
Old Bellows Partners L.P.

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This Brochure provides information about the qualifications and business practices of Old Bellows Partners L.P. (“Old Bellows”). If you have any questions about the contents of this Brochure, please contact us at (212) 355-5600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Old Bellows is an investment adviser registered with the SEC. Registration with the SEC does not imply any level of skill or training.

Additional information about Old Bellows also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – MATERIAL CHANGES

This Item 2 discusses material changes to this Brochure that occurred since the last annual update of this Brochure filed on March 30, 2022. All undefined terms have the meanings ascribed to those terms in the Brochure.

Item 8 – The Firm has disclosed that it may allocate a portion of Client assets (no more than 5%) to investments in the most liquid digital assets (Bitcoin and Ether) and has added a risk factor regarding these assets.

Item 8 – Updates have been made to the risk factors regarding (1) Market Volatility; (2) Derivatives; (3) Epidemics and Pandemics; and (4) Disaster Recovery and Data Security. The Firm also has added risk factors describing (1) Increased Governmental and Regulatory Scrutiny; Litigation and Regulatory Risks; (2) Market Illiquidity; (3) Termination of Trading Agreements with Brokers and (4) Risks of Trading Digital Assets. Finally, the Firm has renamed the risk factor “Failure of a Broker” as “Failure of a Financial Intermediary” and updated the risk factor including a discussion of the failure of several U.S. insured depository institutions in March 2023 and the general market uncertainty related thereto.

Item 11 – The Firm has changed its personal trading policy with respect to Employees trading on the same day as Affiliated Clients and has included a description of that personal trading policy in Item 11.

Item 11 and Item 17 – Effective September 1, 2022, Todd Jablonsky became the Chief Compliance Officer of the Firm. Mr. Jablonsky replaced the Firm’s former Chief Compliance Officer who left the Firm voluntarily. As a result, Item 11 has been amended to note that the Firm’s Code of Ethics is available to Clients or prospective Clients upon request from Mr. Jablonsky instead of the former Chief Compliance Officer. Similarly, Item 17 has been amended to note that the Worldwide Funds Class A may obtain Old Bellows’ proxy voting policy or a record of Old Bellows’ proxy voting for the Worldwide Funds Class A by contacting Mr. Jablonsky instead of the former Chief Compliance Officer.

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Item 4 – ADVISORY BUSINESS

Old Bellows and its affiliates provide discretionary investment management services regarding securities and other financial instruments. Old Bellows currently provides discretionary investment management services to Class A the Scoggin Worldwide Funds Class A (“Worldwide Funds Class A”) which are a group of funds structured in a master-feeder arrangement. In addition, Old Bellows is the investment manager of the Scoggin Worldwide Funds-Class X (“Worldwide Funds Class X” and together with the Worldwide Funds Class A, the “Worldwide Funds”). The Scoggin Class X Worldwide Fund is organized as a separate class in the same master-feeder arrangement as the Worldwide Funds Class A. The Worldwide Funds Class X were launched in March 2019.

Old Bellows has appointed Athena Partners Management LLC (“Athena”) to act as a discretionary sub-advisor for the Worldwide Funds Class X. Athena is affiliated with Old Bellows and is registered with the SEC as a relying adviser (“Relying Adviser”) of Old Bellows under a single Form ADV filing. Old Bellows and Athena are collectively referred to throughout this Brochure as the “Firm.”

The Worldwide Funds are currently only owned by related persons of Old Bellows or its associated persons. In the future, the Firm may advise separately managed accounts (“Separate Account Clients”) of individuals and/or entities who meet the definition of “qualified client” in Rule 205-3 under the Investment Advisers Act of 1940, as amended (“Advisers Act”) and other pooled investment vehicles (“Pooled Investment Vehicles” and together with the Worldwide Funds and Separate Account Clients, “Clients”). For the avoidance of doubt, as of the date of this Brochure, the Firm’s only Clients are the Worldwide Funds but may in the future also include Separate Account Clients and/or Pooled Investment Vehicles.

The Firm directly or indirectly invests on behalf of Clients in securities of distressed companies, bank debt, high yield bonds, investment grade bonds, U.S. government securities, trade claims and other special situations. In addition, Scoggin may invest in the most liquid digital assets (i.e. Bitcoin and Ethereum) with a limited portion of a Client’s assets. Old Bellows is responsible for all of the investment and trading activities of the Clients. The investment objectives, strategies, fees and risks of the Worldwide Funds Class A and other material information regarding such funds are set forth more fully in the Worldwide Funds Class A confidential offering document (the “Memorandum”), which is available to investors and qualified prospective investors with whom Old Bellows or its agents have a pre-existing substantive relationship.

Old Bellows is a Delaware limited partnership established in 2006. The principals of Old Bellows are (i) Old Bell Associates LLC, a Delaware limited liability company, (ii) Dev Chodry, and (iii) Scoggin Management LP (“Scoggin”), the successor to Scoggin LLC and an affiliate of Old Bellows that is also a registered investment adviser.

Athena is a New York limited liability company established in 2019. Athena’s principals are JMF Investments Inc. and Liquid Consultants LLC which are wholly-owned by Jason Fishoff and Paul Marx, respectively. Old Bellows is the manager of Athena and will oversee Athena’s trading

activities. For additional information about Athena, see Schedule R of Old Bellows' Form ADV Part 1A.

Dev Chodry is the Chief Investment Officer of Old Bellows and Chief Investment Officer for Distressed Credit Strategies at Scoggin. Craig Effron and Curtis Schenker, principals of Scoggin, are the Co-Chief Investment Officers for Event-Driven Strategies at Scoggin. Scoggin also acts as investment adviser to private investment funds including (1) its flagship funds ("Flagship Funds") which include Scoggin Capital Management II LLC, Scoggin Capital Management LLC and Scoggin Overseas Fund Ltd. (collectively, the "Scoggin Feeder Funds") and Scoggin International Ltd., which functions as the "master fund" in which the Scoggin Feeder Funds invest all of their investable assets; and (2) certain other private investment funds (together with the Flagship Funds, the "Scoggin Funds" and the Worldwide Funds and the Scoggin Funds, collectively, the "Affiliated Funds"). In addition, Scoggin may in the future manage other types of accounts (such other accounts, the Scoggin Funds and Clients, collectively, the "Affiliated Clients").

Old Bellows had approximately \$26,491,000 of regulatory assets under management on a discretionary basis as of December 31, 2022. Athena had approximately \$1,537,000 of regulatory assets under management on a discretionary basis as of December 31, 2022. The Firm does not manage assets on a non-discretionary basis.

Item 5 – FEES AND COMPENSATION

In connection with its management of the Worldwide Funds Class X, Athena receives, depending on the type of instrument involved, 50% or 57.5% of any "cumulative net profit," on all closed transactions earned by the Worldwide Funds Class X as of the end of each calendar month, which amounts will be paid by the 30th day of the next succeeding month. "Cumulative net profits" means the gross profits of the Worldwide Funds Class X as of the end of each calendar month minus (i) any expenses incurred by the Worldwide Funds in respect of, or related to, the Worldwide Funds Class X during such month, including without limitation, custodial fees, administration fees, brokerage commissions, mark-ups, clearing fees, interest fees and withholding or transfer taxes, as well as the pro rata portion of the Worldwide Funds' accounting, audit and legal fees attributable to Worldwide Funds Class X; and (ii) any carryforward losses in the Worldwide Funds Class X from prior calendar months.

The Worldwide Funds' administrator calculates the compensation due from the Funds. Once Old Bellows approves the administrator's compensation calculations, the Worldwide Funds Class X compensation is paid to Athena. All performance-based compensation allocated to the Firm or its affiliates is made in conformity with Rule 205-3 under the Advisers Act.

Currently, the Worldwide Funds Class A do not pay any management fees or performance-based compensation.

