

MILLBURN RIDGEFIELD CORPORATION

Form CRS Customer Relationship Summary, June 2021

Item 1. Introduction

- Millburn Ridgefield Corporation (“Millburn” or “we”) is a U.S. Securities and Exchange Commission (“SEC”) registered investment adviser and an SEC registered and Financial Industry Regulatory Authority (“FINRA”) member broker-dealer. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences.
- Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. FINRA provides the means to review the firm and its financial professionals at <https://brokercheck.finra.org/>.

Item 2. Relationship and Services

■ What investment services and advice can you provide me?

We offer both investment advisory and brokerage services to retail investors and institutional clients.

— As an investment adviser, we provide

- (1) financial planning advice to specific individuals with whom we have an extensive overall relationship and their family foundations, to trusts, and to foundations directly (“Financial Planning Clients”);
- (2) discretionary investment advice to privately offered and publicly offered pooled investment vehicles that are not themselves retail investors (the “Funds”); and
- (3) discretionary investment advice to separately managed accounts, which are not offered to retail investors at this time.

– *As an investment adviser, our only retail clients are the Financial Planning Clients.*

— As a broker-dealer, our sole activity is to solicit on behalf of and to recommend investments into the Funds, which we manage (i.e., Funds organized and sponsored by Millburn or for which we serve as an adviser or sub-adviser). We do not offer other types of investments, such as equities, bonds, options, Exchange Traded Funds, mutual funds, or private funds offered by third party managers, and we do not hold any of your investments in a customer account at our firm. Rather, an investment into a Fund would be reflected only in the records of that Fund and with any transfer agent servicing that Fund. The Funds are generally illiquid and carry a high degree of risk. It is not recommended that an investment in Funds be more than a small portion of your overall investment portfolio.

- We provide investment advice to Financial Planning Clients and to the Funds we manage. Our advice to Financial Planning Clients is based on each client’s financial situation, investment goals, risk tolerance, and special circumstances. As a Fund manager, we have discretionary authority over the assets in a Fund. Millburn also provides nondiscretionary financial advice services (i.e., the investor makes the ultimate decision regarding the purchase or sale of its investments) to Financial Planning Clients and, potentially, to broker-dealer clients.
- Fund account reviews are conducted on at least a quarterly basis but may be reviewed on a more frequent basis or in the event such reviews are necessitated by significant market events or changes in the Fund’s investment objectives or risk tolerances. Financial Planning Client account reviews are conducted on at least an annual basis but may be reviewed on a more frequent basis or in the event such reviews are necessitated by significant market events or changes in the client’s investment objectives or risk tolerances.

- As a broker-dealer, we solicit on behalf of and recommend investments into the Funds, but we do not provide any ongoing monitoring after that recommendation (i.e., we will not continue to review the client's investment in Fund(s) and will not recommend whether to continue that investment). We act only as a placement agent at the time of your investment in the Fund.
 - More information about Millburn's investment advisory services can be found on the [Form ADV, Part 2A](#) brochure.
 - **Conversation Starter:** *We encourage you to ask additional questions, such as:*
 - *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?*
 - *How will you choose investments to recommend to me?*
 - *What is your relevant experience, including your licenses, registrations, education, and other qualifications? What do these qualifications mean?*

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

- **What fees will I pay?**
 - **Financial Planning Clients and Broker-Dealer Services.** We do not charge separate direct fees for financial planning services or broker-dealer services. However, if you invest in a Fund, you will incur fees and expenses as an investor in that Fund, as described in the Fund's offering documents (see below). Because we generally receive management fees based on the asset level in a Fund, we have the incentive to recommend that you invest in a Fund and/or increase the amount of your investment.
 - **Management Fee.** Each Fund is generally assessed a management fee of typically 2% of invested assets per year assessed monthly in arrears. The management fee is based on the Fund's net asset value. It is NEGOTIABLE based on the situation of the Client, level of work involved, and nature of the investment strategy. The management fee may be higher or lower for a particular Fund or investor in a Fund, and is clearly stated in the Fund's offering document.
 - **Performance Fees.** Some Funds (but not all) pay a performance fee to the manager of typically 20% of its performance (net of such Fund's management fees and expenses), which is assessed annually (or prorated as of the date of a withdrawal or redemption). This performance fee is NEGOTIABLE based on the situation of the Fund, level of work involved and nature of the investment strategy. This performance fee may be higher or lower for a particular Fund or investor in a Fund, and is clearly stated in the Fund offering document.
 - **Other Fees and Expenses.** Each Fund is subject to fees and expenses. These fees and expenses include custody fees, brokerage and other trading costs, plus where applicable fees related to the management of mutual funds, money market funds, exchange-traded funds, other funds and managed accounts with other asset managers (not affiliated with Millburn), fixed income investments, and/or equities in which clients invest. Each Fund will incur the specific fees and expenses described in its offering document.
 - **Additional Information on Fees and Costs.** You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More information about Millburn's fees can be found in the [Form ADV, Part 2A](#) brochure and in a Fund's offering documents.
 - **Conversation Starter:** *We encourage our clients to ask additional questions on the impact of fees on investments, such as:*
 - *Help me understand how these fees and costs might affect my investments.*
 - *If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

