

Starr Principal Holdings, LLC

Form ADV, Part 2A Brochure

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This brochure provides information about the qualifications and business practices of Starr Principal Holdings, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 230-5059. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Starr Principal Holdings, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

This brochure refers to Starr Principal Holdings, LLC as a “registered investment adviser” and as being “registered” with the SEC. Registration with the SEC as an investment adviser does not imply that Starr Principal Holdings, LLC possesses a certain level of skill or training.

Item 2 – Material Changes

Because this brochure accompanies Starr Principal Holdings, LLC's initial filing of Form ADV for registration under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), there are no material changes to disclose.

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Item 4 – Advisory Business

Starr Principal Holdings, LLC (the “Adviser”) is a Delaware limited liability company that is wholly-owned by C.V. Starr & Co., Inc. (“C.V. Starr”). C.V. Starr is a private holding company with a substantial portfolio of global investments. The Adviser has determined to register as an investment adviser as the result of the amendment to Section 203(b)(3) of the Advisers Act, as amended by the Dodd Frank Wall Street Reform and Consumer Protection Act and the rules and regulations thereunder, which eliminated a registration exemption for investment advisers with fewer than 15 clients. To prepare for the new investment adviser registration requirements, the Adviser was formed in January 2012 to continue C.V. Starr’s direct private equity investment management activities and other internal portfolio management activities.

The Adviser provides investment advice on strategic, controlling growth equity investments in privately held companies. Clients of the adviser include C.V. Starr, Starr International Company, Inc. (“Starr International”) and its insurance company subsidiaries, and unrelated corporate, institutional, sovereign wealth fund and ultra-high net worth family clients. The Adviser originates direct private equity investments (in some cases, control investments), structures and negotiates the transactions, performs extensive due diligence, and forms investment recommendations for its clients. The Adviser will typically seek representation on the board of directors of these investments. Clients then assess these recommendations and make independent decisions whether or not to participate in a particular transaction. Clients that determine to participate in a private equity transaction may grant the Adviser discretionary authority to provide continuous management and oversight of the specific transaction once made, to exercise discretion with respect to matters submitted to stockholders, to execute sale and other exit transactions in some instances on a discretionary basis, and, when there is a directorship, to exercise all governance functions on behalf of the Adviser’s clients. The Adviser and its advisory personnel may obtain performance-related compensation with respect to these investments, as described in Item 6.

The Adviser also provides investment advice to C.V. Starr and Starr International, acting through the investment committees of their Boards of Directors, and to the insurance company subsidiaries of Starr International, with respect to these companies’ diversified investment portfolios, which include marketable equity securities, taxable and tax-exempt fixed income securities (typically investment grade), mutual funds, direct real estate investments, and investments in alternative investment funds (including hedge funds, private equity funds, and real estate funds). The Adviser’s real estate advisory services concentrate on identifying multi-family residential, hospitality and land development projects. These advisory services are tailored to the needs of these clients. This advice may be provided on either a discretionary or non-discretionary basis. Investment advice with respect to these asset classes is not typically offered to unrelated clients.

As of December 31, 2011, the Adviser was providing investment advice with respect to investments of approximately \$2 billion on a non-discretionary basis and approximately \$4 billion on a discretionary basis.

Starr International is a private insurance holding company. Substantially all of the equity of Starr International is owned by a Swiss charitable foundation, and the voting stock of Starr International is owned by 12 persons, four of whom are also directors of C.V. Starr. No person owns more than 8.3% of the voting stock of Starr International. Certain members of the board of directors of Starr International are also directors of C.V. Starr and in some cases the regulated insurance company subsidiaries of Starr International. Under the rules and regulations under the Advisers Act and the instructions to Form ADV, Starr International and its subsidiaries may be considered to be related persons of the Adviser for purposes of the Advisers Act because of the fact of these common directorships. Although the Adviser reports the regulated insurance company subsidiaries of Starr International as related persons in Item 7 and the corresponding section of Schedule D of Form ADV Part 1A, the Adviser disclaims that it is controlled by Starr International or that it is under common control with Starr International or any of the regulated insurance company subsidiaries of Starr International.

