

SESSA CAPITAL IM, L.P.

888 Seventh Avenue, 30th Floor
New York, NY 10019

(212) 257-4410

March 31, 2023

This Brochure provides information about the qualifications and business practices of Sessa Capital IM, L.P. ("Sessa Capital"). If you have any questions about the contents of this Brochure, please contact us at (212) 257-4410. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Sessa Capital IM, L.P. is registered as an investment adviser with the SEC. Registration of an investment adviser does not imply a certain level of skill or training. Additional information about Sessa Capital IM, L.P. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated March 31, 2023, replaces the March 31, 2022 version, which was our last annual amendment. There have been no material updates since our last annual amendment.

You will receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may provide other ongoing disclosure information about material changes, as necessary.

We will further provide you with a new Brochure, as needed at any time without charge.

Item 3 – Table of Contents

Item 1 – Cover Page	i
Item 2 – Material Changes	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	5
Item 6 – Performance-Based Fees and Side-By-Side Management	7
Item 7 – Types of Clients.....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9 – Disciplinary Information	15
Item 10 – Other Financial Industry Activities and Affiliations	16
Item 11 – Code of Ethics	16
Item 12 – Brokerage Practices	17
Item 13 – Review of Accounts	19
Item 14 – Client Referrals and Other Compensation	20
Item 15 – Custody	20
Item 16 – Investment Discretion	21
Item 17 – Voting Client Securities.....	21
Item 18 – Financial Information.....	22

Item 4 – Advisory Business

Advisory Services

4.A. Advisory Firm Description

Sessa Capital is a registered investment adviser with its principal place of business located in New York, NY. Sissa Capital IM, L.P. (“Sissa Capital”), the predecessor to Sessa Capital, was originally formed in 2007. Sissa Capital was dormant from 2010 to 2012 and the name was changed to Sessa Capital in 2012. John Petry is the principal owner of Sessa Capital.

4.B. Types of Advisory Services

Sessa Capital provides investment advisory and management services on a discretionary basis to Sessa Capital (Master), L.P., Sessa Capital Special Opportunity Fund II, L.P., and Sessa Capital Special Opportunity Fund III, L.P. (each, the “Fund,” collectively, the “Funds”). Sessa Capital (Master), L.P. is a private pooled investment vehicle organized in a master-feeder structure; Sessa Capital also provides limited advisory and management services on a discretionary basis to Sessa Capital, L.P. and Sessa Capital (International), Ltd., which are the feeder funds in the master-feeder structure. Sessa Capital Special Opportunity Fund II, L.P. and Sessa Capital Special Opportunity Fund III, L.P. are private pooled investment vehicles organized as domestic limited partnerships.

4.C. Client Investment Objectives/Restrictions

Investments for the Funds are managed in accordance with each Fund’s specific investment objectives, strategies and restrictions. Investments are not tailored to the individualized needs of any particular Fund investor. Investors may not impose restrictions on investing in certain securities or certain types of securities.

4.D. Wrap-Fee Programs

Sessa Capital does not participate in any wrap fee programs.

4.E. Assets under Management

As of December 31, 2022, Sessa Capital had \$2,601,330,608 in regulatory assets under management. All assets are managed on a discretionary basis.

Item 5 – Fees and Compensation

5.A. Adviser Compensation

Detailed descriptions of fees charged to Investors in the Funds are included in each Fund's offering documents. In addition, Sessa Capital and the Funds' general partner have authority to waive or reduce fees charged to certain Investors.

Asset-Based Compensation

Sessa Capital is paid a management fee, payable quarterly in advance, of no more than 1.5% per year of the value of each Investor's interest in the Funds, calculated as of the first day of the calendar quarter.

Performance-Based Compensation

The Funds' general partner, Sessa Capital GP, LLC is entitled to receive an annual performance-based allocation equal to no more than 20% of the net capital appreciation credited to each Investor in the Funds, subject to a high-water mark. The performance allocation, if any, is generally calculated and determined as of December 31st of each year, but may be calculated on other dates, such as upon the termination of the Fund and the final liquidation of its assets. If an Investor withdraws on a date other than December 31st, the performance allocation will be calculated through the date of withdrawal with respect to such Investor. Any performance-based compensation complies with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

5.B. Direct Billing of Advisory Fees

Management fees and performance allocations are deducted directly from each Fund's account with its custodian, in accordance with invoices and instructions prepared by Sessa Capital and each Fund's offering documents.