▪ **What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

— **Standard of Conduct.**

- *When we solicit as a broker dealer on behalf of a Fund by recommending that you invest in a Fund managed by us, we are providing a recommendation that we believe is in your best interest based on our understanding of your investor profile. At the same time, however, we are incentivized to make the recommendation, because as the Fund grows its assets under management our management fee rises. This is a potential conflict of interest. We will only recommend that you invest in a Fund, which is a product that is sponsored or advised by us and from which we make money. We will not recommend funds or products the assets of which are not managed by us. You should understand and ask us about these conflicts because they can affect the recommendations we provide you.*
- *When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. The financial planning advice we give you will, in part, include an investment in Funds, which are products that are sponsored or advised by us and from which we make money. You should understand and ask us about these conflicts because they can affect the investment advice we provide you.*
- Here are some examples to help you understand what this means.

— **Examples of Ways We Make Money and Conflicts of Interest.**

- Millburn generally receives asset-based fees from the Funds and also receives a performance fee from certain of the Funds and, as such, Millburn may have an incentive to advise a client to invest in one or more Funds when it might ultimately be more beneficial for a client to invest elsewhere, in other funds or directly held assets for which Millburn does not provide advisory services. It is important to read carefully the offering documents of a Fund, whether managed by Millburn or another investment adviser, in order to fully understand a fund's investment objectives, investment style, and how these parameters match your investment goals and risk tolerances. There is potential for conflicts of interest to arise between a fund manager and a fund's investors that are inherent in the fund manager's mandate. It is important to understand, for instance, the nature of the fund performance fee itself. A fund manager may be incentivized to take more risk when making his or her investment decisions to increase a fund's performance and the manager's performance fee. Such risk taking can work against the performance of a fund no matter how thorough the prior calculation may have been.
- **Conversation Starter:** *We encourage our clients to ask additional questions on conflicts of interest, such as:*
- *How might your conflicts of interest affect me, and how will you address them?*
- More information on conflicts of interest can be found on our [Form ADV, Part 2A](#) brochure.

▪ **How do your financial professionals make money?**

- As an owner-operated organization that derives income from management fees and performance fees, we see our interests as clearly aligned with those of our Financial Planning Clients, managed Funds, and the clients invested in the Funds. Our compensation system motivates us to grow client wealth levels over time and deliver outperformance. Employees are incentivized with discretionary bonuses, based in part on the overall profitability of Millburn and/or based on the profitability of a particular segment of Millburn's business. Senior team members maintain substantial investments in the Funds, further aligning the interests of our senior team members with the success of our clients' investment plans. Financial professionals are not compensated based on sales activity. However, increased assets invested in Funds increase overall management fees received by Millburn and, depending on performance, the overall

performance fees received by Millburn. That increased revenue increases the overall compensation of Millburn employees. For this reason, we have the incentive to encourage you to invest in Funds initially, to remain invested in the Funds, to invest in Funds that generate higher fees, and to increase the amount of your investment in the Funds.

Item 4. Do you or your financial professionals have legal or disciplinary history?

- No.
- A free and simple search tool to research Millburn and our financial professionals is available at Investor.gov/CRS and at brokercheck.finra.org.
- ***Conversation Starter:*** *We encourage our clients to ask additional questions on disciplinary history, such as:*
 - *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Item 5. Additional Information

- You can find additional information about our investment advisory services on our [Form ADV, Part 2A](#) and by contacting Millburn’s Chief Compliance Officer at 212-332-7333 or sfelsenthal@millburn.com. You may request up-to-date information or a copy of our relationship summary by contacting Millburn’s Chief Compliance Officer at 212-332-7333 or sfelsenthal@millburn.com.
- ***Conversation Starter:*** *We encourage our clients to ask additional questions on contacts and complaints, such as:*
 - *Who is my primary contact person?*
 - *Is he or she a representative of an investment adviser or a broker-dealer?*
 - *Who can I talk to if I have concerns about how this person is treating me?*