

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 March 31, 2015 other than to reflect Stonepeak's management of a new private fund.

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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 II LLC, Stonepeak Advisors Holdings LLC, Stonepeak Associates LLC and Stonepeak Associates II LLC (as described more fully below) (each, a “Relying Adviser” and collectively, the “Relying Advisers”, and together with the Adviser, the “Advisers”) collectively provide direct and indirect investment advisory services to private fund clients (each, a “Fund Client” and collectively, the “Fund Clients”). As such, the 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 (“Stonepeak Partners GP”), 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 I”). Stonepeak Advisors is the investment manager of Stonepeak Infrastructure Fund LP, a Delaware limited partnership (“Stonepeak Fund I”). In addition, the Adviser is the sole member of the Relying Adviser Stonepeak Advisors II LLC, a Delaware limited liability company (“Stonepeak Advisors II”, together with Stonepeak Advisors I, “Stonepeak Advisors”). Stonepeak Advisors II is the investment manager of Stonepeak Infrastructure Fund II LP, a Delaware limited partnership (“Stonepeak Fund II”, together with Stonepeak Fund I, the “Stonepeak Funds”).

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

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

In connection with Stonepeak GP I and Stonepeak Fund I, Stonepeak GP Holdings I 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 Stonepeak Fund I, Stonepeak GP I 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 “Fund I Investment Committee”). The consent of a majority of the allocated votes of the Fund I Investment Committee is required for all major investment decisions of Stonepeak GP I and Stonepeak Fund I. Messrs. Dorrell and Vichie each have 30% of the vote for the Fund I Investment Committee and each member designated by TIAA Advisor Investor has 20% of the vote for the Fund I Investment Committee. Decisions of the Steering Committee and the Fund I Investment Committee similarly bind all actions of SAH (and accordingly, Stonepeak Advisors I) to the same extent as they bind Stonepeak GP I and Stonepeak GP Holdings I. Decisions of the Fund II Investment Committee shall similarly bind all actions of Stonepeak Advisors II to the same extent as they bind Stonepeak GP II and Stonepeak GP Holdings II.

In connection with Stonepeak GP II and Stonepeak Fund II, Stonepeak GP Holdings II has established a three-member investment committee consisting of Messrs. Dorrell and Vichie and one rotating member which will be a senior managing director of Stonepeak (the “Fund II Investment Committee”). The consent of a majority of the allocated votes of the Fund II Investment Committee is required for all major investment decisions of Stonepeak GP II and Stonepeak Fund II. Each member has 33.33% of the vote for the Fund II Investment Committee. Stonepeak GP Holdings II has not established a steering committee.

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

The Advisers provide investment advisory (discretionary) services exclusively for Fund Clients. Services include: identification and evaluation of prospective investments for Fund Clients, 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 Fund Clients under an investment advisory agreement with each Fund Client.

The Advisers work alongside its business executives who have been retained specially for their deep operating experience in infrastructure sectors relevant to the Advisers’ investment thesis (the “Operating Partners”) (see “Item 5 – Fees and Compensation” for more information on 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;
- Transportation: rail, airports, roads and ports; and
- Communications: towers, distributed antenna systems, small cells, fiber, data centers and related wireless and wireline infrastructure subsectors.

The Advisers provide investment advisory services to their Fund Clients pursuant to the terms of an investment advisory agreement with each Fund Client. Each investment advisory agreement tailors the advisory services provided to each 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 Clients. These limitations include:

- Diversification requirements: limitations may be placed on the aggregate percentage of capital commitments that may be invested in any one investment;
- Geographic limitations: limitations may be placed on the aggregate percentage of capital commitments that may be invested in certain geographic locations.
 - Stonepeak Fund I will 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). In addition, Stonepeak Fund I will 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.
 - Stonepeak Fund II will not invest in any investments relating to issuers (x) where (A) their principal executive offices are located outside of the United States or Canada or (B) more than 20% of the expected revenues are derived from sources outside of the United States or Canada, or (y) 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 (it being understood that foregoing shall (i) be interpreted with respect to the location of the production and/or sales and not the location of the end user and (ii) not apply with respect to any investments in import/export infrastructure projects (e.g., pipelines, transmission wires) where (a) a main terminus or hub is located within the United States or Canada and (b) substantially all of its expected revenues are generated in U.S. or Canadian dollars); however, Stonepeak Fund II may make investments of a type described in clauses (x) or (y) above with the consent of the limited partner advisory committee of Stonepeak Fund II, except that in such circumstances investments of a type described in clause (x) above may not exceed 15% of the aggregate capital commitments of Stonepeak Fund II at any time).

