

# SCULPTOR CAPITAL MANAGEMENT, INC.

## **FORM 8-K** (Current report filing)

Filed 07/24/20 for the Period Ending 07/24/20

Address	9 WEST 57TH STREET SUITE 1300 NEW YORK, NY, 10019
Telephone	(212)790-0000
CIK	0001403256
Symbol	SCU
SIC Code	6282 - Investment Advice
Industry	Investment Management & Fund Operators
Sector	Financials
Fiscal Year	12/31

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

---

**FORM 8-K**

---

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): July 24, 2020**

---

**SCULPTOR CAPITAL MANAGEMENT, INC.**

(Exact Name of Registrant as Specified in Its Charter)

---

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-33805**  
(Commission File Number)

**26-0354783**  
(IRS Employer Identification No.)

**9 West 57th Street, New York, New York 10019**  
(Address of Principal Executive Offices) (Zip Code)

**212-790-0000**  
(Registrant's Telephone Number, Including Area Code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Shares	SCU	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

---

---

## **Item 8.01. Other Events.**

At a status conference on July 23, 2020, Oz Africa Management GP, LLC (“Oz Africa”), certain former shareholders of Africo Resources Inc. (the “Claimants”) and the U.S. Department of Justice discussed a potential settlement framework with the Honorable Nicolas Garaufis of the U.S. District Court for the Eastern District of New York (the “Court”) that would resolve the restitution dispute in U.S. v. Oz Africa Management GP, LLC, Cr. No. 16-515 (NGG) (EDNY). Oz Africa and the Claimants have agreed in principle on a restitution amount of \$136 million. If the Court approves this framework then the settlement terms would be presented to the Court for approval.

The proposed settlement remains subject to (i) final negotiation and signing of a formal settlement agreement, which will only be entered into if the Court approves the settlement framework and (ii) the subsequent approval by the Court of the restitution amount.

If all approvals are received, Sculptor Capital Management, Inc. (the “Company”) intends to pay the \$136 million settlement amount from current cash and cash equivalents and long-term U.S. government obligations, which were approximately \$330 million as of March 31, 2020. Oz Africa previously recorded a \$19.1 million accrual, which was included in the consolidated financial statements of the Company. In light of the foregoing developments, the Company intends to make appropriate adjustments to Oz Africa’s accrual in the Company’s upcoming Quarterly Report on Form 10-Q for the quarterly period ending June 30, 2020.

## **Forward-Looking Statements**

The information contained in this Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, that reflect the Company’s current views with respect to, among other things, future events, its operations and its financial performance. The Company generally identifies forward-looking statements by terminology such as “outlook,” “believe,” “expect,” “potential,” “continue,” “may,” “will,” “should,” “could,” “seek,” “approximately,” “predict,” “intend,” “plan,” “estimate,” “anticipate,” “opportunity,” “comfortable,” “assume,” “remain,” “maintain,” “sustain,” “achieve,” “see,” “think,” “position” or the negative version of those words or other comparable words.

Any forward-looking statements contained in this Current Report on Form 8-K are based upon historical information and on the Company’s current plans, estimates and expectations. The inclusion of this or other forward-looking information should not be regarded as a representation by the Company or any other person that the future plans, estimates or expectations contemplated by the Company will be achieved.

The Company cautions that forward-looking statements are subject to numerous assumptions, estimates, risks and uncertainties, including but not limited to the following: global economic, business, market and geopolitical conditions, including the impact of public health crises such as the COVID-19 pandemic; U.S. and foreign regulatory developments relating to, among other things, financial institutions and markets, government oversight, fiscal and tax policy; the outcome of third-party litigation involving the Company; the consequences of the Foreign Corrupt Practices Act settlements with the SEC and the U.S. Department of Justice and any claims arising therefrom; whether the Company realizes all or any of the anticipated benefits from the February 2019 recapitalization and other related transactions; whether such recapitalization and other related transactions result in any increased or unforeseen costs, indemnification obligations or have an impact on our ability to retain or compete for professional talent or investor capital; conditions impacting the alternative asset management industry; the Company’s ability to retain existing investor capital; the Company’s ability to successfully compete for fund investors, assets, professional talent and investment opportunities; the Company’s ability to retain its active executive managing directors, managing directors and other investment professionals; the Company’s successful formulation and execution of its business and growth strategies; the Company’s ability to appropriately manage conflicts of interest and tax and other regulatory factors relevant to the Company’s business; the anticipated benefits of changing the Company’s tax classification from a partnership to a corporation and subsequently converting from a limited liability company to a corporation; and assumptions relating to the Company’s operations, investment performance, financial results, financial condition, business prospects, growth strategy and liquidity.

---

If one or more of these or other risks or uncertainties materialize, or if the Company's assumptions or estimates prove to be incorrect, the Company's actual results may vary materially from those indicated in these statements. These factors are not and should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and risks that are included in the Company's filings with the SEC, including but not limited to the Company's Annual Report on Form 10-K, as amended, for the year ended December 31, 2019, dated February 25, 2020, and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020, dated May 7, 2020, as well as may be updated from time to time in the Company's other SEC filings. There may be additional risks, uncertainties and factors that the Company does not currently view as material or that are not known. The forward-looking statements contained in this Current Report on Form 8-K are made only as of the date of this Current Report on Form 8-K. The Company does not undertake to update any forward-looking statement, because of new information, future developments or otherwise.

This Current Report on Form 8-K does not constitute an offer of any Sculptor Capital fund.

#### Item 9.01. Exhibits

Exhibit No.	Description
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SCULPTOR CAPITAL MANAGEMENT, INC.  
(Registrant)

By: /s/ Thomas M. Sipp  
Thomas M. Sipp  
Chief Financial Officer and  
Executive Managing Director

Date: July 24, 2020