Item 5 – Fees and Compensation

Clients may be charged a management fee based upon a percentage of assets under management, either at cost or at fair market value. Fees are typically payable quarterly in arrears. Clients may also be charged a performance-based fee, as described in Item 6.

With respect to private equity investments, the Adviser may obtain additional fees customary for private equity transactions, including, but not limited to, execution fees, brokerage fees, transaction fees and monitoring fees, directors' fees and exit fees. The Adviser may also receive equity incentives in forms such as warrants or options in certain underlying portfolio companies in which clients invest.

The Adviser's compensation is negotiated with clients at the time they enter into a relationship with the Adviser or decide to participate in a particular transaction.

Clients are expected to reimburse the Adviser for transaction-related expenses incurred with third parties, including but not limited to expenses associated with legal, investment banking, consulting, due diligence, brokerage and other transaction-related services.

Because the Adviser is registering as an investment adviser with the SEC under the Advisers Act, and this brochure will be delivered only to Qualified Purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (the "Investment Company Act"), a fee schedule is not required to be provided.

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

The Adviser may collect performance-based fees with respect to particular investments, which may be in the form of carried interest based on a percentage of realized gain, and, in certain cases subject to a meeting a performance threshold, or based on the increase in the fair market value of the investment or investment portfolio subject to this fee in excess of a high water mark. Any performance-based fees will be consistent with typical market practice and may be determined by, in addition to the result of investment, the nature of the capital at risk, the size of investment, and the nature of investment, among other factors. Certain investments are structured so that supervised persons of the Adviser participate directly in the carried interest.

That the Adviser receives compensation based on the performance of certain investments may create an incentive for the Adviser to recommend investments that are riskier or more speculative than would be the case absent this performance-based compensation.

Item 7 – Types of Clients

The Adviser provides investment advisory services with respect to direct growth private equity investments to corporate, institutional, sovereign wealth fund and ultra-high net worth family clients. All clients must generally be Qualified Purchasers under the Investment Company Act or Qualified Institutional Buyers under Rule 144A of the Securities Act of 1933 (the “Securities Act”), and therefore Accredited Investors under Regulation D of the Securities Act.

The Adviser also provides advice to C.V. Starr, Starr International and the insurance company subsidiaries of Starr International on a diverse portfolio of investments in other asset classes, but does not typically offer these services to unrelated clients.

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

Methods of Analysis and Investment Strategies

The Adviser utilizes a variety of methods to analyze potential and existing investment opportunities. These methods vary depending on the nature of the investment opportunity.

Private Equity Investments

The Adviser provides non-discretionary recommendations to clients regarding strategic, controlling growth equity and debt investments in privately held companies. However, the Adviser may also recommend investments in minority interests in private companies or in publicly traded securities that it identifies as having favorable investment prospects. The Adviser actively manages and monitors the portfolio companies of its clients, including providing ongoing assessment on fair value of the investments for its clients. The Adviser seeks to exit investments when it believes that its clients have the best opportunity to maximize returns. As private investments are typically not held in multiple asset portfolios, the Adviser is not constrained by the termination dates in typical private equity fund structures.

In identifying, originating and evaluating potential private equity investments, the Adviser utilizes a number of analytical methods to assess the potential investment. These methods focus on the target company's (i) industry fundamentals; (ii) market positioning and competition; (iii) financial valuation, including comparable company analysis, comparable transaction analysis, and discounted cash flow analysis; (iv) management capability; (v) operational, marketing, legal, tax, labor, environmental, and accounting factors; (vi) key business risks; (vii) governance and control; (viii) exit options and timing; (ix) possible synergies with the presence of C.V. Starr and Starr International in existing and emerging markets worldwide (which would typically not be offered for external co-investment); and (x) other factors.

Private Fund and Public Securities Investments

The Adviser also provides advice to C.V. Starr and Starr International (and its insurance company subsidiaries) on publicly traded equity and debt securities and investments in alternative investment funds, including private equity, hedge fund, and real estate investment strategies.