5.C. Other Non-Advisory Fees

The management fee and the performance allocation are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that are incurred by the Funds and indirectly borne by Investors. The Funds incur certain charges for services by custodians, brokers, administrators, lawyers, auditors and other third parties such as custodial fees, wire transfer and electronic fund fees, audit and legal fees, and other fees and taxes on brokerage accounts and

securities transactions. The Funds' portfolios may include positions in mutual funds or exchange traded funds that also charge management fees. Such charges, fees, and commissions are exclusive of, and in addition to, Sessa Capital's fees. Sessa Capital does not receive any portion of these commissions, fees, and costs.

Sessa Capital may identify an investment opportunity or opportunities that have capacity greater than what Sessa Capital can invest on its own. At times, Sessa Capital may, but is not obligated to, offer certain Investors and others the opportunity to participate in the investment opportunity through a managed account, special purpose vehicle or other advisory basis where Sessa Capital may receive compensation or other consideration from the Investors and others who participate in the opportunity.

The investments made by the Funds may include "new issue" securities. If a Fund invests in "new issue" securities, the interests of the Investors may be divided into classes, one of which includes those Investors that are eligible to participate in new issue investments, and the other of which includes those Investors that are ineligible. Net profits and net losses on new issues will be allocated to the class of eligible Investors. As a matter of fairness to the Investors who do not participate in gains or losses from new issue securities purchased by a Fund, an appropriate use-of-funds charge, to be determined by the Fund's general partner in its sole discretion, may be charged to the assets attributable to the capital accounts of those eligible Investors and credited to all capital accounts pro rata in accordance with their respective balances for the applicable fiscal period.

Item 12 below describes the factors that Sessa Capital considers in selecting broker-dealers for Fund transactions and determining the reasonableness of their compensation (e.g., commissions).

5.D. Advance Payment of Fees

Fees include a management fee, which is generally payable quarterly as of the first day of the quarter. Management fees are charged on a prorated basis with respect to capital contributions accepted on days other than the first business day of a calendar quarter. If any Investor withdraws all or a portion of its capital account from a Fund on any day other than the last day of a calendar quarter, such Investor's capital account will be credited, on the withdrawal date, with the unearned portion of the management fee attributable to the percentage withdrawn as of such date.

5.E. Compensation for Sale of Securities or Other Investment Products

Neither Sessa Capital nor its supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

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

Sessa Capital only manages the Funds. An affiliate of Sessa Capital serves as the general partner of the Funds and receives performance-based compensation. Please see Item 5 above for a more detailed description of the general partner's performance-based compensation. The Funds have differing fee schedules, which may create an incentive to favor a Fund with higher performance-based compensation. Sessa Capital has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

Sessa Capital's clients are Sessa Capital (Master), L.P., Sessa Capital Special Opportunity Fund II, L.P., and Sessa Capital Special Opportunity Fund III, L.P. Sessa Capital, L.P., a Delaware limited partnership and Sessa Capital (International), Ltd., a Cayman Islands exempted company are the feeder entities in a "master-feeder" structure and invest substantially all of their investable assets in Sessa Capital (Master), LP.

The minimum initial investment in Sessa Capital (Master), L.P. is \$1,000,000 and each additional capital contribution must be in the amount of \$250,000. The minimum initial investment in Sessa Capital Special Opportunity Fund II, L.P. is \$1,000,000 and additional capital contributions may be accepted. The minimum initial investment in Sessa Capital Special Opportunity Fund III, L.P. is \$5,000,000 and additional capital contributions may be accepted. The general partner, in its sole discretion, may admit new Investors at any time, may refuse any new investments and may accept initial and additional investments which are lower than the stated minimum. Minimum withdrawal amounts and minimum capital account size may apply in the event of a partial withdrawal. An Investor also may be required to withdraw all or part of its interest in a Fund upon provision of reasonable notice. All Investors must be qualified purchasers and qualified clients.

