

Stonepeak Partners LP

Stonepeak Infrastructure Partners Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Stonepeak Partners LP (Stonepeak). If you have any questions about the contents of this brochure, please contact us at 212-907-5100 or at info@stonepeakpartners.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Stonepeak is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This brochure contains no material changes from Part 2A of Form ADV dated April 1, 2013.

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Item 4 - Advisory Business

Stonepeak Partners LP (“Adviser” or “Stonepeak”) is a limited partnership formed under the laws of Delaware. The Adviser and Stonepeak Advisors LLC, Stonepeak Advisors Holdings LLC and Stonepeak Associates LLC (as described more fully below) (the “Relying Advisers”) collectively provide direct and indirect investment advisory services to private fund clients (the “Fund Clients”). As such, the Adviser along with the Relying Advisers are together filing a single Form ADV in reliance on the position expressed by the SEC No-Action Letter, dated January 18, 2012, in response to the incoming letter from the American Bar Association, Business Law Section.

The Adviser has been in business since March 2011 and is independently-owned and under the direction of Messrs. Michael Dorrell and Trent Vichie. The Adviser is wholly owned by Messrs. Dorrell and Vichie by virtue of their joint ownership of Stonepeak Partners LLC, the General Partner of the Adviser, and by virtue of being limited partners of the Adviser.

The Adviser is the managing member of the Relying Adviser Stonepeak Advisors Holdings LLC, a Delaware limited liability company (“SAH”). SAH is the sole member of another Relying Adviser Stonepeak Advisors LLC, a Delaware limited liability company (“Stonepeak Advisors”). Stonepeak Advisors is the investment manager of Stonepeak Infrastructure Fund LP, a Delaware limited partnership (the “Stonepeak Fund”).

Messrs. Dorrell and Vichie are also managing members of Stonepeak GP Investors LLC, a Delaware limited liability company (“Stonepeak GP Investors”). Stonepeak GP Investors is the general partner of Stonepeak GP Holdings LP, a Delaware limited partnership (“Stonepeak GP Holdings”). Stonepeak GP Holdings is the sole member of the Relying Adviser Stonepeak Associates LLC, a Delaware limited liability company (“Stonepeak GP”). Stonepeak GP is the general partner of the Stonepeak Fund.

TIAA-Stonepeak Investments II, LLC, a Delaware limited liability company (“TIAA Advisor Investor”), owns a minority interest of SAH as a member thereof and a minority interest of Stonepeak GP Holdings as a limited partner thereof. Through its interests in SAH and Stonepeak GP Holdings, TIAA Advisor Investor has indirect interests in Stonepeak Advisors and Stonepeak GP, respectively. TIAA Advisor Investor has no ownership interest in the Adviser or Stonepeak Partner GP. TIAA Advisor Investor is an affiliate of Teachers Insurance and Annuity Association, a stock life insurance company (“TIAA”).

In connection with Stonepeak GP and the Stonepeak Fund, Stonepeak GP Holdings has established (a) a four-member steering committee consisting of Messrs. Dorrell and Vichie and two representatives designated by TIAA Advisor Investor (the “Steering Committee”), which meets regarding matters relating to the Stonepeak Fund, the Stonepeak GP and their investments, and (b) a four-member investment committee consisting of Messrs. Dorrell and Vichie and two members designated by TIAA Advisor Investor (the “Investment Committee”). The consent of a majority of the allocated votes of the Investment Committee is required for all major investment decisions of the Stonepeak GP and the Stonepeak Fund. Messrs. Dorrell and Vichie each have 30% of the vote for the Investment Committee and each member designated by TIAA Advisor Investor has 20% of the vote for the Investment Committee. Decisions of the Steering Committee and the Investment Committee similarly bind all actions of SAH (and accordingly, Stonepeak Advisors) to the same extent as they bind the Stonepeak GP and Stonepeak GP Holdings.

The Adviser is governed by its senior managing directors consisting of Messrs. Michael Dorrell and Trent Vichie (the founding partners).

The Adviser provides investment advisory (discretionary) services exclusively for Fund Clients. Services include: identification and evaluation of prospective investments for the Fund Client, negotiation and consummation of the acquisition and financing of companies and infrastructure assets, monitoring, directing management teams of portfolio investments, providing strategic input to portfolio investment and performing administrative services for the Fund Client under an investment advisory agreement with the Fund Client.

The Adviser works alongside its business executives who have been retained specially for their deep operating experience in infrastructure sectors relevant to the Adviser's investment thesis (the "Operating Partners") and network of contacts to generate off-market deal flow in infrastructure assets that are primarily in the following sectors:

- Water & Utilities: including water distribution, treatment, desalination, waste, utility distribution systems, transmission lines, integrated waste businesses and municipal assets;
- Energy: pipelines, other midstream, power generation, renewables and storage assets; and
- Transportation: rail, airports, roads and ports.