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

The Advisers manage assets on a discretionary basis in the amount of \$1,955,800,000 as of September 30, 2015. The Adviser does not manage any assets on a non-discretionary basis.

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 each 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 agreements of the Fund Clients (the "LP Agreements")) and (y) capital contributions for investments that have not been disposed of (after the applicable investment period). Fees are funded from capital calls by each 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 Fund Client and are billed and allocated to investors by the Fund Client on a pro-rata basis based on each investor's committed capital. Similarly, co-investment vehicles generally do not bear their share of broken deal fees (such as reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) for unconsummated transactions and such fees will be paid by the Fund Clients. 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 Funds 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, bookkeeping, legal counsel, accountants, administrators, tax advisors, consultants, brokers, agents, valuation firms, operating partners and other senior advisors and third-party professionals, brokerage commissions, any insurance, indemnity or litigation expense, or the costs and expenses of any lenders, investment banks, and other financing sources or guarantees, expenses of any limited partner advisory committee of each Stonepeak Fund, any third-party advisory committees of a Fund Client formed by its general partner, any out-of-pocket expenses incurred in connection with each 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 or other reports to be filed with the U.S. Commodity Futures Trading Commission and reports, disclosures, filings and notifications prepared in accordance with the Directive 2011/61/EU of the European Parliament and of the European Council of 8 June 2011 on Alternative Investment Fund Managers and other regulatory filings of the Adviser and its affiliates relating to the Stonepeak Fund's activities but excluding regulatory expenses of the Adviser related to registering and maintaining its registration under the Investment Advisers Act of 1940 (the "Advisers Act") and compliance expenses of the Adviser thereunder (other than those incurred in connection with regulatory filings relating to a Fund's activities) and expenses of site visits, investigations or proceedings under the Advisers Act)) and any taxes, fees, or other governmental charges levied against the Stonepeak Funds, expenses related to annual meetings of investors and investor reporting and costs and expenses of administering side letters entered into with investors (including the process of distributing and implementing applicable elections pursuant to any "most-favored-nations" clauses in side letters). In addition, each Fund Client will bear its pro rata share of the Stonepeak Funds' 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 Clients, but such placement fees are applied to reduce the management fees otherwise payable to the Adviser. Break-up, topping, director and organization,

commitment, financing, divestment, monitoring, asset management and other similar 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 Clients and from unconsummated transactions are generally credited 100% against the limited partners' share of the 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 will invite investees in Fund Clients or non-clients to co-invest in a particular portfolio company (typically to manage a Fund Client's 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 will receive fees in some cases that are not credited against management fees of the Fund Client. This may result in the Fund Clients bearing all such broken-deal costs.

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

From time to time employees of the Adviser and its affiliates may be seconded to, and their compensation may be charged to, portfolio companies.

Finally, the Adviser and its affiliates also engage and retain strategic advisors, consultants, operating partners and other similar professionals who are not employees or affiliates of Stonepeak, SAH and Stonepeak Advisors and who will, from time to time, receive payments from, or allocations with respect to, portfolio companies. The nature of the relationship with each of the senior advisors, consultants, operating partners and/or other professionals and the amount of time devoted or required to be devoted by them varies considerably. In certain cases, they provide the Fund Clients and/or the Adviser with industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and provide reference checks on management teams. In other cases, they may take on more extensive roles and serve as executives or directors on the boards of portfolio companies or contribute to the origination of new investment opportunities. In certain instances, Stonepeak may have formal arrangements with these senior advisors, consultants, operating partners and/or other professionals (which may or may not be terminable upon notice by any party), and in other cases the relationships may be more informal. They may be compensated (including pursuant to retainers and expense reimbursement) from Stonepeak, Fund Clients and/or portfolio companies or otherwise uncompensated unless and until an engagement with a portfolio company develops. In such circumstances, such payments from, or allocations with respect to, portfolio companies and/or the Fund Clients will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by Stonepeak, be deemed paid to or received by Stonepeak and such amounts will not be subject to the offset provisions as described above. These senior advisors, consultants, operating partners and/or other professionals may have the right or may be offered the ability to co-invest alongside the Fund Clients, including in those investments in which they are involved, or otherwise participate in equity plans for management of any such portfolio company. There can be no assurance that any of the senior advisors, consultants, operating partners and/or other professionals will continue to serve in such roles and/or continue their arrangements with Stonepeak and/or any portfolio companies throughout the terms of Funds.