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

8.A. Methods of Analysis and Investment Strategies

Sessa Capital's investment objective is to outperform the broad equity indices over each investment cycle as well as over the life of the Funds. Sessa Capital believes that a flexible and opportunistic approach to constructing a concentrated, long biased investment portfolio will best facilitate its ability to fulfill the investment objective. Historically, Sessa Capital's gross and net exposure typically ranged between 100-200% and 25-80% respectively. This may vary based on market opportunities and the economic and trading environment. Fund strategies may differ. Before investing in a Fund, investors should carefully review the Fund's offering memorandum.

Sessa Capital will utilize a value and special situation investment approach. A value investor often focuses on businesses that are valued at an attractive yield of current free cash flow, adjusted free cash flow, or projected future free cash flow. Value based strategies also look at what private market purchasers may pay for some or all of the assets of a company. Special situation investing often includes an element of recent or anticipated change for a business and/or a security. Changes may be organizational, operational, or both. Examples of organizational special situation equity investing are spin-offs, rights offerings, and equities of entities emerging from a bankruptcy or workout process. Operational special situation investing could result from a new product, a regulatory change, a government investigation, a legal case, or other actions that cause significant changes for a business. In addition, opportunities for special situation investing may be created where significant option value exists which Sessa Capital believes will create asymmetric returns. Opportunities for special situation investments may exist in asset classes other than equities such as in distressed debt, performing fixed income, option contracts, over the counter derivatives or other opportunities.

Sessa Capital will invest client assets in a wide range of asset classes and geographies. Sessa Capital will look for opportunities across the globe as well as in businesses with significant U.S. operations. When investing internationally, Sessa Capital expects to focus on countries with liquid trading markets and where investors' rights have historically been protected. On the short side, Sessa Capital expects to sell short equities, fixed income, and other financial instruments that reflect failing businesses, troubled operations, unsustainable capital structures, rich valuations, accounting irregularities, suspect promotions, and theme-based shorts, among others. Additionally, shorts may be used to hedge certain exposures on the long side or to hedge the overall portfolio. On the long side, Sessa Capital expects to mostly purchase equity securities and securities that can provide equity-like returns. At times when Sessa Capital feels that the return on time and the potential for the return on investment is justified, it may actively try to influence the management or board of the issuer. Sessa Capital may take positions using the options markets, when it believes that such instruments provide more attractive payouts than investing in the underlying securities. Additionally, Sessa Capital will look for situations where

optionality is mispriced or artificially cheap and the Funds can own optionality at a favorable price.

While Sessa Capital continuously looks for investment opportunities, it believes that long-term outperformance can be achieved by aggressively seizing attractive investment opportunities when they arise while avoiding less attractive opportunities that do not provide sufficient long or short-term profitability. This approach is expected to lead to a portfolio that may significantly vary over time in exposure and concentration. In environments where ideas are attractively priced and plentiful, Sessa Capital expects gross long exposure to be over 90%, whereas at other times the gross long exposure may be considerably lower. A core component of Sessa Capital's strategy with respect to long investments is to find opportunities that can exceed 15% of the net asset value of a Fund, measured at the time of investment. Conversely, when Sessa Capital is selling short individual equity securities that are not part of a structured position, it would expect to generally limit concentration of short positions. Sessa Capital believes that concentrated long investments combined with taking opportunistic advantage of special situations forms the basis for outperformance. However, Sessa Capital recognizes that not every idea deserves to have a 15% or greater weighting and will evaluate each idea individually to determine its weight in the portfolio. Ideas will not be sized to any level by formula or convention. Sessa Capital's assessment of the risk/return of an idea will ultimately determine its weight.

Sessa Capital has in the past and, may in the future, identify promising investment opportunities that have capacity greater than which a Fund can invest on its own. At times Sessa Capital has and may continue to offer certain partners and other investors the opportunity to participate in the investment opportunity through a separate fund, managed account, special purpose investment vehicle or other advisory basis where Sessa Capital may receive compensation or other consideration from the partners or other investors participating in the opportunity. Sessa Capital is not obligated to offer such opportunities to partners.