Each Worldwide Fund is also responsible for its (i) ongoing expenses, including, without limitation, legal, accounting, auditing, tax preparation (if applicable), and related charges,

insurance costs, and filing and other regulatory fees; (ii) directors fees and expenses (if applicable); (iii) administrators' fees and expenses; (iv) expenses associated with the offering of interests and/or shares, including, but not limited to, regulatory filing fees, legal, printing, solicitation and other related expenses; (v) operational expenses, including, but not limited to, photocopying, postage, telephone and facsimile expenses; and (vi) extraordinary expenses (including litigation costs and indemnification obligations), if any. In addition, each Worldwide Fund is also responsible for all transaction costs and investment related expenses incurred directly or indirectly in connection with its trading activities, including, without limitation, (i) execution and clearing charges; (ii) custodial charges; (iii) dealer markups; (iv) interest; (v) consulting fees; (vi) other investment related expenses; (vii) legal charges directly related to investment activities; (viii) its proportionate share of the expenses of any entity in which it invests; and (ix) other expenses routinely incurred by investment managers engaged in investment activities similar to those of such Worldwide Fund or otherwise determined by Old Bellows or its affiliate to be beneficial to the proper performance of its investment activities for such Worldwide Fund.

When more than one Affiliated Fund incurs a shared expense, Old Bellows or an affiliated entity allocates such shared expense among the applicable Affiliated Funds (i) in proportion to the net asset value of each applicable Affiliated Fund; (ii) in proportion to the size of the investment made by each Affiliated Fund to which the expense relates; or (iii) in such other manner as Old Bellows or its affiliated entity considers fair and reasonable. At any time, Old Bellows or its affiliates can elect to bear certain Affiliated Fund expenses, but have no obligation to do so.

When a particular product or service has a mixed-use such that only a portion of its costs constitutes allowable Affiliated Fund expenses, Old Bellows or its affiliate makes a good faith effort to reasonably allocate the costs of such product or service according to its use and only allocates to each applicable Affiliated Fund the portion of such costs that constitutes allowable expenses for such Affiliated Fund. Those portions of the costs that are not allowable Affiliated Fund expenses and are not otherwise eligible to be paid by another entity are paid by Old Bellows or its affiliates. In allocating the costs of a mixed-use product or service, Old Bellows or its affiliate has an incentive to designate as much of the costs as possible to allowable Affiliated Fund expenses to minimize the amount that Old Bellows or its affiliates must pay directly. To address this conflict of interest, Old Bellows or its affiliate maintains documentation of its methodology for allocating the costs of mixed-use products and services between allowable and non-allowable Affiliated Fund expenses. Such documentation is reviewed periodically by the Firm's Chief Compliance Officer to determine that the allocations were reasonable.

The Firm has the ability to modify fees for Clients or investors on a case-by-case basis.

Fees for Separate Account Clients and Pooled Investment Vehicles will be negotiated on a case-by-case basis between the Firm and the Separate Account Client and/or the Pooled Investment Vehicle. The terms of such arrangements may differ from those applicable to the Worldwide Funds. Such Client accounts managed by the Firm will incur certain charges imposed by custodians, brokers and other third parties, such as commissions, custodial fees, and other fees and taxes on brokerage accounts and securities transactions, in addition to the Firm's investment management fees.

See Item 12 below for additional information about brokerage charges.

Item 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As noted in Item 5, Athena's compensation is based on net profits. Compensation related to performance create an incentive for Athena to make investments that are riskier or more speculative than those that would be recommended under a different fee arrangement. Such compensation arrangements also create an incentive to favor accounts that pay higher compensation over other accounts in the allocation of investment opportunities.

The Affiliated Funds have differing management and performance fee structures. Such differing fee structures create certain conflicts of interest between the Firm and its affiliates given the side-by-side management by the Firm and its affiliates of such Affiliated Funds. See Item 10 for a discussion of the Firm's affiliation with other investment advisers and policies and procedures to mitigate any conflicts of interest arising from such relationships and the side-by-side management of Affiliated Funds with different fee structures.

Item 7 – TYPES OF CLIENTS

The Firm provides investment management services to U.S. and non-U.S. Funds. Each Worldwide Fund has a minimum investment requirement for investors. The minimum investment amount for the Worldwide Funds Class A is set forth in the Memorandum. The minimum investment amount for the Class X Worldwide Fund is the same as is set forth in the Memorandum. The minimum investment amount is waivable in the general partner's or managing member's discretion, in the case of U.S. Funds, or the board of directors' discretion in the case of non-U.S. Funds. Investors in the Worldwide Funds Class A are also required to meet certain eligibility standards as set forth in the Memorandum. The eligibility standard for the Class X Worldwide Fund, is the same as set forth in the Memorandum.

Old Bellows may also from time to time provide investment management services to Pooled Investment Vehicles and a limited number of Separate Account Clients, which generally are expected to be institutions. Any such Clients will be accepted on a case-by-case basis.

Item 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

Old Bellows

Old Bellows uses a multi-disciplined investment approach that relies on fundamental analysis to take advantage of market opportunities and mispricings and to realize gains when investments reach Old Bellows' price targets. Old Bellows' main sources of information include general sources of news and analysis, news releases, industry publications, industry analysts and sales people, industry research, and company specific information (e.g., indentures and financial

statements). Old Bellows representatives may also attend industry conferences, visit the offices of target companies and perform other types of due diligence on its investments for Clients.

Old Bellows intends to maximize capital appreciation of its assets and investment income by investing primarily in securities of distressed companies, bank debt, high yield bonds, trade claims and other special situations. Secondly, Old Bellows will seek attractive opportunities in other event-driven strategies such as spin-offs, restructurings and mergers.

Old Bellows has the ability to make a broad range of investments (including derivatives and certain digital assets) for Clients and to act opportunistically. Clients will, to a limited extent, invest in securities in which trading may be restricted under the Securities Act of 1933 Act, as amended. Old Bellows sometimes uses leverage to attempt to increase returns to Clients.

Old Bellows invests directly and indirectly for Clients utilizing the investment strategies described below. Additional information regarding the investment strategies for the Worldwide Funds Class A is set forth in the Memorandum.

1. Distressed Companies; Issuers of High Yield Securities. Clients invest principally in high yield and distressed bonds and bank debt. High yield bonds generally are defined as bonds that are rated BBB-or lower by Standard & Poor's. Distressed bonds generally are defined as bonds that have a yield to maturity that is more than 10% above U.S. government bonds of similar maturities. Clients focus principally on bonds that are senior and/or secured, which Old Bellows believes are likely to mature or be refinanced at par. Clients also will invest in junior bonds if Old Bellows believes that they are attractively valued. In some instances, a Client will invest in bonds that have defaulted, or are likely to default in the belief that the bonds will be restored, exchanged for equivalent or greater value, or converted into equity of the issuer at an attractive valuation. Clients also purchase securities, including common stock, of formerly distressed companies.

2. Trade Claims. Clients invest in claims held by trade creditors in Chapter 7 and Chapter 11 bankruptcy cases. The claims in which Clients invest primarily are expected to be general unsecured claims, but Clients also invest in secured or other claims with priorities for recoveries in bankruptcy. Clients perform diligence into the enforceability and likely recoveries of each of these claims. Claims are purchased utilizing contracts that include customary representations, warranties and covenants, and in some cases, indemnities and recourse in the event that the claims are deemed unenforceable following their purchase. Trade claims generally trade at a discount to claims of bondholders even though the two claim types lead to the same recovery in the bankruptcy case. This discount is due in part to a difference in liquidity, as well as to the time and expense of performing diligence into, and documenting, a purchase of a trade claim. Therefore, trade claims are attractive because they offer the potential for Clients to recognize greater profits than do bond claims.

3. Mergers. When an exchange offer or a proposal for a merger is publicly announced, the value of the securities proposed to be issued by the acquiring entity typically is greater than the market price of the securities of the target company for which they are to be exchanged. If Old Bellows finds it probable that the transaction will be consummated, or that another merger proposal will be made, a Client may purchase shares of the target company or purchase call options involving the underlying security.