The Adviser provides investment advisory services to its Fund Clients pursuant to the terms of an investment advisory agreement with each Fund Client. The investment advisory agreements tailor the advisory services provided to the Fund Client in a manner consistent with the investment objectives and manner of operation provided for in the private offering documentation and limited partnership agreement for the respective Fund Client. These limitations may include:

- Diversification requirements: limitations may be placed on the aggregate percentage of capital commitments that may be invested in any one investment;
- Geographic limitations: (i) the Stonepeak Fund may not invest in any investments relating to issuers where (A) their principal executive offices are located outside of the United States, Canada or the Caribbean or (B) more than 20% of the expected revenues are derived from sources outside of the United States, Canada and the Caribbean (it being understood that the foregoing shall be interpreted with respect to the location of the production and/or sales and not the location of the end user); and (ii) the Stonepeak Fund may not invest more than 15% of the aggregate capital commitments in any investments relating to issuers where (A) their principal executive offices are located within the Caribbean or (B) more than 20% of the expected revenues are derived from sources within the Caribbean.

The Adviser does not participate in wrap fee programs in providing portfolio management services.

The Adviser, through its ownership of and/or affiliation with the Relying Advisers, manages assets on a discretionary basis in the amount of \$1,732,074,000 (USD) as of December 31, 2013. The Adviser does not manage any assets on a non-discretionary basis. Stonepeak Advisors provides similar services as set forth above to the Stonepeak Fund.

Item 5 - Fees and Compensation

The following is a general description of the Adviser's approach with respect to fees and compensation. The Adviser's fees are calculated as a percentage of assets under advisement. Typically, management fees are payable quarterly in advance by the Fund Client based on the applicable negotiated management fee percentage of each Investor in the Fund Clients of both (x) aggregate capital commitments (during the applicable investment period defined by the limited partnership agreement of the Fund Client (the "LP Agreement")) and (y) capital contributions for investments that have not been disposed of (after the applicable investment period). Fees are funded from capital calls by the Fund Client and its Investors and deducted directly from the Fund Clients' Investor accounts, and paid to the Adviser quarterly in advance.

Generally, the Adviser's Fund Clients bear all the costs of operating their fund(s). The third party and Adviser out-of-pocket costs of identifying and evaluating possible investments, acquiring or selling investments, and investment bank and broken deal fees as well as general organizational expenses, placement fees and other Fund Client expenses (to the extent the Adviser pays or otherwise advances any such amounts on a Fund Client's behalf), are charged to the Client Fund and are billed and allocated to Investors by the Fund Client on a pro-rata basis based on each Investor's committed capital. The costs and expenses of travel in connection with investigating and monitoring prospective or actual transactions, which include airfare (whether private charter, first class, and/or business class) can be substantial. Expenses generated by the operation of the Stonepeak Fund are also to be borne by Fund Clients. Such costs and expenses generally include all fees, costs and expenses directly related to the purchase, monitoring, and sale of securities, expenses of custodians, legal counsel, accountants, administrators, tax advisors, consultants, brokers, agents, valuation firms, and other advisors and professionals, any insurance, indemnity or litigation expense, or the costs and expenses of any lenders, investment banks, and other financing sources, any out-of-pocket expenses incurred in connection with the Stonepeak Fund's legal, administrative, and regulatory compliance with U.S. federal, state, local, non-U.S., or other laws and regulations (including without limitation, expenses and other charges allocated or relating to such Fund's activities (including the preparation and filing of Form PF and other regulatory filings of the Adviser and its affiliates relating to the Stonepeak Fund's activities)), expenses related to annual meetings of investors and investor reporting and any taxes, fees or other governmental charges levied against the Stonepeak Fund. In addition, each Fund Client will bear its pro rata share of the Stonepeak Fund's and the Adviser's organization and startup expenses, including legal, accounting, filing, capital raising, and other organization expenses. Such organization expenses also include airfare (whether private charter, first class, and/or business class), which can be substantial. Furthermore, placement fees will be funded by the Fund Client, but such placement fees are applied to reduce the management fees otherwise payable to the Adviser. Fees earned by the Adviser from portfolio companies for closing, monitoring transactions and other types of activities in the conduct of its administration services provided to the Fund Client are generally credited against management fees due from Fund Clients. Typically, the applicable LP Agreement will provide for a more comprehensive description of fees, expenses and funding mechanics, treatment and/or limitations involving possible co-investment opportunities and the allocation thereof to Fund Clients and non-clients, which will be negotiated between the Adviser and its Fund Clients on a case-by-case basis (and the description of fees and expenses herein is subject to the terms of the applicable LP Agreements). Prospective clients investing after the initial Fund closing will be responsible for their pro rata share of Fund expenses incurred prior to the second, or subsequent closings as the case may be.

From time to time, the Adviser may invite investees in Fund Clients or non-clients to co-invest in a particular portfolio company (typically to manage Fund Client concentration in a specific investment or capital allocation strategy). Co-investment fees realized by the Adviser and the costs that the co-investor bears, including the extent to which a co-investor would share in any broken-deal costs, are negotiated by the Adviser on a case-by-case basis. These activities create a possible conflict of interest as the Adviser may receive fees that are not credited against management fees of the Fund Client.