In considering potential alternative investment fund investments, the Adviser assesses potential investment targets based on: (i) management capability and track record; (ii) fund size and liquidity, as applicable; (iii) management ability to source, execute, and exit high-quality investments; (iv) assessment of investment thesis, such as strategy, screening criteria, and industry focus; (v) competition; (vi) investment horizon; (vii) complement to existing portfolios; and (viii) other factors.

In considering publicly traded equity securities, the Adviser's analytical methods focus on following aspects of the securities: (i) industry fundamentals; (ii) market positioning and competition; (iii) financial valuation, including comparable company analysis, comparable transaction analysis, and discounted cash flow analysis; (iv) management capability; (v) company size and liquidity; (vi) operational, marketing, legal, tax, labor, environmental, and accounting factors; (vii) key business risks; (viii) corporate governance; (ix) possible synergies with the presence of C.V. Starr and Starr International in existing and emerging markets worldwide, but typically only in the case of transactions not presented to unrelated co-investors; and (x) other factors.

Investments in fixed income securities are typically made in investment grade corporate debt and investment grade municipal bonds and are intended to preserve capital, enhance the total return of investment portfolios, diversify the composition of the portfolios, provide regulated insurance company subsidiaries of Starr International an income stream in addition to its premium revenues to fund insurance claims, and assist these companies in complying with regulatory requirements regarding investment portfolios, and, in the case of Starr International, to preserve capital that may be needed to fund the capital needs of its regulated insurance company subsidiaries. Debt security investment is also an element of the Adviser's private equity investment strategy.

Real Estate Investments

In considering real estate investments, the Adviser's analytical methods focus on the following aspects of the properties: (i) reputation of the target's management team; (ii) industry and/or market dynamics; (iii) physical and/or environmental concerns; (iv) competitors; (v) the target's competitive position and strategy; (vi) the target's financial statements, off-balance sheet and contingent liabilities, debt capacity and financing needs; (vii) equity and debt market perspectives; (viii) environmental, political and regulatory risks; and (ix) economic risk, exit alternatives and return potential. Where appropriate, third-party consultants, industry experts and/or other advisors may be engaged to assist with aspects of the diligence process, or to assist with other areas relevant to the potential transaction and/or evaluation of the potential investment.

Risk of Loss

Although all investments involve risk of loss that investors must be prepared to bear, the Adviser's significant investment strategies and methods of analysis involve the following material risks.

Reliance on Financial Projections

The Adviser's recommendations are based on financial and other projections. Those projections are estimates of future results and depend on various assumptions. Actual results may vary from projections, and the projected performance results of clients' investments may not be attained. Various factors that cannot be predicted, including general economic conditions and changes in debt markets, may materially and adversely affect the Adviser's strategy and clients' performance.

Reliance on Key Investment Personnel

The performance of each client's investments will depend in part upon the skill and expertise of the Adviser's investment professionals. There can be no assurance that these professionals will continue to be associated with the Adviser throughout the life of a client's relationship with the Adviser. The loss of the services of these key personnel could impair the Adviser's ability provide services to its clients and could adversely affect their performance.

Portfolio Company Management

The day-to-day operations of each portfolio company acquired upon the advice of the Adviser will be the responsibility of that company's management team. Although the Adviser, and in some cases certain of the Adviser's clients, will monitor the management team, there can be no assurance that the existing management team or any new management team will successfully execute the Adviser's plans for the company.

Investments in Less Established Companies

The Adviser may recommend investments in less established companies, which involve greater risk than investing in more established companies. Less established companies may have limited product lines, markets or financial resources, and they may be dependent on a limited management team. These companies may be subject to more abrupt and erratic fluctuations than more established companies, and because they generally have fewer resources, they may be more susceptible to financial failure. Their relatively short operating histories also make less established companies more difficult to analyze.

Illiquidity

Many of the investments managed by the Adviser will be illiquid, and there can be no assurance that any gains on the investments will be realized in a timely manner. Although the investments may generate some current income, any return of capital and realization of gains will occur only on disposition or refinancing of the investments.

Limited Number of Investments

A client may make only a limited number of investments and take large positions in those investments. If any of those investments experiences a material loss, the overall returns to the client may be adversely affected. Unless otherwise agreed, the Adviser does not provide any assurance of diversification in its investment advice.

