay for "research" or "brokerage" products or services will come within the safe harbor created by Section 28(e) of the Securities Exchange Act of 1934, as amended.

Generally, eligible research and brokerage products and services provided by broker-dealers may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, market data, market research related to securities (including pre-trade and post-trade analytics, software and other products that depend on market information to generate market research, including research on optimal execution venues and trading strategies) and other products and services providing lawful and appropriate assistance to Owl Creek in the performance of its investment decision-making responsibilities. Eligible brokerage products and services under Section 28(e) also may include communication systems related to the execution, clearing and settlement of securities transactions (i.e., connectivity services to broker-dealers and other relevant parties such as custodians, including dedicated lines and message services used to transmit orders), trading software used to route orders to market centers and software used to transmit orders. Consistent with Section 28(e), Owl Creek will make a good faith determination that client commissions paid to a broker are reasonable in relation to the value of the products or services provided by such broker.

Also, consistent with Section 28(e), research and brokerage products or services obtained with "soft dollars" generated by one or more Clients may be used by Owl Creek to service one or more other Clients, including Clients that may not have paid for the soft dollar benefits. Owl Creek does not seek to allocate soft dollar benefits to Clients in proportion to the soft dollar credits the Clients



generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to Owl Creek (i.e., a "mixed use" item), Owl Creek will make a reasonable allocation of the cost which may be paid for with soft 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 Owl Creek's allocation of the costs of such benefits and services between those that primarily benefit Owl Creek and those that primarily benefit the Clients. The portion of these services that was utilized for non-research or brokerage within Section 28(e) (e.g., compliance, operational and accounting functions) was borne by Owl Creek, and not the Clients. Although at present the Firm does not pay for any mixed-use items with soft dollars, the Firm may elect to do so again in the future.

When Owl Creek uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, Owl Creek receives a benefit because it does not have to produce or pay for such products or services. Owl Creek may consider its receipt of such research or other products or services, as well as other factors, in determining what broker-dealer to select or recommend.

All proposed soft dollar research agreements must be approved by the Compliance Officer, General Counsel, the Chief Operating Officer or the Firm's Brokerage Committee. Certain designated Owl Creek employees, subject to oversight from the Compliance Officer, General Counsel, and the Chief Operating Officer, and/or the Brokerage Committee, in the case of commission sharing arrangements ("CSAs"), review soft dollar products and services periodically to: (1) determine compliance with Section 28(e); (2) confirm soft dollar balances; (3) ensure soft dollar bills are appropriately paid and; (4) as applicable, conduct a mixed-use analysis. The Firm's Brokerage Committee periodically reviews the Firm's overall soft dollar activities. Owl Creek intends to maintain reasonable documentary evidence to substantiate its soft dollar compliance processes.

CSAs are a form of soft dollar arrangement which allow the use of all or a portion of commissions from an executing broker to a third party who has supplied execution services and/or research to an investment manager. The Firm participates in CSAs to pay for research in a manner intended to come within the Section 28(e) safe harbor. Such arrangements are reviewed and approved by the Brokerage Committee periodically as described above.

At least annually, Owl Creek considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of its clients on the basis of that consideration. Broker-dealers 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-dealer may be less than the suggested allocation but can (and often does) exceed the suggested level, because transactions are allocated on the basis of all of the considerations described above. In no case will Owl Creek make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services. The soft dollar disclosures in this section are a brief summary of the procedures followed by Owl Creek in determining how to direct Client transactions to a particular broker-dealer in return for soft dollar benefits received and are not intended to be a full description of such procedures.

MiFID II provisions relating to research and inducements may cause certain European brokers or counterparties to no longer offer the Firm and its clients bundled research as part of their overall execution service. In such cases the applicable advisory clients may pay for such research with hard dollars as described in the expenses section of item 5.

#### Additional Brokerage Considerations

From time to time, brokers (including prime brokers such as Goldman, Sachs & Co., J.P. Morgan Securities, LLC, and Morgan Stanley & Co.) may assist the Funds in raising additional funds from investors, and representatives of Owl Creek may speak at conferences and programs sponsored by such brokers for investors interested in investing in hedge funds. Through such "capital introduction" events, prospective investors in the Funds would have the opportunity to meet with representatives of Owl Creek. Currently, neither Owl Creek nor the Clients compensate any broker for organizing such events or for any investments ultimately made by prospective investors attending such events, nor do they anticipate doing so in the future. Clients may accept subscriptions from investors who also provide services to the Clients, including brokers and their affiliates. Furthermore, certain executing brokers or their affiliates may serve as placement agents for one or more Funds or as advisors and/or distributors of the Sub-Account.