Sessa Capital believes broad based market dislocations create attractive opportunity sets for investors. Segments of the market also suffer from dislocations at times that provide exceptional return opportunities. For example, at times option premiums have become dislocated and provide opportunities in specific securities or more broadly across the market. Additionally, Sessa Capital intends to look at opportunities that are ongoing or recurring in nature. These ideas include the flow of spin-off's, rights offerings and restructurings that occur regularly along with general value investing opportunities.

No assurance is given that Sessa Capital nor the Funds will achieve their investment objectives, and results may vary substantially over time. Investing in the Funds involves risk of loss that Investors should be prepared to bear.

8.B. Material Risks of Investment Strategies

There can be no guarantee of success of Sessa Capital's strategies and the success of the strategies may be adversely affected by general economic and market conditions such as market changes, interest rates, availability of credit, inflation rates, changes in laws and political circumstances. These factors may affect the level and volatility of security pricing and the liquidity of certain investments.

Special Situations Risk. The Funds may invest in securities issued by companies involved in acquisitions (as either buyer or seller), tender offers and spin-offs as well as recapitalizations, financial restructurings, work-outs, bankruptcies or other catalyst-driven situations (such as a regulatory change that may impact an industry, an issuer-defining event such as a major lawsuit or inversion, etc.). Such investments may have limited liquidity and may be difficult or costly to establish or unwind. In any type of special situation, there is the risk that a contemplated transaction will not occur, may not be completed on the terms originally contemplated or may take considerable time to complete, or that an anticipated change or development may take a different course than predicted or may occur in a timeframe that is different than projected. Furthermore, failure to anticipate changes in the circumstances affecting these types of investments may result in permanent losses, where a Fund may be unable to recoup some or all of its investment. Investments of this type are complex in their analysis, require significant resources, may involve substantial financial and business risk and can result in significant losses to a Fund.

Management Risk. Judgments about the value and potential appreciation of a particular security may be wrong and there is no guarantee that individual securities will perform as anticipated. The value of an individual security can be more volatile than the market as a whole and Sessa Capital's approach may fail to produce the intended results.

Concentration Risk. Because Sessa Capital may invest a greater portion of a Fund's assets in securities of a single issuer or a limited number of issuers than a portfolio with diversification limitations, the Funds may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers.

Turnover. The Funds may invest on the basis of certain short-term market considerations. The turnover rate with investments may be significant, potentially involving substantial brokerage commissions and fees. The level of turnover is at the discretion of Sessa Capital.

Accuracy of Public Information. Sessa Capital selects investments in large part on the basis of information and data filed by issuers with various government regulators. Although Sessa Capital reviews this information, it is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available. Moreover, if the data Sessa Capital receives is erroneous, or if companies report information that proves to be misleading or fraudulent, the basis for Sessa Capital's analysis of individual companies may break down.

General Economic and Market Risk. The success of the Funds' activities also will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments) or regulations (or their interpretation), trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts or security operations). These factors will affect the level and volatility of the prices of securities, commodities and other financial instruments and the liquidity of the Fund's investments. Illiquidity or significant changes in volatility could impair the Fund's profitability or result in losses.

The Funds invest in the U.S. and a number of other countries. The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, relative currency appreciation or depreciation, asset reinvestment opportunities, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation than others.

Epidemics, Pandemics and Market Disruption. The Funds' business may be materially affected by conditions in the global financial markets and economic conditions or events throughout the world that are outside of Sessa Capital's control including, but not limited to, economic uncertainty, slowdown in global growth, changes in laws (including laws relating to taxation and regulations on the financial industry), due to disease, pandemics or other severe public health events, including related trade and travel barriers, volatility in commodity prices, currency exchange rates and controls and other national and international political circumstances. Recently, there has been an outbreak worldwide of the highly transmissible and pathogenic novel coronavirus (COVID-19) which the World Health Organization has declared to be a pandemic. Countries that already have suffered outbreaks of COVID-19 are likely to suffer a continued increase in recorded cases of the disease and COVID-19 is also likely to spread to additional