Financial Market Uncertainty

Since 2008, global financial markets have been relatively uncertain and have frequently experienced periods of unprecedented volatility. There can be no assurances that changes in these markets will not adversely affect the portfolio companies or other investments recommended by the Adviser, including access to capital and overall performance. General fluctuations in the market prices of securities may also affect the value of clients' investments.

Currency and Exchange Rates

Certain of the Adviser's investments and the income they generate are denominated in foreign currencies. Changes in currency exchange rates may adversely affect the value of those investments in a client's base currency, the interest and dividends they produce, and any gains and losses realized on their sale.

Investments in non-U.S. Companies

From time to time, the Adviser may make investments in companies outside the U.S., including in emerging markets. These investments may involve risks different from those associated with investments in United States, including greater government control over the economy, political and legal uncertainty, and currency fluctuations. Economic and political risks include potential exchange controls, restrictions on non-U.S. investments and capital repatriation, expropriation or confiscatory taxation, and general economic, political and social instability. Legal risks include differences in uniform financial reporting standards, ineffective government oversight and regulation, and underdeveloped corporate governance and investor-protection laws. Investments in non-U.S. companies may also be affected by differences between the U.S. and non-U.S. securities markets, including price volatility and relative illiquidity of non-U.S. markets.

Other Risks

Investments made by the Adviser will be subject to a variety of macro-level economic, political and financial risks that are beyond the control of the Adviser. These risks include uninsured or uninsurable casualties, acts of God, terrorist attacks, war and other economic, political, and financial events that may negatively affect these investments.

Use of Leverage

The investment strategy will rely on leverage for some investments. To the extent the portfolio companies take on debt, investments in those companies will present a greater opportunity for capital appreciation, but will also involve a higher degree of risk. The leveraged capital structure of the portfolio companies will increase investors' exposure to any deterioration in the companies' circumstances, including unfavorable marketing or economic conditions, operating problems, interest rate increases, and other general business and economic challenges. If a portfolio company becomes unable to service its debt obligations, investors may suffer a partial or total loss of their invested capital.

To the extent the clients invest in third-party hedge funds that rely on leverage, those investments will also present a greater opportunity for capital appreciation, but will also involve increased risk. The use of leverage will magnify the effect of any unfavorable business, financial, or economic circumstances that affect the funds or their portfolio investments.

Risks Related to Real Estate Investments

In addition to other risks disclosed in this item, real estate investments involve unusual risks, including but not limited to the following.

Legal and Financial Matters. The valuations of real estate properties may fluctuate significantly, depending on a property's location, local real estate market, capital market conditions, and occupancy. Maintenance, insurance, and operating costs associated with the individual properties may also change significantly. Any adverse changes in these factors could adversely affect performance of the client's investment. Any adverse change in the financial condition of a major tenant of a property held by a client could adversely affect performance.

Environmental Matters. Under various federal, state, and local laws, an owner or occupier of real property may be responsible for costs associated with environmental contamination. These laws may require an owner or occupier to pay for the costs of removing or remediating hazardous materials that have been released on its property. An owner or occupier of property that has been affected by the release of hazardous materials may be subject to legal action by government authorities and private parties for the cost of removal or remediation. The presence of or improper removal or remediation of such materials may also adversely affect the use, valuation, and disposition of the property.

Conflicts of Interest

Allocation of Investment Opportunities

The Adviser may be presented with investment opportunities that fall within the investment objectives of multiple clients. While the Adviser will seek to allocate such opportunities on an equitable basis as described in Item 11, it is under no obligation to offer co-investment

opportunities to clients other than C.V. Starr and Starr International and typically will seek external co-investors only in circumstances where the amount available for investment exceeds the amount that C.V. Starr and Starr International are willing to commit to particular investment.

Investments Synergistic with Operations of C.V. Starr and Starr International

Certain investments are informed by, and expected to have synergies with, the operations of C.V. Starr and Starr International. Although the Adviser will consider the interests of all of its clients in making investment recommendations, in certain instances the business interests and regulatory constraints applicable to C.V. Starr or Starr International may cause an investment to be exited at a time when unrelated investors may have an interest in continuing to hold a particular investment but for this constraint.