Except in limited instances, management fees are non-refundable.

Item 6 - Performance-Based Fees and Side-by-Side Management

The Adviser does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the managed assets); however, the Adviser is affiliated with the general partner of its Fund Client, which receives performance based distributions (“Carry”). This may present a perceived conflict of interest and give the Adviser or its supervised persons an incentive to recommend certain investments or the timing of exits to maximize either management fees or capital gains. This risk is generally mitigated by the investment by certain of the owners of the relevant general partner of a significant portion of their individual liquid net worth pro rata with such Fund Client’s investments and the Fund Client’s receipt of a preferred return of fund profits, the amount of which includes all fund expenses (including management fees).

Item 7 - Types of Clients

Stonepeak offers investment advisory services exclusively to private investment funds that are exempt from registration under Section 3(c)(7) of the Investment Company Act of 1940. Currently, the Adviser and the Relying Advisers have one client, Stonepeak Fund and may serve additional Fund Clients in the future.

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

Methods of Analysis

Stonepeak uses a range of methods to identify, analyze and assess potential and existing investment opportunities. Generally, analytical methods used by the investment team can include gain/loss forecast models, cash-flow models, other financial modeling and simulation, risk sensitivity analysis, fundamental, technical, and cyclical analysis. The Adviser often employs specialist consultants to evaluate resource forecasts for wind, solar and other energy generation investments.

Investment Strategies

The strategy that the Adviser uses for the Stonepeak Fund is to focus on what it considers to be lower-risk infrastructure investments in North America middle market, with a bias toward platform build-out investments that are expected to offer, following the initial platform acquisition, the opportunity to put substantial additional capital to work at more attractive earnings multiples. The Adviser works with its Operating Partners and network of contacts to generate off-market deal flow in infrastructure assets that are primarily in the following sectors:

- **Water & Utilities:** including water distribution, treatment, desalination, waste, utility distribution systems, transmission lines, integrated waste businesses and municipal assets;
- **Energy:** pipelines, other midstream, power generation, renewables and storage assets; and
- **Transportation:** rail, airports, roads and ports

The Adviser expects to generate return alpha for the Fund Client and possible other future Fund Clients by applying the following strategies:

- Focus on middle-market deals, where deal flow is more abundant and there is less bidding competition;
- Highly pro-active deal sourcing, focusing on sectors where there are industry changes and getting out ahead of these trends;
- Disciplined value-driven investing, with a focus on critical valuation metrics including replacement cost and unlevered cash flow multiples;
- Conservative use of leverage providing cash flow returns earlier in the investment cycle;
- Investing in growth opportunities, which provide attractive follow-on investment opportunities and the real possibility of out-performing the base case;
- Operational efficiency improvement by applying industrial company best operating practices to protected monopoly assets;
- Bidding with high quality corporate partners who brings synergies/angles; and
- Paying attention to relative pricing between infrastructure sectors, which changes over time.

Differentiated Investment Sourcing

Differentiated investment sourcing is critical for superior returns in infrastructure investing where competition in auctions is relatively strong. The Adviser will focus on opportunities outside of the auction processes particularly in the middle-market.

Stonepeak seeks to generate proprietary and less competitive opportunities through pro-active marketing to a network of industry contacts. Through the Adviser, a Fund Client may operate an active calling program in key infrastructure sectors aimed at staying ahead of, and operating outside of, competitive auction processes. Typically, the Adviser seeks to identify three or four market themes at any point in time that it feels will give rise to the most interesting investment opportunities. Within each of these themes, a target list of companies is identified that forms the core of the Fund Client's deal origination marketing program. The Adviser has a relationship with many of these companies and it generally sources the remainder through its Operating Partners and other industry contacts.

Exit Strategies

The Adviser believes that it will be able to pursue a variety of exit options to maximize value through increased flexibility with respect to both the timing and type of investment realizations and create liquidity for its Fund Clients and their investors. Stonepeak considers exit options before any investment is made as a guide to purchase price paid but also to ensure that liquidity can be generated for the Fund Client's investors. The potential exit options include:

Type of Exit	Traditional Private Equity	Stonepeak
Sale to a strategic	√	√
Initial Public Offering	√	√
Sale to another fund (Secondary Sale)	√	√
Debt Recapitalization	√	√
Listed Yield (Income) vehicle		√
Sale to direct financial investor (pension fund / insurance company)		√
Yield generated by investment		√
Sale of individual assets in a portfolio		√

Risk Factors

As with any type of investing, a certain degree of risk can be associated with private investments. As a result, Fund Clients should be prepared to bear the following potential risks. Because of the nature of investment opportunities that Stonepeak advises on, the anticipated or targeted returns cannot be guaranteed. There can be no assurance that the Fund Client's investment objectives will be achieved. The possibility of partial or total loss of capital will exist and Fund Clients and their investors must be prepared to bear capital losses that could result from investments. Potential Fund Clients and their investors should carefully consider the risks of Fund Client investments, which include, but are not limited to, the following:

No Assurance of Investment Return. Stonepeak cannot provide assurance that it will be able to choose, make, and realize anticipated or targeted returns in any investment opportunity. Stonepeak uses extensive research, forecasting analyses and modeling for the purpose of identifying in advance and mitigating any potential performance risks; however, returns can be unpredictable and ultimately there can be no assurance that the Adviser's investment recommendations will be able to generate returns or that the returns will be commensurate with the risks of investing. During due diligence, Stonepeak will analyze the track records and historical performance of potential investments as well as the underlying assumptions and key drivers of success in order to maximize the Fund Client's and its investors' probability of achieving targeted returns.

Business and Market Risks. Investments in portfolio companies may involve a high degree of business and financial risk, which could result in substantial loss to the Fund Client. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic and market conditions, and changes in laws, regulations, fiscal policies, or political conditions of the country in which assets are held, including the risks of terrorist attacks on infrastructure assets. The possibility of partial or total loss of capital will exist.

No Operating History. Although the Adviser's investment team has extensive investment experience generally, the Adviser is a newly formed entity with no operating history upon which to evaluate the Adviser's likely performance. In addition, not all members of the Team have worked together in the past and not all members of the Team have worked at Stonepeak in the context of a prior or existing Stonepeak investment fund.

Governmental & Regulatory Risks Generally. Changes by regulatory authorities and governments related to investments could impact revenues, growth, and performance outcomes for the Fund Client. For example, in many instances, the operation or acquisition of such assets involves an ongoing commitment to or from a governmental agency, and the operation of infrastructure assets often relies on government permits, licenses, concessions, leases or contracts. The nature of these obligations and dependencies expose the owners of such assets to a higher level of regulatory control than typically imposed on other businesses, resulting in government entities having significant influence over such owners and companies.

Regulatory Approvals/Consents. The Adviser may recommend an investment for a Fund Client in a renewable generation project or similar type of asset that may not receive the initial regulatory approval or license needed to acquire or otherwise operate an investment, including after substantial costs have been incurred pursuing such investment. Additional or unanticipated regulatory approvals, including, without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may be required to acquire or operate infrastructure assets, and additional approvals may become applicable in the future due to a change in laws and regulations, a change in the portfolio company's customer(s) or for other reasons. Furthermore, permits or special rulings may be required on taxation, financial and regulatory related issues. While the Adviser's strategy is to limit exposure to permitting risk, in certain limited instances the Adviser may recommend incurring permitting risk. There can be no assurance that a portfolio company will be able to (i) obtain all required regulatory approvals that it does not yet have or that it may require in the future, (ii) obtain any necessary modifications to existing regulatory approvals, or (iii) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility or sales to third parties or could result in additional costs to a portfolio company and the Fund.

Uncertainty of Financial Projections. The Adviser may recommend an investment based on the target's financial projections and various projections of the investment team. Projected operating results will normally be influenced by management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of such projections and the performance of any investment in such portfolio company.

Leverage. Typically, a Fund Client may intend to utilize significant leverage to finance its investors' Investments in a manner it believes is appropriate. The use of leverage involves a high degree of financial risk and will increase the exposure of such Fund Client's Investments to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the Investments. Moreover, any rise in interest rates may significantly increase the interest expense related to an Investment, causing losses and/or the inability to service its debt obligations. If an Investment cannot generate adequate cash flow to meet debt obligations, the Fund Client may suffer a partial or total loss of capital invested in the Investment

Unspecified Investments. The Fund Client must rely upon the ability of the Adviser to help the Fund Client's general partner to identify structure and implement investments consistent with the Fund Client's investment objectives and policies. The Adviser may be unable to find a sufficient number of attractive opportunities to meet the Fund Client's investment objectives. The success of the Fund Client will depend on the ability of the Adviser to help the Fund Client's general partner identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of Investments.

Illiquid and Long-Term Investments. Fund Clients and their investors must bear the risk of limited liquidity for the duration of their private market investments. Investments in infrastructure assets are generally less liquid and involve a longer holding period than traditional private equity investments, which are themselves often considered illiquid and long-term. Investments in unlisted companies can be difficult or impossible to realize. Although investments may generate some current income, the return of capital and the realization of gains, if any, from an investment will generally occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. It is unlikely that there will be a public market for the securities held by the Fund Client at the time of their acquisition. The Fund Client will generally not be able to sell its Investments through the public markets unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. There can be no assurances that investments can be sold on a private basis. In addition, in some cases the Fund Client may be prohibited by contract or legal or regulatory reasons from selling certain securities for a period of time. Furthermore, infrastructure investments by their nature are subject to industry cyclicality, downturns in demand, market disruptions, and the lack of available capital for potential purchasers and are therefore often difficult or time consuming to liquidate.