Relationships such as the ones described above could be viewed as creating a conflict of interest that potentially could affect Owl Creek's ability to seek best execution. While our relationship with brokers may influence Owl Creek in deciding whether to use such broker in connection with brokerage, financing and other activities of the Clients, Owl Creek will not commit to allocate a particular amount of brokerage to a broker in any such situation. Furthermore, Owl Creek conducts periodic best execution reviews in an effort to identify and mitigate compliance risks associated with brokerage relationships, and to determine that Owl Creek is obtaining best execution for clients' accounts.

#### Trade Allocation and Aggregation Policies and Procedures

Owl Creek will generally execute transactions for Clients the Firm manages on an aggregated basis when Owl Creek believes that to do so will allow it to seek best execution and to negotiate more favorable commission rates or other transaction costs that might have otherwise been paid had such orders been placed independently. Instances in which client orders will not be aggregated include, but are not limited to, the following:

- Clients directing Owl Creek to use certain broker/dealers, in which case such orders shall be separately effected;
- Traders and/or portfolio managers determining that the aggregation is not appropriate because of market conditions;
- Situations where portfolio managers must effect the transactions at different prices, making aggregation unfeasible;
- Legal and regulatory restrictions or limitations applicable to the Sub-Account under applicable policies (e.g., restrictions on the use of affiliated broker-dealers), or specific restrictions in the applicable investment management agreement; and
- A determination by the portfolio managers not to aggregate orders because of tax, legal, regulatory or administrative reasons. Administrative reasons may include counterparty or unaffiliated investment adviser approvals.

When aggregating orders, all Clients will be treated in a fair and equitable manner. Owl Creek will not aggregate orders unless aggregation is consistent with its duty to obtain best execution. Each Client that participates in an aggregated order will participate equitably, with transaction costs shared *pro rata* based on each Client's participation in the transaction. It is the policy of Owl Creek to allocate investment opportunities for the Clients fairly and equitably, to the extent possible, over a period of time. Owl Creek, however, will have no obligation to purchase, sell or exchange any security or financial instrument for one Client which Owl Creek may purchase, sell or exchange for another Client if Owl Creek believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for a particular Client.

Participation in specific investment opportunities may be appropriate for one or more Clients. Participation in such opportunities will be allocated on a fair and equitable basis, taking into account such factors as the relative amounts of capital available for new investments, (investor) eligibility, regulatory and legal requirements, tax considerations, risk considerations, investment guidelines, and the investment programs and portfolio positions of the Clients for which participation is appropriate, among other relevant factors. Orders may be combined for all such Clients, 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 Client cannot be fully executed under prevailing market conditions (e.g., partial fills), the order may be allocated among the different Clients on a basis which Owl Creek considers fair and equitable. Although the Clients may pursue investment objectives that are similar, the portfolios of the Clients may differ as a result of purchases and withdrawals being made at different times and in different amounts, inflows and outflows of capital, as well as because of different tax and regulatory considerations, including investment restrictions. Owl Creek may give advice and recommend securities to certain Clients which may differ from advice given to, or securities recommended or bought for, other Clients. It is possible, for example, that particular Clients may have a long position in (or be a buyer of) a security in which one or more of the other Clients have a short position (or are sellers).

In accordance with their applicable investment guidelines, the Sub-Account and the Separate Account will generally participate in SPAC securities offerings with allocations determined in accordance with Firm policies.

#### Trade Errors

Pursuant to the exculpation and indemnification provisions in the management agreements, Owl Creek, the General Partner or their respective affiliates or personnel will generally not be liable to the Funds for any error of judgment or for any action or inaction, absent willful misconduct, gross negligence or bad faith, and the Funds will generally be required to indemnify such persons against any losses they may incur by reason of any error of judgment, or any act or omission related to the Funds, absent willful misconduct, gross negligence or bad faith. As a result of these provisions, the Funds (and not Owl Creek, the General Partner or their respective affiliates or personnel) will be responsible for any losses resulting from trading errors and similar human errors, absent gross negligence, willful misconduct or bad faith. Trading errors might include, for example, keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. Given the large volume of transactions executed by Owl Creek on behalf of the Funds, investors should assume that trading errors (and similar errors) will occur and that the Funds will be responsible for any resulting losses, even if

such losses result from the negligence (but not gross negligence) of Owl Creek's personnel. Gains caused by trade errors (or similar errors) will typically be credited to the affected Funds.

The Sub-Account is subject to its own trade error policies, which generally provide that the Sub-Account will receive the benefit of any trade errors, but generally will not be responsible for losses resulting from trade errors. As such, in the event of a trade error by the Investment Manager in respect of the Sub-Account, the Sub-Account will generally be made whole for any losses resulting from such trade error.

### **Item 13 - Review of Accounts**

Owl Creek performs various daily, weekly, monthly, quarterly and periodic reviews of the Clients' portfolios. Such reviews are conducted by the portfolio managers, senior analysts, senior traders, operations and accounting, legal and compliance teams and the Chief Operating Officer.