countries. A continued escalation in the COVID-19 outbreak could see a continual and rapid decline in global economic growth. The outbreak is likely to adversely affect general commercial activity and the economies and financial markets of many countries, including through supply chains from affected countries, and such disruption may occur for a sustained period of time. The spread of COVID-19 may affect the level and volatility of securities prices, the liquidity and the value of investments and the operations of Sessa Capital and have a material adverse effect on the Funds. In addition, certain governmental regulators have imposed limitations on short sales of equity securities, which may impact Sessa Capital's ability to trade in certain equities and/or equity index derivatives.

Shareholder Activism. By pursuing an engaged investor strategy, Sessa Capital and its affiliates are subject from time to time (and especially in the context of a proxy contest) to formal or informal investigations or inquiries by the SEC and other governmental and self-regulatory organizations in connection with their activities. Litigation and regulatory investigations involving a Fund and/or Sessa Capital may require significant amounts of Sessa Capital's time. Furthermore, the expenses associated with initiating or defending such actions or pursuing such investment strategy generally (including without limitation, the expense of pursuing litigation, defending against claims by third parties and paying amounts pursuant to settlements or judgments) or other transactional costs, such as the costs associated with proxy contests, regulatory authority filings, audits and inquiries, and the costs (including without limitation, incentive compensation and potential indemnification costs) of having certain individuals be the nominees for or serve on the board of directors of a company, at a Fund's request will be borne by the Fund. Such expenses may be significant and will reduce returns and/or may result in losses.

The success of a Fund's engaged investment strategy may require, among other things: (i) that the securities of the applicable company prove to be undervalued such that prices can be improved, including through Sessa Capital's actions; (ii) that the Fund acquire sufficient shares of the securities of such company at a sufficiently attractive price; (iii) a positive response by the management of such company to shareholder engagement; (iv) a positive response by other shareholders to shareholder engagement and the Fund's proposals; and (v) a positive response by the markets to any actions taken by such company in response to shareholder engagement.

Strategies employed in respect of the Funds' investments may prove ineffective for a variety of reasons, including: (i) opposition of the management, board and/or shareholders of a company, which may result in litigation and may erode, rather than increase, shareholder value; (ii) intervention of one or more governmental agencies; (iii) efforts by such company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the Funds or its affiliates; (iv) the presence of corporate governance mechanisms, such

poison pills and/or classes of shares with increased voting rights; and (v) the necessity for disclosure in compliance with applicable securities laws or corporate law requirements. These risks may be exacerbated to the extent such company develops and utilizes novel strategies. Furthermore, successful execution of a Fund's strategy may depend on the active cooperation of shareholders and others with an interest in the subject company. Some shareholders may have interests which diverge significantly from those of such company and some of those parties may be indifferent to the proposed changes.

Leverage. The Funds may borrow without limitation and may use various lines of credit and other forms of leverage, including swaps and repurchase agreements. In addition, due to liquidity of certain investments, leverage may be a significant tool that a Fund may employ to pursue its investment objectives. While leverage presents opportunities for increasing total return, it also may generate increased losses beyond what might result without the use of leverage and may magnify any losses in periods where securities held by a Fund are falling in price. Additionally, because Sessa Capital's investment strategy for a Fund may include both long and short positions, leverage can create a scenario where both long and short positions suffer substantial capital losses.

8.C. Material Risks of Securities Used in Investment Strategies

Sessa Capital's investment approach may involve purchasing publicly traded equity securities that are listed on the securities exchanges, equity securities not listed on exchanges, options, over-the-counter derivatives, distressed debt and fixed income securities. Investments in the securities Sessa Capital selects may be more volatile than the overall market. Security values may fluctuate based on events such as technological developments, government regulation, competition and outbreaks of war or terrorist acts that are beyond Sessa Capital's control. The following risks are associated with the types of securities that are traded by Sessa Capital:

Equity Risk. The prices of equity securities fluctuate based on overall market and economic conditions. In addition, individual securities rise and fall based on changes in the issuer's financial condition. As a result, equity investments risk a loss of all or a substantial portion of the investment.