4. Corporate Restructuring. Companies from time to time engage in restructuring transactions, such as self-tender offers or debt-for-equity or other exchange offers. If Old Bellows believes it is probable that an announced restructuring transaction will be consummated and that the value to be received in the transaction will be greater than the current market price of the securities to be exchanged, it may purchase such securities for Clients.
5. Spin-offs. A spin-off is a form of corporate divestiture that results in a subsidiary or division of a company becoming an independent entity. As a result of such divestiture, shares of the new entity are distributed pro-rata to the parent corporation's shareholders. Old Bellows will evaluate the proposed spin-off, and if Old Bellows believes that the transaction is likely to increase the value of the securities of the parent, it may purchase securities of the parent for Clients. If the transaction is consummated, the Client would expect to realize a profit from the increase in the value of the securities purchased. The Client also may purchase the shares of the new entity following the spin-off if an extraordinary perceived value exists.
6. Short Sales. Clients make short sales of securities which Old Bellows believes are overvalued. A short sale is a transaction in which the Client sells a security it does not own in anticipation of a decline in market price. The profit realized, if any, will be the price differential between the price received in the short sale and the cost of the securities purchased to cover the short sale. However, a loss is likely to be suffered if the price of the security which was sold short rises, thereby increasing the cost to purchase securities to cover the short sale.
7. Use of Options. Where deemed appropriate by Old Bellows a Client will engage in options transactions either in lieu of, or in combination with, the purchase of the underlying securities. A Client buys and sells only those options that are listed on a national securities exchange and/or over-the-counter options. Stock options give the purchaser the right to purchase or sell an individual stock at a certain price during a certain time period. Options on the stock indices are similar to the options on individual stocks described above, except they are based upon an index.
8. Leverage/Borrowings. A Client sometimes employs leverage when Old Bellows deems it appropriate to do so by buying securities on margin and by arranging with banks, brokers and others to borrow money. Historically, Clients have employed leverage through borrowings to a limited extent and Old Bellows expects that it will continue to use leverage on a limited basis in the future. Leverage also is employed in connection with trading futures and other derivatives, which are inherently leveraged.
9. Derivatives. A Client also engages in various derivative transactions in futures contracts, forward contracts and options thereon for hedging, or possibly for speculative purposes. Swap transactions also are effected. The foregoing transactions generally involve foreign currencies, financial instruments, metals and other instruments and commodities. A Client also engages in trading mortgage-backed securities and similar instruments.
10. Loan Participations. A Client may, in certain isolated cases (generally no more than 5 per year) purchase an interest in a primary loan made to a company with which Old Bellows is familiar. Typically, in such circumstances, such a company, in need of a capital infusion, would retain an agent to structure a loan. The Client would then purchase from that agent all or some portion of such loan. These loans generally will be illiquid and have no secondary market, although they are

expected to have high yields (as compared to more conventional loans.) No more than 10% of a Client's Net Asset Value will be allocated to such instruments at any one time.

11. Investment in Digital Assets. Old Bellows may allocate a portion of Client assets (no more than 5%) to investments in the most liquid digital assets (Bitcoin (BTC) and Ether (ETH)). Old Bellow will either purchase BTC (or ETH) directly or will access these investments on the Grayscale Exchange. Old Bellows believes that a limited exposure to this asset class will diversify Client's portfolios and offers the potential to generate gains (although it also may result in losses).

Old Bellows is also permitted to make such other investments as it may determine, in its sole discretion, to be potentially profitable, whether or not such investments are within the investment strategies discussed above.

There can be no assurance that a Client will achieve its investment objective or that the strategies pursued and methods utilized by Old Bellows will be successful under all or any market conditions.

Athena

Athena's investment strategy involves the buying and selling of investment grade bonds and government securities on a short term basis. Athena leverages its relationships in the investment grade credit universe to implement its short term liquidity based trading model. Athena's short term trading strategy capitalizes on a need for liquidity in the investment grade credit markets because primary market makers are providing less liquidity than they historically have provided due to specific regulatory considerations. Such regulatory considerations do not apply to Athena. Athena also purchases high yield corporate bond initial public offerings ("IPOs") for the Worldwide Funds Class X.

Material Risks

General Risks

All trading by the Firm will be subject to the following risks.

- Risk of Loss. Investing in securities involves a risk of loss that Clients and investors should be prepared to bear.
- Market Illiquidity. Securities and derivatives thereon cannot always be liquidated at the desired price. In particular, it is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. Market disruptions, which may occur when governments take or are subject to political actions that disrupt the markets in their currency or their major exports, or when exchanges impose trading halts, circuit breakers, or other trading limitations or restrictions, can also affect market liquidity thereby making it difficult to liquidate a position. Periods of illiquidity have occurred from time to time, such as in connection with the 2008 global financial crisis. These periods of illiquidity and the events that trigger them are difficult to predict, and there can be no assurance that the Firm will be able to do so. There can be no assurance that market illiquidity will not cause losses for Clients.

- Market Volatility. Investments in securities are subject to the risks of market volatility, which may be severe. Such market volatility may be caused by, among other things, unpredictable domestic and international economic and political events, wars, governmental actions and sanctions, high government debt levels and credit rating downgrades, disruptions in the oil and gas markets and global supply chains, inflation, rising interest rates, epidemics, pandemics and overall financial market uncertainties and instability that, in turn, may cause sudden and severe reductions in the value of a Client's investments and/or the ability of the Worldwide Funds to respond on a timely basis to redemption requests, in whole or in part. Governments and applicable regulators from time to time intervene, directly and through regulation, in certain markets, often with the intent to influence prices. For example, in response to market conditions resulting from the COVID-19 pandemic, various regulators have imposed (and may in the future impose) limits or prohibitions on engaging in short sales, potentially impeding the ability of Old Bellows to fully execute its trading strategies. The short-term performance of a Client's investments may fluctuate significantly, although Old Bellows seeks to achieve gains over the longer term.
- Trading Agreements with Brokers May be Amended or Terminated. Client trading activities are conducted with several brokers or other financial intermediaries. These relationships are governed by negotiated agreements that can be amended or terminated, including upon the occurrence of a variety of events related to a Client, such as bankruptcy or failure to maintain required regulatory licenses or registrations. If any such event occurs, the counterparty may, depending on the terms of the agreement, have the ability to immediately terminate the relationship or change certain terms of the agreement, such as applicable financing rates. Any such termination or amendment can have an adverse effect on the Client's ability to continue to trade with that financial intermediary or the profitability of the Client.
- Failure of a Broker. The Firm is subject to the risk of failure of the brokerage and futures commission merchant ("FCM") firms that execute its trades, the clearing firms that such brokers and FCMs use, the clearing houses of which such clearing firms are members, its derivative counterparties and/or the prime brokers and the custodians where the Firm custodies Client assets (collectively, "Financial Intermediaries"). In relation to a Client's right to the return of assets equivalent to the Client's investment to which legal and beneficial title has been transferred to a Financial Intermediary, the Client will rank as one of such Financial Intermediaries' unsecured creditors and, in the event of the insolvency of the Financial Intermediary, the Client may not be able to recover such equivalent assets in full. In addition, when a Financial Intermediary acts in the capacity of a broker, clearing firm, clearing house, prime broker and/or custodian and such Financial Intermediary becomes insolvent or bankrupt or is placed into receivership (as applicable depending upon entity type), there can be no guarantee that the assets of the Financial Intermediary (including, but not limited to, a Client's assets held at a prime broker and/or as "deposits" at insured depository institutions, held pursuant to any applicable federal or state law) will be sufficient to satisfy all creditor claims, including those of the Client. Even if the Client does not lose the assets on deposit with such Financial Intermediary, the Client could incur market losses as a result of financial difficulties at such institutions (including, but not limited to, situations in which the Firm may be unable to gain immediate access to the assets of the Client and/or execute transactions through its Financial Intermediaries). For example, in March 2023, several U.S. insured depository

institutions failed and the FDIC was appointed as receiver for such institutions after the respective entities experienced a “run” by anxious depositors. Related to these failures, U.S. federal banking regulators, in an effort to stabilize the U.S. and international financial markets, (A) exercised their “systemic risk” authority in connection with the failure of these institutions to announce that deposit insurance would extend to all deposits held by these institutions regardless of the amount of such deposit or the capacity in which such deposit was held; and (B) announced the creation of a short-term funding program (the Bank Term Funding Program) that allows nearly all U.S. financial institutions to favorably borrow from the Federal Reserve Board against assets valued at par. In light of these events, as well as financial stresses that are being reported by non-U.S., globally significant financial institutions, U.S. and international financial markets currently face uncertainty. The ultimate effect that these events have on U.S. and international financial markets remains unclear; further, it is not possible to predict the potential regulatory and political responses that will be adopted in an effort to mitigate or thwart market instability related to these and future economic shocks. As such, there can be no assurance that any FDIC-insured depository institution (or other Financial Intermediary) with which a Client has exposure will not suffer financial difficulties similar to, or more significant than, those experienced by the U.S. insured depository institutions that have failed to date in 2023.