Investments Longer than Term. Some of the investments proposed by the Adviser may not be advantageously disposed of prior to the date the Fund Client will be dissolved, either by expiration of the Fund Client's term or otherwise. Although the Adviser expects that investments it proposes will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the Fund Client may

have to sell, distribute or otherwise dispose of Investments at a disadvantageous time as a result of dissolution.

Risk of Limited Number of Investments; Lack of Diversification. Fund Clients may be subject to restrictions on the size of investments such that not more than a particular percentage of the aggregate amount of capital commitments may be invested in any one investment. Accordingly, the Fund Client may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund Client may be substantially adversely affected by the unfavorable performance of even a single investment. To the extent a Fund Client concentrates investments in a particular asset class or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic to business conditions with respect thereto.

Risks in Effecting Operating Improvements. In some cases, the success of the Adviser's investment strategy will depend, in part, on the ability of the Adviser to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that the Adviser will be able to successfully identify and implement such restructuring programs and improvements.

General Economic and Market Conditions. The success of a Fund Client's investment activities may be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political, environmental and socioeconomic circumstances. Moreover, a recession, slowdown and/or sustained downturn in the U.S. or global economy (or any particular segment thereof) could adversely affect the Fund Client's profitability, impede the ability of the Fund Client's portfolio companies to perform under or refinance their existing obligations, and impair a Fund Client's ability to effectively exit investments on favorable terms.

Hedging Policies/Risks. In connection with the financing of certain investments, the Adviser may propose that a Fund Client employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices, and currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund Client may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, or currency exchange rates may result in a poorer overall performance for the Fund Client than if it had not entered into such hedging transactions.

Item 9 - Disciplinary Information

Neither Stonepeak nor its professional staff have ever been subject to or are currently involved with any business litigation, securities or tax law violation investigations or proceedings, regulatory or legal proceedings or government investigations. No legal or disciplinary events that are material to a Fund Client or prospective Fund Client's evaluation of Stonepeak's advisory business or the integrity of its management have occurred.

Item 10 - Other Financial Industry Activities and Affiliations

Stonepeak is an independent investment adviser exclusively to private equity fund clients and is not affiliated or registered (or has any application pending) as a securities broker-dealer, a futures commission merchant, commodity pool operator, commodity trading adviser or an associated person of any of the foregoing entities. In addition, none of the Stonepeak's managing directors or professional staff is a representative of a broker-dealer or any other regulated securities entities.

Other than its relationship with TIAA Advisor Investor (described below), neither Stonepeak nor its professional staff has a relationship or arrangement that is material to its advisory business or its Fund Clients with a related person of the type listed below:

- Broker-dealer, municipal securities dealer, or government securities deal or broker
- Investment company or other pooled investment vehicle
- Other investment adviser or financial planner
- Futures commission merchant, commodity pool operator, or commodity trading adviser
- Banking or thrift institution
- Accountant or accounting firm
- Lawyer or law firm
- Insurance company or agency
- Pension consultant
- Real estate broker or dealer
- Sponsor or syndicator of limited partnerships

Stonepeak does not receive compensation directly or indirectly from any of the foregoing types of advisors for selecting or recommending them to its investors.

Adviser's Special Relationship with TIAA

TIAA Advisor Investor has provided seed capital to SAH. As a result, TIAA Advisor Investor owns a minority interest of SAH as a member thereof. TIAA Advisor Investor also owns a minority interest of Stonepeak GP Holdings as a limited partner thereof. Through its interests in SAH and Stonepeak GP Holdings, TIAA Advisor Investor has indirect interests in Stonepeak Advisors and Stonepeak GP, respectively. TIAA Advisor Investor has no interest in the Adviser or Stonepeak Partner GP. TIAA Advisor Investor is an affiliate of TIAA. TIAA Fund Investor, which is an affiliate of TIAA Advisor Investor, is a limited partner of the Stonepeak Fund and has made a substantial anchor investment in the Stonepeak Fund.

While Stonepeak Advisors and Stonepeak GP will generally manage the business and affairs of the Stonepeak Fund, as a result of its interests in SAH and Stonepeak GP Holdings, TIAA Advisor Investor is entitled to certain contractual economic, governance, reporting and other rights. For instance, TIAA

Advisor Investor will receive a portion of the fees and distributions (including Carry) payable to SAH and Stonepeak GP . Two representatives designated by TIAA Advisor Investor also serve on the Steering Committee and the Investment Committee. The consent of at least one of TIAA Advisor Investor's representatives on the Steering Committee to all material operating decisions of the Stonepeak Fund and SAH is required; however, investment decisions are controlled by Messrs. Dorrell and Vichie. Moreover, during the investment period for the Stonepeak Fund, at TIAA's sole discretion, Stonepeak is required to allocate up to twenty percent (20%) of aggregate staff time to TIAA with respect to infrastructure investment matters unrelated to the Stonepeak Fund.