Short Selling. A short sale in equity 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 the Funds of buying those securities to cover the short position. There can be no assurance that the Funds will be able to maintain the ability to borrow securities sold short. In such cases, the Funds 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 a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Funds may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though a Fund secures a “good borrow” of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Fund to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Fund.

Foreign Investments. Investing in the securities outside of the United States involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. Government, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Funds’ investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S. As a result, the Funds may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce the Funds’ rights in such markets. For example, securities traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the CFTC or the securities and commodities laws and regulations of the U.S. Accordingly, the protections accorded to the Funds under such laws and regulations are unavailable for transactions on non-U.S. exchanges and with non-U.S. counterparties.

Derivatives and Swaps; Counterparty Risks. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of nonperformance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over-the-counter may not have an authoritative source of valuation and the models used to value such derivatives are subject to change. Special risks may apply in the future that cannot be determined

at this time with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available.

Fixed Income Securities. Sessa Capital may also invest a portion of the Funds' assets in bonds or other fixed income securities, including, without limitation, bonds, notes and debentures issued by corporations; municipalities; debt securities issued or guaranteed by the U.S. Government or one of its agencies or instrumentalities; commercial paper; and "higher yielding" (and, therefore, higher risk) debt securities. These securities may pay fixed, variable or floating rates of interest, and may include zero coupon obligations. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and make interest payments and increase the incidence of default for such securities.

Absence of Regulatory Oversight. The Funds are not registered as an investment company under the Investment Company Act of 1940 and, therefore, neither will be required to adhere to the restrictions and requirements under the Company Act. Accordingly, the provisions of the Company Act (which, among other things, require investment companies to have a majority of disinterested directors, require securities to be held in custody by a bank or broker in accordance with rules requiring the segregation of securities, prohibit the investment companies from engaging in certain transactions with its affiliates and regulate the relationship between advisers and investment companies) are not applicable.

Any Investor who subscribes, or proposes to subscribe to an investment in a Fund must be able to bear the risks involved and must meet the Fund's suitability requirements. No assurance can be given that a Fund's investment objectives will be achieved. Fund investments are typically speculative and involve a substantial degree of risk. For further information regarding the risk factors and conflicts of interest with respect to a Fund, please refer to the Fund's offering documents.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of them or the integrity of their management. Sessa Capital has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

10.A. Registered Representatives

Neither Sessa Capital nor its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker/dealer.

10.B. Other Registrations

Neither Sessa Capital nor its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

10.C. Material Relationships or Arrangements

An affiliate of Sessa Capital controlled by John Petry, Sessa Capital GP, LLC, a Delaware limited liability company, serves as the general partner of the Funds and Sessa Capital (Master), L.P.'s domestic feeder, and oversees the management of the Funds and the feeder. John Petry and Jae Hong are the two directors of Sessa Capital (Master), L.P.'s offshore feeder.

John Petry also moderates an investment ideas membership website that does not generate revenue. Additionally, he, along with other employees of Sessa Capital, participate as members of the site. As members, they typically do not contribute investment ideas although they may at times post comments or questions on the ideas of other members.

10.D. Recommendation of Other Investment Advisers

Sessa Capital does not select or recommend other investment advisers for the management of client assets.

Item 11 – Code of Ethics

11.A. Code of Ethics

Sessa Capital has adopted a Code of Ethics (the "Code") pursuant to Advisers Act Rule 204A-1. A basic principle of the Code is that the collective interests of the Funds' Investors are always placed first. The Code includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. The Code also requires that all covered persons comply with ethical restraints relating to clients and

their accounts. These restraints include restrictions on personal trading and gifts. They also include provisions intended to prevent violations of insider trading laws. Investors or prospective Investors in the Funds may obtain a copy of the Code by contacting Sessa Capital at (212) 257-4410.

11.B. Recommendations of Securities and Material Financial Interests

Sessa Capital and its related persons do not recommend to clients, or buy or sell for client accounts, securities in which Sessa Capital or a related person has a material financial interest, such as buying or selling, as a principal, securities to or from clients; acting as a general partner in a partnership in which Sessa Capital solicits client investments; or acting as an investment adviser to an investment company that Sessa Capital recommends to clients.