Fees and Expenses

As disclosed in Items 5 and 6, clients will pay various fees and expenses to the Adviser. Unrelated clients will be asked to approve fees upon entering into a relationship with the Adviser with respect to a particular investment. These fees and expenses will reduce clients' investment returns.

Performance-based Compensation

As disclosed in Items 5 and 6, because the Adviser receives performance-based compensation, the Adviser may have an incentive to recommend investments that are riskier or more speculative than would otherwise be the case absent this performance-based compensation.

Item 9 – Disciplinary Information

Maurice R. Greenberg does not participate in the management of the Adviser or its investment advisory activities, but is considered to be an advisory affiliate of the Adviser by virtue of his ownership of a controlling interest in C.V. Starr, the direct parent of the Adviser. In August 2009, Mr. Greenberg, without admitting or denying the allegations of a complaint by the Securities and Exchange Commission regarding certain accounting transactions by American International Group, Inc. and certain SEC filings made by American International Group, Inc., of which Mr. Greenberg was chairman and chief executive officer, consented to a judgment enjoining him from violating or controlling any person who violates certain provisions of the Securities Exchange Act of 1934 and the rules and regulations thereunder, and directing him to pay a penalty of \$7.5 million and disgorgement of \$7.5 million.

For further information, see <http://www.sec.gov/litigation/litreleases/2009/lr21170.htm>.

Item 10 – Other Financial Industry Activities and Affiliations

Neither the Adviser nor any of its management persons is a registered broker-dealer or registered representative of a broker-dealer.

Neither the Adviser nor any of its management persons is a registered futures commission merchant, commodity pool operator, commodity trading advisor, or associate of any such entities.

As described in Item 4 of this ADV Part 2A brochure and in response to Item 7 and the corresponding section of Schedule D of ADV Part 1A, subsidiaries of Starr International may be deemed to be related persons of the Adviser for Advisers Act purposes. Starr International has subsidiaries that are regulated insurance companies and insurance agencies. No management person of the Adviser is a director or officer of any of these companies or has any business relationship with these companies, other than Scott Greenberg. Scott Greenberg, a managing member of the Adviser, is a director of C.V. Starr, Starr International and certain of Starr International's unregulated subsidiaries and participates on the investment committees of C.V. Starr and Starr International, which is not viewed as creating a conflict of interest. The other directors of C.V. Starr and Starr International do not participate in the business or management of the Adviser.

The Adviser does not believe that the possible status of these companies as related persons of the Adviser creates a conflict of interest with respect to clients, except as described in "Item 8 – Conflicts of Interest – Allocation of Investment Opportunities and Investments Synergistic with Operations of C.V. Starr and Starr International". This potential conflict of interest is addressed by the Adviser's obligation to deliver this ADV Part 2A brochure to its clients and by further specific disclosure to be made to external co-investors when co-investment opportunities are offered. To the extent that portfolio companies of the Adviser may obtain insurance or other services or products from C.V. Starr, Starr International, or any subsidiary of either, a portfolio company will only obtain such services on terms that are comparable to terms available from unaffiliated vendors. Discretionary investment advice on marketable securities and certain asset classes other than private equity, although provided to C.V. Starr, Starr International and the insurance company subsidiaries of Starr International, is not offered at the present time to unrelated clients.

If a portfolio company in which the Adviser had a controlling investment or was represented on the board of directors were to seek to engage in any transaction outside of the ordinary course of business with C.V. Starr, Starr International or any subsidiary of either, the Adviser would make appropriate disclosure to external co-investors and where practical seek their approval.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

As an investment adviser registered with the SEC under the Advisers Act, the Adviser has adopted a Code of Ethics (the “Code”) that sets forth standards of conduct and requires compliance with federal securities laws and the fiduciary obligations of an adviser to its clients. The Code applies to all persons defined as “Access Persons” under SEC Rule 204A-1. The Code outlines policies in several areas, including: standards of conduct and compliance with laws, rules and regulations; protection of material non-public information; and personal securities trading and reporting policies and procedures.