The interests of the TIAA Advisor Investor and its affiliates may conflict with the interests of the Fund Clients and investors therein. TIAA is a financial institution with many different affiliates, businesses and activities, at least some of which may conflict with the interests of Fund Clients (including the Stonepeak Fund) and investors therein. TIAA and the TIAA Advisor Investor and their respective affiliates may serve as investment advisers or investment managers to other client accounts and conduct investment activities for their own accounts and may give advice or take action with respect to such other clients or accounts that differs from advice given or actions taken by the Adviser, SAH, Stonepeak Advisors, the Stonepeak GP, Stonepeak GP Holdings or Stonepeak Partner GP with respect to Fund Clients (including the Stonepeak Fund). TIAA and the TIAA Advisor Investor and their respective affiliates may have a greater financial interest with respect to such other clients or accounts than with respect to Fund Clients (including the Stonepeak Fund). TIAA and the TIAA Advisor Investor and their respective affiliates may compete with Fund Clients (including the Stonepeak Fund) for certain investment opportunities and Stonepeak staff time. Furthermore, there can be no assurance that TIAA, the TIAA Advisor Investor or the TIAA Fund Investor or any of their respective affiliates will hold or continue to hold any interest in SAH, Stonepeak GP Holdings or any of the Fund Clients (including the Stonepeak Fund), as applicable, and each may dispose, transfer or sell any of such interests in accordance with the terms of the applicable governing documents.

The TIAA Advisor Investor's representatives on the Investment Committee and the Steering Committee are not required to devote any specific amount of time thereto and have no fiduciary duties to the Stonepeak Fund or its investors (except as may be required by applicable law). Accordingly, the TIAA Advisor Investor is entitled to consider its own interests with respect to its rights concerning SAH and Stonepeak GP Holdings and not the interests of the Fund Clients or investors therein. Furthermore, as a result of the TIAA Advisor Investor's right to receive distributions from SAH and Stonepeak GP Holdings, the TIAA Fund Investor, as a limited partner of the Stonepeak Fund, may have interests that are not aligned with interests of other investors in the Stonepeak Fund (including, without limitation, with respect to certain voting matters concerning Stonepeak Advisors, SAH, the Stonepeak GP and Stonepeak GP Holdings).

Each investor in the Stonepeak Fund is required to acknowledge and agree that conflicts of interest may arise related to the fact that the TIAA Advisor Investor has a direct or indirect interest in the Stonepeak GP, Stonepeak GP Holdings and the Relying Advisers and one or more representatives on the Investment Committee.

Side Letter Agreements

Stonepeak may enter into side letter agreements with certain investors that provide such investors with additional or differential rights.

Other Activities and Relationships

The partners or employees of the Adviser, SAH and Stonepeak Advisors and their respective affiliates may serve on the boards of directors of portfolio companies in which their clients invest. Serving in such capacity may give rise to conflicts to the extent that an employee's fiduciary duties to a portfolio company as a director may conflict with the interest of the private equity fund client.

Additional Potential Conflicts. The officers, directors, members, managers, and employees of the Adviser, SAH and Stonepeak Advisors may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law or otherwise determined from time to time by the Adviser, SAH and Stonepeak Advisors.

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

Stonepeak has developed and approved a code of ethics (the “Code of Conduct”) that sets forth standards of ethical conduct for partners and employees and is designed to address and avoid potential conflicts as required under Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). Among other things, the Code of Conduct prescribes standards for dealing with clients/investors ethically, addresses conflicts of interest issues between the Adviser and its clients, and supplements personal trading and operating procedures.

Stonepeak’s Code of Conduct includes:

- Standards of business conduct required of our supervised persons, which standards reflect our fiduciary obligations and those of our supervised persons;
- Provisions requiring our supervised persons to comply with applicable securities laws;
- Provisions that require all of our “access persons” as that term is defined by the SEC in Rule 204A-1, to report, and the Adviser’s Chief Compliance Officer to periodically review, their personal securities transactions and holdings;
- Provisions requiring supervised persons to report any violation of the Code of Conduct to our Chief Compliance Officer;
- Provisions requiring us to provide each of our supervised persons with a copy of the Code of Conduct and any amendments, and requiring all supervised persons to provide us with a written acknowledgement of their receipt thereof and an annual certification of compliance;
- Provisions to ensure compliance with “pay to play” prohibitions. The senior managing directors have agreed that neither the Adviser nor the individual senior managing directors will make political donations while serving in any capacity with the Stonepeak and staff have been encouraged to follow a similar approach; and
- Provisions requiring access persons to obtain approval before directly or indirectly acquiring beneficial ownership in any security in an initial public offering or private placement.

A copy of Stonepeak’s Code of Conduct will be provided to investors and prospective investors upon request.

Possession of Material, Non-Public Information and Other Trading Restrictions. Stonepeak has established policies and procedures to prevent the abuse of material non-public information which includes procedures for, among other things, the use and maintenance of restricted trading lists. Under no circumstances may a professional trade on material, non-public information for his or her own account, or the accounts of certain family members.