- Increased Governmental and Regulatory Scrutiny; Litigation and Regulatory Risks. Governmental scrutiny of the financial services industry has increased dramatically in the past several years. Routine and targeted examinations of hedge fund managers and hedge funds have increased and regulators have been more likely in recent years to commence investigations and bring enforcement actions against industry participants. Responding to examinations, investigations, and enforcement actions is both time consuming and expensive, and would divert the time and effort of Old Bellows’ senior management from managing Client assets. The extent of an Affiliated Fund’s and Old Bellows’ exposure to legal and regulatory matters is unpredictable.
- Disaster Recovery and Data Security. In implementing investment strategies, the Firm relies heavily on information technology and data management systems, which can fail or be subject to interruption or destruction caused by natural or man-made occurrences such as extreme weather, fires or earthquakes; power loss or computer network or telecommunications failures, quarantines and other mobility and/or access restrictions, widespread or prolonged loss of access to key personnel; usage errors by personnel; infiltration by unauthorized persons, including through malware, ransomware, hacking, and other forms of cyber attacks, some of which may not be detected for an extended period of time (“Cyber Attacks”); terrorist attacks, hacking, break-ins, sabotage, intentional acts of destruction, vandalism, or similar events or misconduct. With the increasing interconnectedness of our global economy, a massive Cyber Attack aimed at a country’s critical infrastructure and economic systems may create chaos more catastrophic than a terrorist attack, natural disaster, or pandemic. Any failure, interruption, or destruction of the Firm’s information technology systems or data could have a material adverse impact on Clients and the operations of the Firm. In addition, a breach in the security of the Firm’s systems could result in the theft, disclosure, or loss of investor, proprietary, and other sensitive information relating to a Client, which in turn could lead to litigation in which a Client could incur liability. The Firm has in place information security,

incident response, backup, and disaster recovery procedures intended to prevent or mitigate damage if such an event occurs. However, a breach could nevertheless occur, and such procedures could fail or be insufficient to avoid, mitigate, or remedy the breach. Moreover, the ever-changing methods and technologies used to obtain unauthorized access to systems through means such as third-party acts, computer error, malicious code, employee error, or malfeasance often are not known until used against a potential target. Therefore, the Firm may be unable to anticipate the destructive or invasive methods and technologies that could be used against its systems or to implement adequate protections.

- Epidemics and Pandemics. Many countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and, currently, COVID-19 (commonly known as the “CORONAVIRUS”). The epidemic or pandemic outbreak of an infectious disease in a country or region of the world or globally, together with any resulting restrictions on travel, transportation or production of goods or quarantines imposed, could have a negative impact on the national, regional or global economy and business activity in any of the countries in which Old Bellows may invest and thereby adversely affect the performance of Client investments. While the economic impact of the ongoing global outbreak of the CORONAVIRUS is presently uncertain, such outbreak and any future outbreak of an infectious disease or any other serious public health concern in a country, region or globally could materially harm Client investments. Specifically, a continuation or escalation of the CORONAVIRUS outbreak could see a continual and drastic decline in global economic growth resulting in, among other things, recessions or depressions. In addition, the CORONAVIRUS has led to significant volatility in the securities markets and the CORONAVIRUS and any future outbreak of an infectious disease or any other serious public health concern may lead to additional volatility and illiquidity of the Client investments. The CORONAVIRUS could also lead to the imposition of emergency or extraordinary regulatory restrictions on markets and trading activities, which could materially harm Client investments. The CORONAVIRUS and any future outbreak of an infectious disease or any other serious public health concern may also lead to significant interruption in normal business activity of Old Bellows and the Clients’ other service providers which could negatively affect the performance of Client accounts. One such interruption is long term remote working by Old Bellows employees which could cause delays in processing of important mail, changes in supervision of Old Bellows employees, changes in responsibilities of employees, information technology failures and other disruptions to normal business operations that could negatively affect the performance of Client accounts.

Old Bellows

A brief explanation of the material risks associated with Old Bellows’ significant investment strategies and methods of analysis follows. Additional risk information for the Worldwide Funds Class A is set forth in the Memorandum.

- Purchases of Securities and Other Obligations of Financially Distressed Companies. A company in financial distress may announce a restructuring plan, either in the form of a court-supervised bankruptcy or insolvency proceeding, or an out-of-court restructuring of its indebtedness and other liabilities. An investment in such distressed company’s securities may

be made if Old Bellows believes that a successful restructuring or reorganization is likely to be completed and that the value of the new securities to be received, plus cash or any other consideration, if any, exceeds the current market price of such securities. Securities or other assets or investments acquired by a Client may have to be held for extended periods of time. Proposed reorganizations of companies that issue distressed securities may not be consummated, or may be significantly delayed, for several reasons, including: opposition by the management or shareholders of the company or companies involved in the reorganization, opposition by regulatory agencies whose approval may be required; discovery of undisclosed facts during the process of legal or commercial due diligence or by other means; a dispute over price or other terms among the parties to a negotiated reorganization; litigation; a material adverse change in the business of the company or companies involved in the reorganization or the securities markets generally; passage of legislation by governmental entities restricting certain types of reorganizations and other circumstances, including, but not limited to, the failure to meet certain conditions customarily specified in acquisition agreements. In addition, the markets for these securities may be illiquid and therefore significantly impair the Client's ability to buy or sell at advantageous prices.

- High Yield Securities. Clients may invest in “high yield” bonds and preferred stock that are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher rated securities and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and dividends and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of a deterioration of general economic conditions. Because the marketplace generally perceives that there are greater risks associated with the lower rated securities, the yields and prices of such securities may tend to fluctuate more than those of higher rated securities. The market for lower rated securities is thinner and less active than that for higher rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower rated securities, whether or not based on fundamental analysis, is likely to be a contributing factor in a decrease in the value and liquidity of such lower rated securities. Further, the markets for these securities may be illiquid and therefore significantly impair a Client's ability to buy or sell at advantageous prices.
- Speculative Purchases of Securities. Old Bellows may make speculative purchases of securities that it believes to be undervalued, or securities in which a significant position has been taken by one or more other persons, or securities in an industry or related industry where companies have been the subject of acquisition attempts. There can be no assurances that securities that Old Bellows believes to be undervalued are in fact undervalued, or that undervalued securities will increase in value. If a Client purchases securities in anticipation of an acquisition attempt or reorganization that does not in fact occur, the Client likely will experience losses. Further, a substantial period of time may elapse between the Client's purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Client's assets would be committed to the securities purchased and the Client may finance such purchase with borrowed funds on which it will have to pay interest.