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 partners of its Fund Clients, which receive performance based distributions (“Carry”). This presents a perceived conflict of interest and gives 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 Advisers have two clients, Stonepeak Fund I and Stonepeak Fund II 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 Funds 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;
- **Transportation:** rail, airports, roads and ports; and
- **Communications:** towers, distributed antenna systems, small cells, fiber, data centers and related wireless and wireline infrastructure subsectors.

The Adviser expects to generate return alpha for the Fund Clients 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 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 Clients' 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 its 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 Clients' investors. The potential exit options include: 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, and 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 Clients' 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 Clients' 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 Clients' and their investors' probability of achieving targeted returns.

Business and Market Risks. Investments in portfolio companies involve a high degree of business and financial risk, which could result in substantial loss to the Fund Clients. 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.

Governmental & Regulatory Risks Generally. Changes by regulatory authorities and governments related to investments could impact revenues, growth, and performance outcomes for the Fund Clients. 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.

Financial Leverage. Typically, a Fund Client intends to utilize significant leverage to finance its 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 further deteriorations in the markets generally. 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, a Fund Client may suffer a partial or total loss of capital invested in the Investment. The Fund Clients may also obtain leverage at the fund level. Although borrowings by the Fund Clients have the potential to enhance overall returns that exceed the Fund Clients' cost of funds, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the Fund Clients' cost of funds. In addition, borrowings by the Fund Clients may be secured by its limited partners' Capital Commitments as well as by the Fund Clients' assets and the documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the limited partners may be subordinated to such borrowing. If Fund

Clients defaults on secured indebtedness, the lender may foreclose and Fund Clients could lose their entire Investment in the security for such loan. In addition, tax-exempt investors should note use of leverage by the Fund Clients may create “unrelated business taxable income”.

Unspecified Investments. The Fund Clients must rely upon the ability of the Adviser to help the Fund Clients’ general partners to identify structure and implement investments consistent with the Fund Clients’ investment objectives and policies. The Adviser may be unable to find a sufficient number of attractive opportunities to meet the Fund Clients’ investment objectives. The success of the Fund Clients will depend on the ability of the Adviser to help the Fund Clients’ general partners 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; Investments Longer than Term. 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 by the Fund Clients may generate some current income, the return of capital and the realization of gains, if any, from an investment generally will 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. Some investments proposed by the Adviser may not be advantageously disposed of prior to the date the Fund Clients will be dissolved, either by expiration of the Fund Clients’ term or otherwise. It is unlikely that there will be a public market for the securities held by the Fund Clients at the time of their acquisition. Therefore, no assurance can be given that, if a Fund Client is determined to dispose of a particular investment held by the Fund Client, it could dispose of such investments at a prevailing market price, and there is a risk that disposition of such investments may require a lengthy time period or may result in distributions in kind to investors. Although the Adviser expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the Fund Clients may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution. Any dispositions prior to the expiration date of the expected holding period for such investor may adversely affect returns. The Fund Clients will generally not be able to sell their investments through the public markets unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. Additionally, there can be no assurances that investments can be sold on a private basis. In addition, in some cases the Fund Clients 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 cyclicalities, downturns in demand, market disruptions, and the lack of available capital for potential purchasers and are therefore often difficult or time consuming to liquidate. Upon dissolution of the Fund Clients or as otherwise provided in the Partnership Agreement, investments may be distributed in-kind so that the limited partners of the Fund Clients may then become equity holders in one or more public or private companies (and as a consequence be unable to protect their interests in the same manner as their interests in the Fund Clients).

Risk of Limited Number of Investments; Lack of Diversification. The 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 Clients may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund Clients may be substantially adversely affected by the unfavorable performance of even a single investment. If certain Investments perform unfavorably, it may materially and adversely affect overall fund returns. 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. In addition, certain geographic regions and/or industries may be more adversely affected from economic pressures when compared to other geographic regions and/or industries.

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 will be affected by general economic and market conditions, as well as by a number of other economic factors that are outside of Stonepeak's control. These factors include, but are not limited to, changes in laws, fluctuations in currency exchange rates and interest rates, changes in the relative prices of commodities or securities, inflation, general economic and market conditions and activity, and national and international political, environmental and socioeconomic circumstances. There is no assurance that any key trends or economic and market conditions for infrastructure investing will continue to improve or not deteriorate. Any slowdown or downturn in the U.S. or global economy (or any particular segment thereof) or adverse development in prevailing market trends could adversely affect the Fund Clients' profitability, impede the ability of the Fund Clients' portfolio companies to perform under or refinance their existing obligations, and impair the Fund Clients' ability to effectively consummate and exit portfolio investments on favorable terms.