Conflicts of Interest. Fund Clients and their investors should be aware that there will be occasions when the Adviser, SAH and Stonepeak Advisors and their respective affiliates may encounter potential conflicts of interest in connection with a Fund Client’s activities, including certain conflicts of interest relating to the relationship between Stonepeak and TIAA Advisor Investor (as more fully described in Item 10 – Other Industry Activities and Affiliations). The following discussion enumerates certain potential conflicts of interest that should be carefully evaluated by Fund Clients and their investors.

- **Allocation of Investments.** The Stonepeak GP or its affiliates will not close on any investment fund or separate account having a substantially similar investment objective as the Stonepeak Fund (other than a parallel fund, feeder vehicle (any alternative investment vehicles and any co-investment vehicle, a “Similar Fund”) until at least 75% of the capital commitments have been invested, committed or reserved in investments, or until the end of the investment period. Any Similar Fund closed on or prior to the expiration of the investment period will invest in investments alongside the Stonepeak Fund until the expiration of the investment period on the same terms and conditions in all material respects, with amounts for investment allocated between the Stonepeak Fund and the Similar Fund on a basis that the Stonepeak GP believes in good faith to be fair and reasonable, unless (i) the Stonepeak Fund L.P. advisory committee otherwise consents, (ii) the investment by the Stonepeak Fund is legally or contractually prohibited or (iii) as a result of the application of any law, regulation or governmental order, the investment could have a material adverse effect on the Stonepeak Fund, the Stonepeak GP or any of their affiliates.
- **Performance Allocation.** The existence of the Stonepeak GP’s Carry in Stonepeak Fund may create an incentive for the Adviser, SAH and Stonepeak Advisors to propose, or the Stonepeak GP to make, more speculative investments on behalf of the Fund Client than it would otherwise make in the absence of such performance-based compensation.
- **Other Fees.** Stonepeak, SAH and Stonepeak Advisors may receive (i) acquisition fees for investments, (ii) fees for asset management Services, and (iii) fees for advisory services provided to companies in which the Fund Client has an interest. Additionally, Stonepeak, SAH and Stonepeak Advisors may receive fees relating to the Fund Client’s investments or from unconsummated transactions (i.e., break-up and topping fees, director fees and organization, financing, divestment, and other similar fees). Fund Clients and their limited partners will not receive the benefit of any fees relating to the Fund Client’s Investments or paid by portfolio companies except to the extent they are offset by reduced management fees. For greater certainty, Stonepeak, SAH and Stonepeak Advisors engages and retains strategic advisors, consultants, and other similar professionals who are not employees or affiliates of Stonepeak, SAH and Stonepeak Advisors and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies.
- **Portfolio Company Relationships.** The Fund Client’s portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other investment funds managed by Stonepeak, SAH and Stonepeak Advisors or other Stonepeak affiliates that, although Stonepeak determines to be consistent with the requirements of such funds’ governing agreements, might not have otherwise been entered into but for the affiliation with Stonepeak, SAH and Stonepeak Advisors, and which may involve fees and/or servicing payments to Stonepeak-affiliated entities which are not subject to the management fee offset provisions. For example, Stonepeak, SAH and Stonepeak Advisors may cause portfolio companies to enter into agreements regarding group procurement (such as the Group Purchasing Organization), benefits management, and other similar operational initiatives that may result in commissions or similar payments, including related to a portion of the savings achieved by the portfolio company.
- **Common Service Providers.** The Adviser and the Stonepeak Fund may engage other common service providers. In such circumstances, there may be a conflict of interest between the Adviser and the Stonepeak Fund in determining whether to engage such service providers,

including the possibility that the Adviser may favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds

Stonepeak's Code of Conduct also applies to SAH, Stonepeak Advisors, and the various GP affiliates, mutatis mutandis.

Item 12 - Brokerage Practices

The Adviser has discretion to select brokers and dealers to execute securities transactions for its Fund Clients. The Adviser seeks to obtain the best prices and executions for orders executed for its Fund Clients, taking into account quantitative and qualitative factors affecting execution quality of portfolio transactions. The Adviser evaluates relationships with investment banks periodically and may make mandate decisions based on the value of the relationship to the Adviser's Fund Clients, including but not limited to referrals for unique investment ideas, deep sector relationships, or other factors.

The Adviser (and its affiliates (SAH, Stonepeak Advisors, and Relying Advisers)) has no affiliated relationship with a broker-dealer. The Adviser may use broker-dealers to sell a portfolio company, place financing at a portfolio company, or in limited circumstances, to support the acquisition of a portfolio company. In no event does the Adviser refer Fund Client Investors to such broker-dealers. The Adviser believes that it will pay customary market fees for services received and does not otherwise make its selection in order to obtain soft dollar benefits. The Adviser meets numerous broker-dealers who present investment ideas or otherwise offer to make introductions to parties that have assets that may be of interest for a Fund Client. If the Adviser were to use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, the Adviser would receive a benefit because it would not have to produce or pay for the research, products or services received from the broker-dealer. Although the Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its Fund Clients' interest in receiving most favorable execution, any decision to otherwise engage the broker dealer in support of executing a possible acquisition will first and foremost take into account the advantage of using such broker-dealer in consummating a transaction that the Adviser believes to be in the best interest of the Fund Client at compensation levels the Adviser believes to be at reasonable market rates.