Under the Code, Access Persons must comply with all laws, rules and regulations applicable to the Adviser’s operations and business. The Adviser also expects its Access Persons to know and comply with all applicable internal policies and procedures and to seek guidance from the Adviser’s Chief Compliance Officer (the “Compliance Officer”), supervisors, managers, or other appropriate personnel when in doubt about any contemplated course of action. C.V. Starr also maintains a corporate code of ethics and business conduct to which all personnel are subject, insider trading policies that are incorporated into the Code, and other compliance policies applicable to the Adviser.

The Code requires Access Persons to maintain the confidentiality of all confidential or proprietary information regarding the Adviser and its clients, except when disclosure is mandated by law. Access persons must consult with the Compliance Officer if they have questions about mandatory disclosure. The Code emphasizes that, under federal securities laws, persons may not trade in securities while possessing material, non-public information concerning the issuer of those securities, nor may persons share that information with others who may trade in that issuer’s securities.

The Code bars the Adviser and its employees from effecting transactions with clients. The Adviser’s officers, directors, employees, and other Access Persons are also barred from using information about investments or prospective investments recommended by the Adviser or made by C.V. Starr or Starr International, or their ability to influence those prospective investments, for personal gain or in a manner detrimental to the interests of the Adviser or its clients, including C.V. Starr and Starr International. The Code further provides that no person may recommend or attempt to cause any transaction for the account of a client in which the person also has a personal interest.

All Access Persons must report to the Compliance Officer periodically their personal securities transactions and holdings. Access Persons must obtain pre-clearance from the Compliance Officer before purchasing securities in any securities transaction, including initial public

offerings and private placements. Access Persons are not permitted to sell any securities, other than private equity investments, that are held in the portfolios of C.V. Starr and Starr International until after these companies have fully liquidated their positions. Typically, a private equity investment would be exited on behalf of all clients and any supervised persons who had an interest in a particular transaction at the same time and on the same terms or otherwise on a basis where all interests were treated equally. The Compliance Officer will monitor personal securities transactions to ensure that no transactions raise the appearance of potential trading on non-public information.

All Access Persons are required to promptly report any actual, apparent, or suspected violations of the Code to the Compliance Officer or their supervisor. The Compliance Officer has distributed the Code to each person who is an Access Person. All Access Persons must certify annually that they have been provided a copy of the Code and that they have agreed to be bound by its provisions. An Access Person may be subject to discipline for violations of the Code.

Participation or Interest in Client Transactions

The Adviser does not recommend that its clients invest in opportunities in which it or a related person has a pre-existing, material financial interest. Advisory personnel or the Adviser may co-invest in certain private equity investment opportunities. Although the Adviser does not invest for its own account, the Adviser regularly recommends investments to C.V. Starr and Starr International, which are both clients of and related persons of the Adviser. The Adviser and its advisory personnel may also obtain a carried interest or other incentive-based compensation in connection with certain investments.

The Adviser allocates investments among clients on an investment by investment basis. There is not a pre-established allocation formula for investments by C.V. Starr and Starr International. Investment opportunities are generally allocated among the C.V. Starr, Starr International and their subsidiaries based upon the amount of capital required for the investment and the amount of capital available for investment by these companies, taking into consideration regulatory capital requirements applicable to the regulated insurance company subsidiaries and future capital needs of these subsidiaries to be provided by Starr International. Other clients will be offered the opportunity to invest in certain private equity transactions, typically where the capital required for a transaction exceeds the amount of capital available for investment by C.V. Starr, Starr International and their subsidiaries.

Discretionary advice with respect to asset classes other than private equity is typically not offered to clients other than C.V. Starr, Starr International, and the insurance company subsidiaries of Starr International.