- Speculative Short Sales of Securities. Old Bellows also sells short certain securities which it believes are overvalued. There can be no assurances that securities which Old Bellows believes to be overvalued are in fact overvalued, or that overvalued securities will decrease in value. If the price of such securities increases, a Client may be forced to cover its short position at a higher price than the short sale price, resulting in a loss. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. Furthermore, if a Client has sold short the securities offered in an exchange offer or merger and has purchased the securities of the target company, the Client is exposed to the risk that, if the transaction is not consummated, it will likely suffer losses with respect to both its long and short positions.
- Options Trading. Old Bellows may engage in options transactions, either in conjunction with or in lieu of investing in underlying securities. There are risks inherent in the sale and purchase of stock options and stock index options. The seller (writer) of a covered call option (e.g., the writer has a long position in the underlying security) assumes the risk of a decline in the market price of the underlying security to a level below the purchase price of the underlying security, less the premium received on the call option. The writer of a covered call option also gives up the opportunity for gain on the underlying security above the exercise price of the call. The writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing the premium invested in the option. If the buyer of the call sells short the underlying security, the loss on the call is offset in whole or in part by any gain on the short sale of the security (if the market price of the underlying security declines.) Old Bellows may purchase put options with respect to securities it anticipates receiving in an exchange offer or merger. If the proposed transaction is not consummated, the exercise price of the put options held by the Fund may be lower than the market price of the underlying securities, with the result that the options will not be exercised and the premiums paid will not be recovered. If Old Bellows has purchased put options with respect to securities that are the subject of a proposed cash tender offer or cash merger and the transaction is consummated, Old Bellows may not exercise its options and may lose the premiums paid therefor.
- Leverage Through Borrowings. Old Bellows sometimes uses borrowed funds in order to make investments. To the extent borrowings are used to create leverage, the risk of loss (and the possibility of gain) is increased in direct proportion to the level of a Client's borrowings. The level of interest rates generally, and the rates at which a Client can borrow in particular, will be an expense of the Client and therefore affect the operating results of the Client.
- Special Risks Associated with Digital Assets. While the market for BTC and ETH (each, a "Digital Asset" and collectively, "Digital Assets") is among the most liquid of all cryptocurrencies, the value of a Digital Asset can go up and down and there is a substantial risk that of loss associated with buying, selling, holding or investing in Digital Assets. Digital Asset transactions generally are irreversible, which may enhance the potential for loss. Digital Assets are subject to a great deal of uncertainty and fluctuations with respect to regulatory treatment, price discovery, volatility, and potential liquidity issues. Digital Assets credited to the Client accounts are not subject to the protections or insurance provided by regulatory insurance programs. The opaque underlying market of Digital Assets gives rise of increased risk of manipulation and fraud. In addition the loss, theft or destruction of a Digital Asset's

“private key” (the unique set of characters that are required to access the Digital Asset) could result in a total loss of an investment in the Digital Asset. Digital Asset exchanges and other intermediaries are new and largely unregulated and can be exposed to fraud, theft, operational issues, security breaches and cyberattacks, even more so than regulated exchanges. There is no assurance that the Digital Asset market, the technology or the service providers necessary to accommodate it will continue to support Digital Assets or will continue to grow or even exist.

- Trade Claims. Trade claims represent the monies a company owes to its vendors and are usually unsecured. Trade claims may be, or may become, relatively illiquid and may have no ascertainable market value. Trade claims are often thinly traded and may be subject to transfer restrictions, including contractual limitations prohibiting the disposal of the trade claims or the proceeds thereof, for a specified period of time. Clients ability to trade and to timely liquidate trade claims may be subject to legal risks, including the risks that the trade claims are not timely filed, may be expunged and the risk of fraud by trade vendors or risks inherent in the vendor’s creditworthiness.
- Risks From Hedging Activities. Old Bellows may, from time to time, employ various hedging techniques to reduce the risk of highly speculative investments. There remains a substantial risk, however, that hedging techniques will not always be effective in limiting losses. If Old Bellows analyzes market conditions incorrectly or employs a strategy that does not correlate well with a Client’s investments, the Client’s hedging techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These hedging techniques may also increase the volatility of a Client’s account, may involve a small investment of cash relative to the magnitude of the risk assumed or result in a loss if the other party to the transaction does not perform as promised.
- Derivatives. Old Bellows may enter into derivatives contracts, in which the payment obligations of the parties are defined by reference to chosen market measures. Such derivatives may be linked to interest rates, currencies, credit and/or securities and may take the form of futures and forward contracts, swaps, swaptions, options, caps, collars and floors and other similar contracts. Old Bellows may also invest in hybrid instruments mixing features of a debt security with those of a derivatives contract. Derivatives and hybrid instruments may be traded on exchanges or over-the-counter. Derivatives may expose Clients to different or increased risks relative to traditional investments involving the purchase and sale of property and assets. In general, every derivative involves some degree of all of the following risks — credit risk, market risk, liquidity risk, funding risk, operational risk, legal and documentation risk, regulatory risk and tax risk. Clients will always be subject to the credit risk and risk of nonperformance of its derivatives counterparties and the issuers of its hybrid instruments. This risk can be mitigated, but not eliminated, to the extent that the Client enters into derivatives that are cleared with a clearinghouse. Old Bellows has flexibility to invest in derivatives and hybrid instruments, including new types of such transactions that may be developed in the future. Derivatives may be used as a primary strategy or as a hedging technique for other strategies. If a Client defaults on its own obligations in a derivative contract, the result could be premature termination of that contract and others with the same counterparty and substantial costs for damages suffered by the counterparty. Certain swaps that are regulated by the Commodity Futures Trading Commission (the “CFTC”) are currently subject to mandatory

clearing. Similarly, some regulatory regimes outside of the United States (such as European Union's OTC derivatives regime under the European Market Infrastructure Regulation and the Markets in Financial Instruments Directive II) also require that certain swaps be mandatorily cleared. When a swap or derivative is cleared, a Client's counterparty to the swap or derivative is a central clearing party and the cleared positions are held in an account with a clearing intermediary. Cleared swaps are subject to similar risks as those described under "Failure of a Broker" above.

- Special Risks Associated with Futures Trading. Old Bellows invests to a limited extent in futures contracts on behalf of certain Clients. Due to the small amount of margin required, trading in futures involves a high degree of leverage. It is not always possible to execute a buy or sell order for futures contracts at the desired price, or to close out an open position, due to market conditions and/or price fluctuations. When the market price of certain futures contracts reaches its daily price fluctuation limit, no trades or only a limited number of trades can be executed. Daily price fluctuation limits are established by some of the exchanges on which Old Bellows will trade and approved by appropriate regulatory bodies. The holder of a futures contract may therefore be locked into a position for several days or more and during an adverse price move may lose considerably more than the initial margin paid to establish a position. For certain futures instruments, the daily price fluctuation limits may apply throughout the life of the contract. Difficult or impossible execution also occurs in thinly traded markets.
- Risk Arbitrage Investments. The risk arbitrage business is extremely competitive, and many of the major participants in the business are large investment banking firms with substantially greater financial resources, larger research staffs and more securities traders than will be available to Old Bellows. Arbitrage activity by other larger firms may tend to narrow the spread between the price at which a security may be purchased by a Client and the price it expects to receive upon consummation of a transaction. The price offered for the securities of a company in a tender offer, merger or other acquisition transaction will generally be at a premium above the market price of the security prior to the offer. The announcement of such a transaction will generally cause the market price of the securities to begin rising. Occasionally, Old Bellows will purchase a security in advance of such an announcement if it correctly anticipates the acquisition event. Old Bellows generally purchases securities after the announcement of the transaction at a price that is higher than the pre-announcement market price, but which is lower than the price at which Old Bellows expects the transaction to be consummated. In either event, if the proposed transaction is not consummated, the value of such securities purchased by the Client will likely decline. It is also possible that the difference between the price paid by the Client for securities and the amount anticipated to be received upon consummation of the proposed transaction may be very small. If a proposed transaction is in fact not consummated or is delayed, the market price of the securities will likely decline.
- Concentration of Investments. Certain Clients maintain concentrated portfolios and do not limit the amount of capital that may be committed to any one investment. These Clients may hold a few (or even one), relatively large (in relation to their capital) securities positions, with the result that a loss in any one position could have a more adverse impact on the Client than would a loss position in a more diversified portfolio.