11.C. Personal Trading

Sessa Capital has adopted the Code to ensure that personal investing activities by Sessa Capital's employees are consistent with Sessa Capital's fiduciary duty to its clients. In order to avoid potential conflicts that could be created by personal trading by Sessa Capital employees, the Code includes policies and procedures for personal trading. All employees are required to pre-clear with the Chief Compliance Officer any personal securities transaction in specified securities, including IPOs and limited offerings. All employees are required to submit quarterly personal securities transactions and annual holdings reports for review by the Chief Compliance Officer, who will, in turn, review these reports for trading conflicts with the Funds.

11.D. Timing of Personal Trading

Sessa Capital's employees are prohibited from investing in the same securities (or related securities, e.g., warrants, options or futures) that are owned or are actively being traded by the Funds or are restricted, without approval by the Chief Compliance Officer. All employees are required to notify the Chief Compliance Officer or his designee in order to pre-clear personal security transactions in equity securities, including options and derivatives, fixed income securities, IPOs and private placements.

Item 12 – Brokerage Practices

12.A. Selection of Broker/Dealers

Sessa Capital reviews the brokers used and the commissions paid for transactions made on behalf of the Funds in an effort to ensure that the Funds receive the best combination of price and execution with respect to the Funds' portfolio transactions. The best net price, giving effect to

brokerage commissions, spreads and other costs, is normally an important factor in this review, but a number of other subjective factors may be considered relevant. In applying these factors, Sessa Capital recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. The factors include, but are not limited to:

- price;
- the size of the transaction;
- the nature of the market for the security and the timing and impact of the trades on such market;
- the amount of the commission or size of the spread;
- the ability to fulfill the order in a timely manner;
- the broker-dealer's clearance and settlement capabilities;
- the broker-dealer's trade error rate and ability or willingness to correct errors;
- the timing of the transaction, taking into account market prices and trends;
- the reputation, experience and financial stability of the broker-dealer; and
- the quality of service rendered by the broker-dealer in other transactions.

Research and Other Soft Dollar Benefits

Sessa Capital does not currently maintain any arrangements where it receives products and services from brokers in connection with client securities transactions. Should Sessa Capital enter into any arrangements or receive products or services on an ongoing basis from broker/dealers it would limit the use of any "soft dollars" to services that constitute brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934.

Brokerage for Client Referrals

Sessa Capital does not maintain any referral arrangements with broker/dealers.

Directed Brokerage

Sessa Capital does not accept directed brokerage.

Trade Errors

When a trade error occurs, Sessa Capital will reasonably determine how to correct the error. In general, if the trade error results in losses, the losses will be covered by the applicable Fund. Profits that result from a trade error will benefit the applicable Fund. Documentation of any errors made will be maintained by Sessa Capital.

12.B. Aggregation of Orders

If Sessa Capital determines to buy or sell the same security on behalf of both Funds, Sessa Capital may, but is not obligated to, place an aggregated order in order to obtain best execution. Sessa Capital's policy is to seek to allocate trades in a manner that treats all clients fairly over time. Generally, when more than one Fund trades in the same security on the same day, orders will be determined for each Fund at the beginning of the day and trades will be allocated pro rata according to the size of the order should an order be partially filled. At times, additional orders may arise during the day for one of the Funds in which case, additional allocations will be made only to the participating Fund. Participating accounts shall receive the weighted average execution price for the day and shall pay the commission, fees and charges on a pro rata basis or on such other basis deemed fair and equitable by Sessa Capital for days when all trades are being split between accounts.

In situations where opportunities are too limited for all accounts to participate (even on an allocated basis), Sessa Capital will make every reasonable effort to allocate such trades fairly and equitably over time based on an assessment of relative expected efficiencies and in view of the different investment objectives, leverage, risk parameters and current positions of the accounts, including any provisions in the governing documents of the applicable Funds that address allocation of opportunities. This assessment may be made (i) solely in light of the specific investment under consideration or (ii) in the context of the Funds' overall holdings and available capital. In situations that Sessa Capital does not aggregate trades, it may result in higher costs or less favorable execution.