Hedging Policies/Risks. In connection with the financing of certain investments, the Adviser may propose that a Fund Client utilize a wide variety of derivative financial instruments for risk management purposes, the use of which is a highly specialized activity that may entail greater than ordinary investment risks. Any such hedging transactions may not be effective in mitigating risk in all market conditions or against all types of risk (including unidentified or unanticipated risks), thereby resulting in losses to the Fund Client. Engaging in hedging transactions may result in a poorer overall performance for the Fund Client than if it had not engaged in any such hedging transaction, and the Adviser may not be able to effectively hedge against, or accurately anticipate, certain risks that may adversely affect the Fund Clients' investment portfolio. In addition, the Fund Clients' investment portfolio may be exposed to certain risks that cannot be fully or effectively hedged, such as credit risk relating both to particular securities and counterparties.

Item 9 - Disciplinary Information

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 I as a limited partner thereof and Stonepeak GP Holdings II as a limited partner thereof. Through its interests in SAH, Stonepeak GP Holdings I and Stonepeak GP Holdings II, TIAA Advisor Investor has indirect interests in Stonepeak Advisors and the Stonepeak GPs, respectively. TIAA Advisor Investor has no interest in the Adviser, Stonepeak Advisors II or Stonepeak Partners GP. TIAA Advisor Investor is an affiliate of TIAA. TIAA Advisor Investor, which is an affiliate of TIAA, is a limited partner of the Stonepeak Fund and has made a substantial anchor investment in Stonepeak Fund I.

While the Stonepeak Advisors and the Stonepeak GPs will generally manage the business and affairs of the Stonepeak Funds, 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 the Stonepeak GPs. Two representatives designated by TIAA Advisor Investor also serve on the Steering Committee and the Fund I Investment Committee. The consent of at least one of TIAA Advisor Investor's representatives on the Steering Committee to all material operating decisions of

Stonepeak Fund I and SAH is required; however, investment decisions are controlled by Messrs. Dorrell and Vichie. Moreover, during the investment period for Stonepeak Fund I, 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 Stonepeak Fund I.

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 Funds) 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 I, the Stonepeak GPs, Stonepeak GP Holdings or Stonepeak Partners GP with respect to Fund Clients (including the Stonepeak Funds). 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 Funds). TIAA and the TIAA Advisor Investor and their respective affiliates may compete with Fund Clients (including the Stonepeak Funds) for certain investment opportunities and Stonepeak staff time. Furthermore, there can be no assurance that TIAA, the TIAA Advisor Investor or the TIAA Advisor 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 Funds), 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 Fund I 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 Funds or their 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 Advisor Investor, as a limited partner of the Stonepeak Funds, may have interests that are not aligned with interests of other investors in the Stonepeak Funds (including, without limitation, with respect to certain voting matters concerning Stonepeak Advisors I, SAH, the Stonepeak GPs and Stonepeak GP Holdings).

Each investor in the Stonepeak Funds 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 GPs, Stonepeak GP Holdings, SAH and Stonepeak Advisors I and one or more representatives on the Fund I Investment Committee.

Other Side Letter Agreements

Stonepeak has entered into side letter agreements with certain investors that provide such investors with additional or differential rights, including but not limited to excuse rights applicable to particular investments (which may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to such investments), information rights, waiver of certain confidentiality obligations and withdrawal or transfer rights.

Other Activities and Relationships

The partners or employees of the Adviser, SAH and the Stonepeak Advisors and their respective affiliates 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 conflicts with the interest of the private equity fund client. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interest of the portfolio company may not be in the best interests of the Fund Clients and *vice versa*. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an officer or employee of Stonepeak and such individual's duties as a director of the portfolio company. Conflicts may also arise in cases where a Fund Client makes an investment in a different class of securities relative to any other Fund Client that may have an interest in the same portfolio company.

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. To the extent officers, directors, members, managers, and employees of the Adviser, SAH and Stonepeak Advisors invest in the same securities as a Fund Client, such transactions introduce a potential conflict of interest between the interests of such Fund Client and the interests of Stonepeak or its related persons. For example, a potential conflict of interest could arise in that the interested related person could benefit from such a purchase or sale of the applicable securities by such Fund Client.