- Foreign Securities. Foreign securities have been highly volatile and often involve greater risks than comparable U.S. investments, because of, among other things, instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities. Higher expenses also may result from investment in foreign securities than domestic securities. Foreign securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States.
- Loan Participations. Interests in primary loans generally will be illiquid and have no secondary market. Moreover, borrowing companies likely will be in a weak or transitional financial position. The risk of loss associated with such illiquid investments is greater than that related to investments in securities that are more liquid because even if Old Bellows determines that such an investment is likely to be unprofitable, it will likely be unable to avoid losses in Client accounts in connection therewith because it will be unable to dispose of the investment.
- Discontinuation of LIBOR. The London Interbank Offered Rate (“LIBOR”), which has been commonly used as a reference rate within various financial contracts (any such rate, a “Reference Rate”), will not be published after the year 2021 for certain instruments and after the year 2023 for any instrument. In anticipation of the end LIBOR, the U.S. and other countries are currently working to replace LIBOR with alternative Reference Rates. As a general matter, the expected discontinuation of LIBOR may significantly impact financial markets; specifically, discontinuation may impact financial contracts to which a Client 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/or (iv) impact the strategy, products, processes, legal positions and information systems of market participants, including the Client and its counterparties. With respect to financial contracts to which the Client 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 2021 and uses LIBOR as a Reference Rate (other than contracts that include curative fallback language or other curative mechanisms) may need to be renegotiated, the process of which will consume resources and may result in disputes among counterparties, the result of which may be adverse to the Client. Considered in their entirety, the impact of the discontinuation of LIBOR on financial markets generally and on the specific financial contracts to which the Client is a party, may adversely affect the performance of the Client’s portfolio.

The foregoing is a summary of the material risks involved in Old Bellows’ significant investment strategies. Further discussion of risk information related to the Worldwide Funds Class A is presented in the Memorandum, which is available to current and eligible prospective investors in the Worldwide Funds Class A.

Athena

A brief explanation of the material risks associated with Athena's significant investment strategies and methods of analysis follows.

- Fixed-Income Investments and Interest Rate Risk. The value of fixed-income financial instruments will change as the general levels of volatility fluctuate and as there are changes in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship. When interest rates decline, the value of fixed-income financial instruments can be expected to rise. Conversely, when interest rates rise, the value of such financial instruments can be expected to decline. To the extent that interest rates move in a direction contrary to the direction anticipated by Athena, the overall investment performance of the Worldwide Funds Class X may be affected. The market value of fixed-income financial instruments also varies according to the relative financial condition of the issuer. Investments in lower rated, while generally providing greater opportunity for gain and income than investments in higher rated financial instruments, usually entail greater risk.
- Credit Risk. Issuers of debt instruments may face significant ongoing uncertainties and exposure to adverse conditions that will undermine their ability to make timely payments of interest and principal. In addition, major economic downturns and financial market swings have adversely affected, and could in the future adversely affect, the ability of some of the issuers of such instruments to repay principal and pay interest thereon and may increase the incidence of default for such instruments.
- Credit Ratings. Credit ratings of debt securities are not a guarantee of quality. A credit rating represents only the applicable rating agency's opinion regarding credit quality based on the rating agency's evaluation of the safety of the principal and interest payments. In determining a credit rating, rating agencies do not evaluate the risks of fluctuations in market value. In addition, if an issuer has made fraudulent representations, the rating agencies credit ratings are likely to be inaccurate. As a result, a credit rating likely does not fully reflect the risks inherent in the relevant security. Rating agencies may fail to make timely changes to credit ratings in response to subsequent events. In addition, to the extent that a rating agency rates a security at the request of an issuer, the rating agency has a conflict of interest in providing such rating. In the event that ratings are inaccurate, otherwise misleading or untimely, investment performance may be adversely affected.
- Competition and Supply for Fixed-Income Securities. The potential for capital appreciation and interest will depend, in large part, on Athena's ability to acquire investments for the client accounts on advantageous terms. In acquiring fixed-income securities, Athena will compete with a broad spectrum of institutional investors, many of which have greater financial resources than the Worldwide Funds Class X. In addition, the opportunity to participate in the new issue credit market will decrease if the economy shifts to a more risk adverse environment. Increased competition for, or a reduction in the available supply of, qualifying investments could result in higher prices for, and thus lower yields on, such investments.

- Turnover. The Fund’s capital will be invested on the basis of short-term market considerations. The ability to move in and out of positions on a short-term basis will depend on there being adequate market volatility. In addition, the high portfolio turnover rate could cause substantial brokerage commissions, mark-ups and/or fees. Such costs will reduce the Worldwide Funds Class X profits.
- U.S. Government Securities. Neither the U.S. government nor any of its agencies or instrumentalities guarantees the market value of the securities they issue. Therefore, the market value of such securities can be expected to fluctuate in response to changes in interest rates.
- High Yield Corporate Bond IPOs. For risks associated with this strategy, please see the “High Yield Securities” risk description above under the Old Bellows risks.

Item 9 – DISCIPLINARY INFORMATION

The Firm does not have any disciplinary or legal events to report.

Item 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Old Bellows’ affiliate, Old Bellows Advisors LLC (“Old Bellows Advisors”), is the managing member of the Worldwide Feeder Fund. In that capacity, Old Bellows Advisors is responsible for the overall administration and operation of the Worldwide Feeder Fund. Old Bellows Advisors also acts as portfolio manager to Scoggin Worldwide Fund Ltd. (the “Worldwide Master Fund”). In that capacity, Old Bellows Advisors is responsible for monitoring Old Bellows compliance with its investment activities, strategies and limitations and overseeing the activities of the Worldwide Master Fund’s administrator.

Scoggin, also a registered investment adviser, is an affiliate of Old Bellows by virtue of partial common ownership. Scoggin acts as the investment manager to the Scoggin Funds for which Dev Chodry is Chief Investment Officer for Distressed Credit Strategies and Craig Effron and Curtis Schenker are Co-Chief Investment Officers for Event-Driven Strategies.

The various Affiliated Funds have differing fee structures. In addition, the Chief Investment Officers of Old Bellows and Scoggin own varying amounts of each investment adviser. Furthermore, the Chief Investment Officers of Old Bellows and Scoggin own different amounts of the various Affiliated Funds. The differing fee structures, the differing ownership levels of Old Bellows and Scoggin and the differing ownership levels of the various Affiliated Funds causes each Chief Investment Officer to derive different amounts of profits from Old Bellows, Scoggin and/or the various Affiliated Funds and thus creates an incentive for an individual Chief Investment Officer to favor one Affiliated Fund over another.

To avoid even the appearance of such impropriety, the Firm and Scoggin have adopted joint policies and procedures for allocation of investment opportunities and trades. It is the policy of the Firm and Scoggin that investment decisions for Affiliated Clients are to be made consistent with the investment objectives, guidelines and restrictions of such Affiliated Clients and that investment opportunities and trades are to be allocated fairly and equitably among accounts participating in each transaction, taking into consideration their investment objectives and restrictions, and after consideration of such factors as their current holdings, available cash for investment and the size of their positions. While the Firm's goal is to be fundamentally fair to all Clients on an overall basis with respect to the allocation of investment opportunities, on a trade-by-trade basis some Clients may be treated more favorably than other Clients.

For Clients that have similar investment strategies Old Bellows generally attempts to manage such Client accounts in the same manner so that they have similar holdings and positions, and typically invests for the those Clients proportionally based upon relative net assets. In allocating investment opportunities among Clients that pursue different investment strategies and have different objectives and restrictions, given the differing holdings, available cash for investment and primary investment focus, if any, and the size of current positions each such Client will not necessarily participate in each transaction in a security or instrument that might be considered within the range of permissible investments for that Client account. Currently, all Affiliated Clients pursue different investment strategies.

Allocation of Distressed Credit Strategy Trades

With respect to distressed credit strategies, Old Bellows and Scoggin, periodically, establish trade allocation formulas for their flagship clients ("Flagship Clients") which include Scoggin International Fund Ltd., the Worldwide Master Fund Class A and any other Affiliated Client accounts managed according to the same investment strategies as such funds. The trade allocation formulas are based on the relative amount of assets under management and investment strategies for the various Flagship Clients. Old Bellows and Scoggin can adjust the established allocation formulas based on changes to assets under management or adjustments to the investment strategies for each of the Flagship Clients.

It is generally the policy of Old Bellows and Scoggin that distressed credit strategy orders executed for Flagship Clients of the same security in the same direction on the same trading day will be aggregated for execution. For each aggregated or bunched distressed credit strategy order, when the trade is entered, the order management system utilized by Old Bellows and Scoggin automatically allocates that trade to each Flagship Client consistent with the existing allocation formula, and all Flagship Clients participating in such orders will receive the average price for the trading day.