Item 13 – Review of Accounts

13.A. Frequency and Nature of Review

John Petry, the Managing Member of the Funds' general partner and principal owner of Sessa Capital is responsible and has ultimate authority for all trading and investment decisions made on behalf of the Funds. At least quarterly, the Funds' portfolios are reviewed by John Petry to

ensure compliance with each Fund's objectives and restrictions as stated in each Fund's offering documents.

13.B. Factors That May Trigger an Account Review Outside of Regular Review

The Funds' investments are reviewed on an ongoing basis and may be reviewed specifically with regard to certain factors such as cash flows or in response to market conditions.

13.C. Content and Frequency of Reports

Sessa Capital, or its service provider, furnishes each Fund Investor with the following written reports:

- Monthly statements that include the unaudited net asset value or capital account balance of the Investor's interest in the Fund and the monthly year-to-date performance, as applicable;
- Investor letters at a minimum annually; and
- Annual audited financial statements of the Fund.

Item 14 – Client Referrals and Other Compensation

Sessa Capital does not receive any economic benefits from persons other than clients for providing investment advice or other advisory services to the Funds. Sessa Capital does not currently maintain any referral arrangements with individuals or entities that may be compensated, directly or indirectly. If Sessa Capital were to enter into an arrangement with a third party, it would do so in accordance with Rule 206(4)-1 of the Advisers Act.

Item 15 – Custody

Sessa Capital is deemed to have custody of client funds and securities according to Advisers Act Rule 206(4)-2 because an affiliate serves as general partner to the Funds. Sessa Capital does not take or maintain physical custody of any Fund assets and conducts business operations in such a way that all client cash and investments are preserved in the safekeeping of independent qualified custodians. The Funds' custodians are banks or broker-dealers unaffiliated with Sessa Capital. Sessa Capital distributes to the Funds' Investors audited financial statements within 120 days following the Funds' fiscal year end.

Item 16 – Investment Discretion

Sessa Capital is retained by the general partner of each Fund, pursuant to the Fund's limited partnership agreement and an investment management agreement between each Fund and Sessa Capital, to provide investment advisory services on a discretionary basis to the Funds. Sessa Capital is authorized to make the following decisions according to each Fund's specified investment objectives:

- which securities to buy or sell;
- the broker or dealer through whom securities are bought or sold;
- the total amount of securities to buy or sell;
- the commission rates at which securities transactions for the Fund's account are affected; and
- the prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

Investments for the Funds are managed in accordance with each Fund's investment objectives, strategies and restrictions, and are not tailored to the individualized needs of any particular Investor in a Fund. Therefore, Investors should consider whether a Fund meets their investment objectives and risk tolerance prior to investing. Information about each Fund can be found in its offering documents, which are available to current and prospective Investors only through Sessa Capital.

Item 17 – Voting Client Securities

It is Sessa Capital's policy to vote proxies on behalf of the Funds in accordance with Sessa Capital's proxy voting policies and procedures. It is not possible for Investors in a Fund to direct votes made by Sessa Capital on behalf of such Fund.

Sessa Capital may not vote proxies depending on the circumstances of the proxy. Sessa Capital acknowledges its responsibility for identifying material conflicts of interest related to voting proxies. If a conflict exists which cannot be otherwise addressed, Sessa Capital may choose one of several options including "echoing" or "mirroring" voting the proxies in the same proportion as the votes of other proxy holders that are not Sessa Capital clients.

A copy of Sessa Capital's proxy voting policies and procedures and records of how Sessa Capital voted are available upon request.

Item 18 – Financial Information

18.A. Advance Payment of Fees

Sessa Capital does not require or solicit prepayment of fees from clients, six months or more in advance.

18.B. Financial Condition

Sessa Capital has no financial commitments that impair its ability to meet contractual commitments and fiduciary commitments to clients.

18.C. No Bankruptcy Proceedings

Sessa Capital has not been the subject of a bankruptcy proceeding.