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 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 will 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 will 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.** To the extent any Fund Clients have investment objectives or guidelines in common, investment opportunities within such common objectives and guidelines

will be allocated between such Fund Clients and such other fund or managed account vehicle by the Stonepeak GPs on a basis that they believe in good faith to be fair and reasonable, taking into account, as applicable, the sourcing of the transaction, the nature of the investment focus of each such other vehicle, the relative amounts of capital available for investment, the terms of such funds' governance agreement and such other vehicle and legal, tax, regulatory, accounting and other similar considerations deemed relevant by the Stonepeak GPs in good faith. Furthermore, the Stonepeak GPs or their affiliates will not close on any investment fund or separate account having a substantially similar investment objective as the Stonepeak Funds (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 Funds 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 Funds and the Similar Fund on a basis that the Stonepeak GPs believe in good faith to be fair and reasonable, unless (i) the respective advisory committees of the Stonepeak Funds consent, (ii) the investment by the Stonepeak Funds 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 Funds, the Stonepeak GPs or any of their affiliates.

- **Performance Allocation.** The existence of the Stonepeak GPs' Carry in the Stonepeak Funds creates an incentive for the Adviser, SAH and Stonepeak Advisors to propose, or the Stonepeak GPs to make, more speculative investments on behalf of the Fund Clients 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 Clients have an interest. Additionally, Stonepeak, SAH and Stonepeak Advisors may receive fees relating to the Fund Clients' 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 Clients' 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 will, from time to time, receive payments from, or allocations with respect to, portfolio companies.
- **Portfolio Company Relationships.** The Fund Clients' 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 Funds may engage other common service providers. In such circumstances, there will be a conflict of interest between the Adviser and the Stonepeak Funds in determining whether to engage such service providers, including the possibility that the Adviser will 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 Stonepeak Funds.
- **Co-Investments.** Stonepeak may offer investors and other third parties the opportunity to co-invest in particular investments alongside the Fund Clients. Co-investment opportunities offered to investors will be allocated as determined by the Stonepeak GPs in their discretion, and there is no guarantee for any investor that it will be offered co-investment opportunities. As a general matter, the Stonepeak GPs, in determining the allocation of co-investment opportunities, generally expect to take into account various facts and circumstances deemed relevant by the Stonepeak GPs, including among others, whether a potential co-investor has expressed interest in evaluating co-investment opportunities, whether a potential co-investor has a history of participating in co-investment opportunities with Stonepeak, the size of the potential co-investor's interest to be held in the underlying portfolio company as a result of the applicable Fund Client's investment (which is likely to be based on the size of the potential investor's capital commitment and/or investment in the applicable Fund Client), whether the potential co-investor has demonstrated a long-term or continuing commitment to the potential success of Stonepeak, the applicable Fund Client, or other co-investment and/or other Fund Clients, and such other factors that Stonepeak deems relevant under the circumstances. The terms and conditions of any co-investment opportunities will generally be negotiated by the Stonepeak GPs and the potential co-investor on a case-by-case basis. The allocation of co-investment opportunities may involve a benefit to Stonepeak including, without limitation, fees or carried interest from the co-investment opportunity, and capital commitments to the Fund Clients, and such co-investment fees could create an incentive for the Stonepeak GPs to pursue an investment and structure the terms of the Fund Clients' investment differently than it otherwise would in the absence of such co-investment fees. Co-investment fees realized by Stonepeak 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 Stonepeak on a case-by-case basis. This may result in the Fund Clients bearing all such broken-deal costs.

Stonepeak's Code of Conduct also applies to SAH, the 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 Advisers (and their affiliates (SAH and the Stonepeak Advisors)) 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 Clients 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 each 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 will engage third parties to solicit investors. Fees payable to such third parties will be borne by the applicable Fund Client and will reduce management fees to the Adviser for those investors subject to the placement arrangement.

Item 15 - Custody

The Adviser complies with Rule 206(4)-2 under the Advisers Act by engaging a third party qualified custodian to maintain the funds and securities of the Fund Clients except for certain privately offered securities as defined under Rule 206(4)-2 and having an independent public accountant perform an annual audit of its Fund Clients and distributing the audited financial statements to the Adviser's Fund Clients and their investors within 120 days of the end of their fiscal years.

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, (i) with respect to Stonepeak Fund I, the consent of the Fund I Investment Committee and (ii) with respect to Stonepeak Fund II, the consent of the Fund II Investment Committee, will be required for all major investment decisions. Decisions of the Fund I Investment Committee shall similarly bind all actions of SAH (and accordingly, Stonepeak Advisors I) to the same extent as they bind Stonepeak GP I and Stonepeak GP Holdings I. Decisions of the Fund II Investment Committee shall similarly bind all actions of Stonepeak Advisors II to the same extent as they bind Stonepeak GP II and Stonepeak GP Holdings II. See “Item 4 – Advisory Business” for more information.

Item 17 - Voting Client Securities

From time to time, the Adviser's clients will 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 Clients, 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; (iii) 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 relevant Fund Client's Advisory Committee.

Fund Clients and their investors can 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