Allocations of distressed credit strategy securities for Flagship Clients may be modified from the established trade allocation formulas after preparation of the allocation statement but prior to settlement under the following circumstances:

- *Investment Guidelines.* If it is determined that an allocation would result in a violation of any Flagship Client's investment objectives or guidelines. In addition, trades may be reallocated to one of the Flagship Clients if its investment objectives limit its

potential universe of available securities provided the other Flagship Clients could, consistent with their investment objectives and guidelines, obtain substantially the same investment result by participating in another available investment opportunity.

- *Legal Requirements.* If it is determined that an allocation would result in a violation of any law or regulation applicable to the type of Flagship Client or transaction.
- *Portfolio Manager Discretion.* In other circumstances at the direction of, or with approval from, the Chief Investment Officer for Distressed Credit Strategies.
- *Rebalancing Trades.* Upon subscriptions to or redemptions from the Flagship Clients, the Chief Investment Officer for Distressed Credit Strategies may or may not choose to rebalance the portfolio, depending on market conditions at the time. Instead, the Chief Investment Officer for Distressed Credit Strategies may choose to adjust positions over time with rebalancing trades that result in deviations from pre-set allocations.

All exceptions to the established allocation formulas for Flagship Clients are required to be reviewed and approved by the Old Bellows and Scoggin portfolio managers. In addition, the Chief Compliance Officer will periodically review samplings of portfolio manager approved exception reports for any anomalies that require further investigation.

As noted in Item 4 above, currently, the Worldwide Funds are solely owned by persons affiliated with Old Bellows. Consequently, Old Bellows and Scoggin's aggregation of distressed credit strategy trades for Scoggin International Fund Ltd., and the Worldwide Master Fund Class A in limited opportunity trades causes the affiliated Worldwide Master Fund Class A participation in such allocations to reduce the opportunity available to Scoggin International Fund Ltd. To address this conflict, it is the policy of Old Bellows and Scoggin that if a distressed debt security is of limited availability, generally, Scoggin will purchase or sell the amount of the security desired for International Fund Ltd. prior to Old Bellows transacting in the security for the Worldwide Master Fund Class A.

In addition, trades for distressed debt securities for any Affiliated Clients other than Flagship Clients ("Non-Flagship Clients") will not be included in the trade allocation formulas established for Flagship Clients because of the differences in investment guidelines and restrictions between the Non-Flagship Clients and the Flagship Clients. Nonetheless, to the extent Old Bellows and Scoggin seek to make the same investment for Non-Flagship Clients and Flagship Clients at the same time, each will endeavor to allocate such investments fairly between Non-Flagship Clients and Flagship Clients based on the investment strategy of each of the participating Non-Flagship Clients and Flagship Clients funds and their available cash at the time of the trade. However, if a proposed distressed debt investment is of limited availability and one of the participating accounts in the investment will be for the Worldwide Master Fund Class A, generally, Scoggin and Old Bellows will purchase or sell the amount of the distressed debt security for all other participating Affiliated Clients prior to Old Bellows transacting in the security for the Worldwide Master Fund Class A. In addition, the Chief Compliance Officer will periodically reviews investments made on behalf of Flagship Clients to determine that Old Bellows and Scoggin are not favoring such clients over Non-Flagship Clients. It should be noted that as of the date of this brochure Old

Bellows and/or Scoggin do not plan to make additional investments in distressed debt securities for any Non-Flagship Clients. However, the allocation policies described herein have been adopted because in the past Old Bellows and/or Scoggin managed Non-Flagship Client that invested in distressed debt securities and they may do so again in the future.

Allocation of Equity Security Trades between Old Bellows and Scoggin Clients

Mr. Chodry is responsible for making equity security decisions for Worldwide Master Fund Class A and Mr. Effron and Mr. Schenker are responsible for equity security decisions for Scoggin clients. If Mr. Chodry desires to transact in an equity security for Worldwide Master Fund Class A, he will first check whether Scoggin plans on transacting in such security that day for Scoggin clients. If Scoggin plans on trading such security that day for Scoggin clients, generally, Mr. Chodry will not transact in the security on that day for Worldwide Master Fund Class A until Scoggin finishes taking the position it desires in such security for its clients.

Item 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Firm has adopted a Code of Ethics (the “Code”) that sets forth the ethical and fiduciary principles and related compliance requirements under which the Firm operates and the procedures for implementing those principles. The Code includes provisions that govern fiduciary duty, Client opportunities, insider trading, personal trading, gifts and entertainment, political contributions, outside business activities and confidentiality.

The Firm and its affiliates’ principals, employees and certain related persons of such principals and employees (principals, employees and such related persons, collectively, “Employees”) are subject to the Firm’s personal trading policies. Under such policies, Employees are permitted to maintain personal securities accounts provided that such accounts are disclosed to Old Bellows and that any personal trading is consistent with applicable law and with the Code.

The Code contains policies and procedures that, among other things:

- prohibit Employees from taking personal advantage of opportunities belonging to Clients;
- prohibit trading on the basis of material nonpublic information;
- place limitations on personal trading by Employees to avoid direct conflict with Client trading and impose preclearance (in most cases) and reporting obligations with respect to trading; and
- require initial and annual reports of securities holdings and quarterly transaction reports by Employees.

Subject to compliance with the Code, Employees may buy, sell or hold, for their own personal accounts, securities that the Firm also may buy, sell or hold for Affiliated Clients. Similarly, the

Firm, consistent with Clients' investment objectives and in accordance with applicable law, may cause accounts it manages to purchase or sell securities in which the Firm or Employees of the Firm, directly or indirectly, have a position or interest. To address conflicts of interest issues that may arise from personal trading, the Firm has adopted a policy that requires Employees to reimburse Affiliated Clients if Employees trade in a security on the same day that Affiliated Clients trade in such security and the Employees receive a better price than the Affiliated Clients for such security. Specifically, if an Employee and an Affiliated Client trade the same security on the same day in the same direction and the Employee receives or pays a better price than the Affiliated Client for the security, then the Employee will be required to reimburse the Affiliated Client the difference between the price the Employee received or paid for the security and the price the Affiliated Client received or paid for the security. The Chief Compliance Officer reviews all Employee trades that occurred on the same day as Affiliated Clients to determine if any reimbursements need to be made by Employees to Affiliated Clients based on this policy.

As noted in Item 4 above, currently, the Worldwide Funds are solely owned by persons affiliated with Old Bellows and, therefore, is a related account of Old Bellows. As described in Item 10 above, Old Bellows and Scoggin have adopted procedures with respect to the trading of the Worldwide Master Fund Class A to prevent it from taking away investment opportunities from Affiliated Clients.

The Firm's Code of Ethics is available to Clients or prospective Clients upon request from Todd Jablonsky, the Firm's Chief Compliance Officer, at (212) 355-5600.

The Firm does not "solicit" Clients, all of which currently are private investment funds, to invest in other funds managed by it or its affiliates. From time to time, however, Old Bellows may, in the exercise of its investment discretion, invest assets of a Client in another fund managed by it or an affiliate. Such investments are expected to be infrequent. The Firm does not generally purchase securities for one Client account from another Client account or sell securities from one Client account to another Client account. (Such transactions between client accounts are commonly known as "cross trades".) From time to time, however, the Firm may determine that it is in the best interest of certain Clients to cross trade certain securities between their accounts, or with Affiliated Clients managed Scoggin. Any such transaction will be effected at the market price of the security determined at the time of the transaction. Cross trades will be effected only if consistent with the investment objectives and restrictions of the Affiliated Clients involved and with the Firm's internal cross trade policies and procedures.

Item 12 – BROKERAGE PRACTICES

In the exercise of its discretionary authority, the Firm has the authority to determine, without obtaining specific Client consent, the broker-dealers ("Brokers") to be used for each transaction and to negotiate the rates and commissions the Client will pay. In selecting Brokers to execute transactions, the Firm need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Firm's practice to negotiate "execution only" commission rates; thus, a Client may be deemed to be paying for other products and services provided by the Brokers which are included in the commission rate.