Investors in the Funds receive a periodic written letter from Owl Creek documenting the performance of the Fund(s) in which they invest. Owl Creek may provide certain investors with information on a more frequent basis if agreed to by Owl Creek. In addition, Owl Creek issues investors written audited financial statements at least annually for the Funds in which they invest, generally within 90 days (but no later than the 120 days prescribed by the Custody Rule) after the end of period to which the audit relates. Owl Creek also issues investors in the U.S. Funds tax reports with respect to their investments in the relevant Funds. Owl Creek provides the advisor to the Sub-Account with periodic reporting as required pursuant to its sub-advisory agreements with such advisor and the policies and procedures applicable to such Sub-Account.

### **Item 14 - Client Referrals and Other Compensation**

There are no sales charges payable to Owl Creek in connection with the offering of interests and shares in the Funds.

Owl Creek may in the future enter, into agreements with other placement agents in connection with the solicitation of investors in the Funds and such agreements may provide for payment to the relevant placement agent of a portion of the subscription amount by investors or ongoing payments to the relevant placement agent based upon a percentage of the Management Fee or Incentive Allocation attributable to the investments introduced by such placement agent. At present, there are no such arrangements with third-party placement agents. Unless otherwise expressly disclosed to an investor, any fees paid to such placement agents that are paid by a Fund will offset the Management Fee or Incentive Allocation otherwise payable or allocable to Owl Creek. If a subscriber is introduced to the Funds through a placement agent, the arrangement, if any, with such placement agent will be disclosed to the subscriber.

### **Item 15 - Custody**

Owl Creek is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each

Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year. Owl Creek does not have Custody of the Sub-Account's assets or the Separate Accounts asset, but these are maintained by a qualified custodian by their primary advisers in accordance with applicable regulations.

## **Item 16 - Investment Discretion**

As noted previously, Owl Creek has full discretionary authority to manage the Clients, 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. Owl Creek's authority is limited by its own internal policies and procedures and each Client's investment guidelines. With respect to the Separate Account, Owl Creek's discretionary authority is limited to the terms of the sub-advisory agreement.

## **Item 17 - Voting Client Securities**

### Proxy Voting Policies and Procedures

The SEC adopted Rule 206(4)-6 under the Advisers Act, which requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In compliance with such rules, Owl Creek has adopted proxy voting policies and procedures (the "Proxy Policies"). The general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities, including interests in private investment funds, if any (collectively, "proxies"), in a manner that serves the best interests of the Clients, as determined by Owl Creek in its discretion, taking into account the following factors: (i) the impact on the value of the investments; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; (iv) industry and business practices; and (v) socially responsible investment considerations applicable to investors in Owl Creek SRI and a desire to vote in accordance with principles set forth by the U.S. Conference of Catholic Bishops. The Firm may also assist the Foundation with voting its proxies.

In limited circumstances, Owl Creek may abstain or affirmatively decide not to vote a proxy where Owl Creek believes it is in the best interest of the Clients, considering such factors as costs and legal restrictions. When applicable, Owl Creek will generally refrain from moving securities out of margin accounts for the express purpose of ensuring the ability to vote, unless Owl Creek determines that it would be in the best interests of the Clients to do so. Not actively segregating securities could potentially result in a loss of the ability to vote shares, if they are re-hypothecated or otherwise unregistered to vote as of record date. The Clients generally do not have the ability to direct voting for a particular situation. Owl Creek's Proxy Policies include procedures to identify and address conflicts or potential conflicts that could arise between Owl Creek's own interests and those of the Clients. In order to avoid the perception of a potential conflict of interest, to the extent record date holdings of the Foundation and the Firm's advisory clients overlap, the Foundation will generally vote in a manner consistent with the other advisory clients (excluding the SRI Fund). To the extent Jeffrey Altman wishes to vote a proxy on behalf of the Foundation in a manner inconsistent with the above, the Foundation's fiduciaries will inform the Firm's Compliance Officer or General Counsel, who will be required to evaluate and approve the decision. In the event that a material conflict of interest is found between Owl Creek and the Clients in voting proxies, Owl Creek will follow requirements in its Proxy Policies to ensure the proxy is voted in the best interests

of the Clients. Owl Creek utilizes Glass, Lewis & Co. to assist in the coordination, voting, and record-keeping of proxies.

*Investors may request a copy of the Proxy Policies and the proxy voting record by contacting Owl Creek at the address or telephone number listed on the first page of this document.*

#### Class Action Lawsuits

From time to time, Owl Creek may receive notices or initiate claims regarding class action lawsuits involving securities that are or were held by the Clients. Owl Creek reserves the right to serve as the lead plaintiff in class action matters. Owl Creek may refrain from submitting proofs of claim where it believes that either the recovery amounts are likely to be negligible or it cannot be assured of confidential treatment of the data submitted in connection with the proof of claim.

### **Item 18 - Financial Information**

Owl Creek is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.