Item 12 – Brokerage Practices

The Adviser recommends transactions in publicly traded securities on an infrequent and opportunistic basis and does not expect there to be a significant number of publicly traded securities in the portfolios of its clients. The Adviser will typically select the broker to be used in any public securities transactions for clients, regardless of whether the Adviser is acting on a discretionary or non-discretionary basis. The Adviser will seek the best price and execution available, except to the extent that it may determine to pay higher brokerage commissions for brokerage and research services. Brokerage is typically executed on a delivery-versus-payment basis, with all securities positions held by the clients' custodians

The Adviser does not make arrangements with specific brokers or dealers to receive research or other services beyond transaction execution in exchange for brokerage commissions from clients' transactions (so-called "soft dollar" arrangements).

The Adviser will periodically evaluate the overall reasonableness of the brokerage commissions and negotiated terms paid to or made with broker-dealers with respect to client transactions by, among other things, seeking to compare such commissions and terms with the commission rates and negotiated terms being charged by and entered into with other comparable broker-dealers.

Item 13 – Review of Accounts

All investment portfolios are reviewed no less frequently than quarterly and reports about portfolio activity and portfolio performance are provided to clients, including the investment committees of C.V. Starr and Starr International, on a quarterly basis. Among other information included in periodic performance reports is quantitative and qualitative information on updated assets under management, valuations of individual portfolio companies, new investments, new exits, investment income, dividends, other cash flow events, management changes, restructurings and bankruptcies.

In the case of private equity investments, the Adviser's team is in frequent contact with portfolio company management. The Adviser's management team actively manages and monitors the portfolio companies of its clients.

Item 14 – Client Referrals and Other Compensation

The Adviser and its advisory personnel have not typically received compensation from any person other than its clients for providing investment advisory services to its clients. The Adviser has historically not compensated any third party for client referrals. If the Adviser were to seek to compensate any person for a client referral in the future, any such payment would be made in conformity with applicable SEC rules, which require full disclosure of the arrangement and a written client acknowledgment.

Item 15 – Custody

The Adviser does not directly have custody of client funds or securities. Under Rule 206(4)-2 of the Advisers Act (the “Custody Rule”), the Adviser may be deemed to have custody of client funds or securities because a related person has custody of those funds or securities.

In the ordinary course of their business, C.V. Starr and Starr International, who may be deemed to be related persons of the Adviser, keep their securities portfolios in safekeeping with large institutional custodians, and all securities transactions effected by the Adviser are settled directly with the client’s institutional custodians.

Because certain private equity investments may be held by special purpose vehicles established to make an investment that may be considered to be private funds if there were external co-investment capital, the Adviser or a related person could be deemed to have custody of a private equity investment in such circumstances. The Adviser expects that any such special purpose vehicle that could rely on the private fund exception to the Custody Rule would typically deliver to its investors audited financial statements as required by the Custody Rule and hold any physical stock certificates in safekeeping with a qualified custodian. If this exception were not available, any other applicable requirements of the Custody Rule would be followed.

Item 16 – Investment Discretion

The Adviser provides its investment recommendations to make investments on either a discretionary or a non-discretionary basis. Unrelated clients will make the decision to invest in any opportunity offered by the Adviser. The Adviser provides discretionary advice to C.V. Starr, Starr International, and the insurance company subsidiaries of Starr International primarily with respect to publicly traded securities. When providing discretionary advice, the Adviser manages portfolios in accordance with these clients' investment objectives and any applicable investment guidelines.

Upon deciding to invest in investment opportunities offered by the Adviser, primarily private equity, clients will in some instances grant the Adviser discretion to make decisions such as financing, dividend, exit or sale with respect to that investment opportunity. The Adviser will obtain written authority to exercise this discretion.

Item 17 – Voting Client Securities

The Adviser will vote marketable securities as to which it has discretionary authority pursuant to proxy voting guidelines (which are available to clients). In the event that the Adviser determines that there may be a conflict between the interests of the C.V. Starr, Starr International and any external client with respect to a particular voting matter, it will refrain from providing voting advice and/or provide a disclosure of the conflict, as appropriate in the particular circumstances.

With regard to private equity investments, the Adviser will retain the authority to take actions with respect to portfolio companies on terms provided in the applicable transaction documents.

Item 18 – Financial Information

An investment adviser that maintains discretion over client assets is required to disclose any financial condition that is reasonably likely to impair the ability to meet contractual obligations. The Adviser is under no such impairment.