Item 13 - Review of Accounts

Oversight and Monitoring

The Adviser's Fund Client accounts, investment plans and portfolio investments are reviewed regularly (at least monthly) by the Adviser's investment professionals. In addition, the Adviser's investment professionals meet in person with portfolio company management at least quarterly. These professionals monitor operations, overall performance, financial performance, and strategic direction of portfolio companies invested in by each Fund Client.

Reports to Clients

Fund Clients receive quarterly reports on the financial performance of their investments and audited annual reports. Fund Clients and their Investors have the ability to access these reports, performance and valuation data concerning portfolio companies, receive capital call and other Fund information via a password-protected website.

The Adviser creates tailored reports to meet the needs of the individual Fund Clients. Each quarter, its Fund Clients (and their Investors) will receive a written report that include both qualitative and quantitative review of their investment portfolios including performance data, portfolio construction, material developments, and information that, in the judgment of the general partner of the Fund Client and the Adviser, is appropriate.

Item 14 - Client Referrals and Other Compensation

As described in Item 5 (Fees and Compensation) and in Item 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading), in addition to management fees payable and carried interests allocable to the Adviser and its affiliates, the Adviser may receive acquisition and ongoing advisory fees in connection with investment by its private equity fund clients.

From time to time, the Adviser's Fund Clients may engage third parties to solicit investors. Fees payable to such third parties will be borne by the Fund Client and will reduce management fees to the Adviser for those investors subject to the placement arrangement.

Item 15 - Custody

The Adviser has engaged First Republic Trust Company, a Division of First Republic Bank, a California state-chartered bank, which is located at 320 Park Avenue, New York, NY and 111 Pine Street, San Francisco, CA and is a qualified third-party custodian for portfolio company securities.

Each quarter, the qualified third-party custodian will mail account statements to each of the Adviser's Fund Clients and their Investors and the Adviser urges its Fund Clients and their investors to carefully review such statements. In addition, the Adviser urges its Fund Clients and their investors to compare the account statements they receive from the qualified third-party custodian with those they receive from the Adviser. Client Funds and their investors will also receive annual financial statements, audited by a public accounting firm within 120 days of the end of each year. In addition, a nationally recognized public accounting firm that is a member of, and examined by, the Public Company Accounting Oversight Board (PCAOB) has performed a surprise examination of each Fund Client's assets.

Going forward, the Adviser intends to comply with Rule 206(4)-2 under the Advisers Act by having an independent public accountant perform an annual audit of its Fund Clients, as contemplated by Rule 206(4)-2(b)(4) under the Advisers Act. When the 2014 audited financial statements are distributed to the Adviser's Fund Clients and their investors within 120 days of the end of their fiscal years, the requirements of Rule 206(4)-2(b)(4) will also be met and the qualified third-party custodian will no longer mail account statements to each of the Adviser's Fund Clients and their investors. In addition, the Adviser will no longer need to undergo a surprise examination.

Item 16 - Investment Discretion

The Adviser, through its ownership of and/or affiliation with the Relying Advisers, assumes discretionary authority to manage securities accounts on behalf of Fund Clients. However, with respect to the Stonepeak Fund, the consent of the Investment Committee of Stonepeak GP Holdings will be required for all major investment decisions. Decisions of the Investment Committee shall similarly bind all actions of SAH (and accordingly, Stonepeak Advisors) to the same extent as they bind the Stonepeak GP and Stonepeak GP Holdings. See “Item 4 – Advisory Business” for more information.

Item 17 - Voting Client Securities

From time to time, the Adviser's clients may hold public company securities, and the Adviser will apply policies reasonably designed to comply with the requirements of the Advisers Act. The Adviser will vote proxies in a manner that serves the best interest of the Fund Client, as determined by the general partner of the relevant fund client in its sole discretion, taking into account relevant factors, including (i) the impact on the value of the securities owned by the Fund Client and the returns on those securities; (ii) alignment of the portfolio company management's interest with the Fund Client's interest, including establishing appropriate incentives for management; (ii) the ongoing relationship between the Fund Client and the portfolio companies in which it invests, including the continued or increase availability of portfolio information, and (iv) industry business and practices. Possible conflicts are expected to be disclosed and discussed by the Fund Client's Advisory Committee.

Fund Clients and their Investors may obtain a copy of proxy voting policies and procedures upon request.

Item 18 - Financial Information

Stonepeak is not aware of any financial condition that could impair Stonepeak's ability to meet its contractual or fiduciary obligations to its Fund Clients. Stonepeak has not been the subject of a bankruptcy proceeding since its inception.

Item 19 - Requirements for State-Registered Advisers

Not Applicable