The Firm attempts to enter into brokerage arrangements that are competitive, based on its knowledge of the industry. In making its selection of Brokers, the Firm takes into account the Brokers' reliability, reputation, financial responsibility, stability, ability to execute trades, nature and frequency of sales coverage, commission rate, if any, and the responsiveness of the Brokers. In addition, the Firm considers the value of brokerage and research products and services, including, among other things, proprietary research from broker-dealers and research either generated and provided by the Brokers, or provided by others and paid for by the Brokers (either by direct or reimbursement payment in whatever form, cash payments, commissions, or any other means). Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, data or pricing regarding securities, financial publications, electronic market quotations, performance analytics, analyses concerning specific securities, companies, industries or sectors and market, economic and financial studies and forecasts. Research may be in written or oral form.

The Firm maintains a Best Execution Committee, which meets quarterly to review the quality of executions and the value of other services received from brokers used by the Firm and based on such reviews the Best Execution Committee may add or remove approved brokers. The members of the Best Execution Committee are the CFO, the head trader, the Chief Investment Officer for Distressed Credit Strategies, the Co-Chief Investment Officers for Event-Driven Strategies and the CCO.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" for investment managers who use brokerage commissions or transaction fees (also known as "soft dollars") generated by their client accounts to obtain certain products and services. Eligible Section 28(e) expenses include investment research that provides lawful and appropriate assistance to an investment manager in performing investment decision-making responsibilities and/or brokerage products and services (beyond traditional execution services) that perform functions incidental to transaction execution. Old Bellows' use of soft dollars to purchase products and services is intended to comply with the requirements of Section 28(e).

Nonetheless, Old Bellows' use of soft dollars under the Section 28(e) safe harbor to obtain products and services creates various conflicts of interest. For example, by using Client commissions to obtain products and services, Old Bellows does not have to produce or pay for such products and services. Consequently, Old Bellows has an incentive to select or recommend Brokers based on its interest in receiving products and services, rather than its Clients' interests in receiving most favorable execution. In addition, when products and services are received, Clients may pay higher commissions than those charged by other Brokers (from or through whom such products and services were not received). In addition, some products and services will not necessarily be used by a particular Client even though the Client's commission dollars were used to obtain the products and services. Therefore, under such circumstances, the Client will not be the direct or indirect beneficiary of the products and services generated by its brokerage transactions.

Some products and services may have a mixed-use and only partially be used for purposes that qualify for the Section 28(e) safe harbor. Under such circumstances, Old Bellows makes a good faith effort to reasonably allocate the costs of such products and services according to their use

and only allows those portions of the costs that are eligible under Section 28(e) to be paid for with commission dollars. Those portions of the costs that are not eligible to be paid for with commission dollars under Section 28(e) Old Bellows allocates to Clients to the extent they are allowable Client expenses or to Old Bellows to the extent they are ineligible Client expenses. In allocating the costs of a mixed-use product or service, Old Bellows has an incentive to designate as much as possible of the costs to eligible Section 28(e) soft dollar expenses to minimize the amount that Old Bellows and/or Clients must pay directly. To address this conflict of interest, Old Bellows maintains documentation of its methodology for allocating the costs of mixed-use products and services between allowable and non-allowable soft dollar expenses. Such documentation is periodically reviewed by the Chief Compliance Officer to determine that the allocations were reasonable.

Item 13 – REVIEW OF ACCOUNTS

The Firm undertakes the following activities in an effort to ensure that investments for Clients are made in accordance with their respective investment objectives and restrictions:

- Operational personnel monitor and reconcile the cash and trades daily for each account and advise portfolio managers of any apparent anomalies.
- For any Separate Account Clients and or Pooled Investment Vehicle that the Firm may manage in the future, each such account's portfolio will be monitored by the portfolio manager or a member of the portfolio management team through the use of an electronic trading system for compliance with investment objectives and restrictions.
- For the Worldwide Funds, the portfolio manager or a member of the portfolio management team continuously monitors trading for consistency with each Worldwide Fund's investment objectives and restrictions.

Investors in the Worldwide Funds generally are provided with written unaudited monthly statements of their account from the administrator and annually receive audited financial statements.

Item 14 – CLIENT REFERRALS AND OTHER COMPENSATION

The Firm does not currently but may in the future pay certain brokers, finders and/or other third parties fees or similar compensation in connection with the referral of investors to the Worldwide Funds. Investors in the Worldwide Funds will not pay higher advisory fees based on such referrals.

Other than the soft-dollar benefits described in Item 12 above, the Firm does not receive any economic benefit for providing advice to Clients from anyone other than its Clients.

Item 15 – CUSTODY

The Firm does not have physical custody of any Client assets. Because the Firm or related persons of the Firm act as the managing member or general partner of certain Clients, the Firm is deemed to have custody of the assets of those Clients under SEC rules. The Firm maintains the assets of all Clients with qualified custodians, within the meaning of Rule 206(4)-2 under the Advisers Act. The Firm satisfies reporting requirements under that rule by furnishing audited financial statements annually to all investors in the Worldwide Funds within time periods required under the custody rule.

Old Bellows would not typically have physical or constructive custody over Separate Account Client accounts or Pooled Investment Vehicles.

Item 16 – INVESTMENT DISCRETION

The Firm has the authority to determine for Clients, without obtaining their specific consent, (1) securities or other instruments to be bought or sold, (2) the amount of the securities to be bought or sold, (3) the broker or dealer to be used, and (4) commission rates paid. Limitations on the Firm's authority is imposed by the investment strategies and objectives of Clients. See Item 4.

Item 17 – VOTING CLIENT SECURITIES

Old Bellows exercises discretion to vote proxies for the Worldwide Funds Class A securities. Scoggin, for itself and on behalf of Old Bellows, engages Institutional Shareholder Services ("ISS") to vote any proxies and Old Bellows has so notified the Worldwide Funds Class A. The Chief Financial Officer manages the relationship with ISS. The Chief Financial Officer ensures that ISS votes all proxies, consistent with Scoggin's agreement with ISS and Scoggin's and Old Bellows' general guidance and retains all required documentation associated with proxy voting. Old Bellows reserves the right to vote any proxy instead of ISS, and Old Bellows exercises such right on rare occasions. Old Bellows does not disclose how it expects to vote on upcoming proxies. Additionally, Old Bellows does not disclose the way it voted proxies to unaffiliated third parties who do not have a legitimate need to know such information.

Old Bellows must act as a fiduciary when voting proxies on behalf of the Worldwide Funds Class A. In that regard, Old Bellows will seek to avoid possible conflicts of interest in connection with proxy voting. Normally, conflicts of interest are addressed by having ISS vote the proxy consistent with Scoggin's and Old Bellows' general guidance on proxy voting but independent of Scoggin and Old Bellows input on the particular proxy. However, in the limited cases when Old Bellows chooses to exercise a vote itself, the Chief Financial Officer and the Chief Compliance Officer will consider whether Old Bellows is subject to any material conflict and will take action to mitigate

such conflict. ISS will retain and provide copies to Old Bellows of information in connection with each proxy vote.

ISS and the Chief Financial Officer will maintain the following records with respect to proxies: (i) proxy statements received regarding the Worldwide Funds Class A securities; (ii) records of votes cast on behalf of the Worldwide Funds Class A, including each security as to which votes were cast, the number of shares voted and how they were voted on each issue; (iii) written records of requests by the Worldwide Funds Class A for proxy voting information; (iv) written responses to any written or oral requests; and (v) any documents prepared or used by Old Bellows that were material to how a proxy was voted or that memorialized the basis for the voting decision.

Old Bellows does not accept requests from the Worldwide Funds Class A to vote proxies in a particular manner.

Old Bellows' proxy voting policy and procedures are available upon request. The Worldwide Funds Class A may obtain Old Bellows' proxy voting policy or a record of Old Bellows' proxy voting for the Worldwide Funds Class A by contacting Todd Jablonsky, Old Bellows' Chief Compliance Officer, at (212) 355-5600.

It is not anticipated that the Class X Worldwide Fund will have to vote any proxies because it does not invest in equity securities.

Item 18 – FINANCIAL INFORMATION

Old Bellows has no financial condition that impairs its ability to meet contractual commitments to Clients, and has not been the subject of a bankruptcy proceeding.