

Item 1 – Cover Page

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This Brochure provides information about the qualifications and business practices of STELLA POINT CAPITAL, LP (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us our Chief Compliance Officer, Howard Weiss, at 212 235-0203 or via email at weiss@stellapoint.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

STELLA POINT CAPITAL, LP is a registered investment adviser. Registration of an Investment Adviser does not imply a certain level of skill or training. This Brochure does not constitute an offer to sell or the solicitation of any offer to purchase any securities of any entities described herein.

Additional information about STELLA POINT CAPITAL, LP also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The Adviser has made changes to the last version of this Brochure dated November 30, 2017. Some changes are minor editing changes or clarification of prior text. The material changes that were made are summarized below.

Item 4B and 4E (Advisory Business): This Item has been updated to reflect an additional master-feeder fund structure that the Adviser is currently managing, SPC Vereco, LP (the master fund) and SPC Vereco Investor, LLC (the feeder fund). Changes in additional items throughout the Brochure have also been made to add information regarding these new funds. The amount of regulatory assets under management as of December 31, 2018 is also shown.

Item 8(B) and (C) (Investment Strategies and Risk of Loss): This Item has been updated to add additional risk factors and clarify some of those already listed.

Item 12(A) (Brokerage Practices): This Item has been updated to describe the Adviser's brokerage practices when a Portfolio Company becomes publicly-traded.

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Item 4 – Advisory Business

- A. General Description of Advisory Firm:** Stella Point Capital, LP (the “Adviser”) is a Delaware limited liability company that provides investment advice to various private investment funds. The Adviser commenced operations in August, 2014. The founding partners and principal owners of the Adviser are Adam Godfrey and Justin Wender (the “Managing Members”). The general partner of the Adviser is Stella Point Capital, LLC, a Delaware limited liability company (the “General Partner”). The Managing Members are the managing partners of the General Partner.
- B. Description of Advisory Services:** The Adviser is a private equity firm that provides discretionary investment advisory services to pooled investment vehicles in accordance with the investment objectives, strategies and guidelines set forth in the offering documents, partnership and/or limited liability company agreements, term sheets, and subscription documents for each respective pooled investment vehicle, as applicable (collectively, the “Governing Fund Documents”). Defined terms utilized herein that are not otherwise defined shall have the meanings ascribed to them in the Governing Fund Documents.

The Adviser’s primary investment activity is making U.S. middle market investments on behalf of Clients (as defined below) in industrial, consumer and business services companies (herein referred to individually as a “Portfolio Company” or collectively as “Portfolio Companies”). The Adviser’s investment advice is limited to these types of investments.

As of the date hereof, the Adviser provides investment advisory services to the following four private fund clients (the “Funds”):

- *SPC FAPS Holdings, LP* – a Delaware limited partnership (“SPC FAPS”).
- *SPC Rightpoint, LP* – a Delaware limited partnership. SPC Rightpoint, LP (the “Rightpoint Master Fund”) has one feeder fund, SPC RP Investor, LLC, a Delaware limited liability company (the “Rightpoint Blocker Fund”). Unless otherwise indicated herein, the Rightpoint Master Fund and the Rightpoint Blocker Fund are herein referred to as “SPC Rightpoint”.
- *SPC Intermex, LP* – a Delaware limited partnership (“SPC Intermex”).
- *SPC Vereco, LP* – a Delaware limited partnership (the “Vereco Master Fund”). The Master Fund has one feeder fund, SPC Vereco Investor, LLC, a Delaware limited liability company (the “Vereco Blocker Fund”).

Unless otherwise indicated herein, the Vereco Master Fund and the Vereco Blocker Fund are herein referred to as “SPC Vereco”.

The Funds invest in accordance with their Governing Fund Documents. At the current time, each Fund has made an investment in only one Portfolio Company, with additional add-on investments in the one Portfolio Company having been made, or to be made in the future, in the discretion of the Adviser. No other Portfolio Company investments are contemplated for any of the Funds, as per the Governing Fund Documents.

SPC Intermex GP, LLC is the general partner of SPC Intermex; SPC Rightpoint GP, LLC is the general partner of the Rightpoint Master Fund and the managing member of the Rightpoint Blocker Fund; Stella Point Capital, LLC is the general partner of SPC FAPS; and SPC Vereco GP, LLC is the general partner of SPC Vereco (each, a “Fund GP” and collectively the “Fund GP’s”). Stella Point Capital, LLC is also the managing member of SPC Intermex GP, LLC, SPC Rightpoint GP, LLC and SPC Vereco GP, LLC. The Managing Members of the Adviser are also the managing members of Stella Point Capital, LLC.

Investors in the Funds are herein referred to as “Investors”, and the Funds and any future investment vehicles may be referred to herein as “Clients” of the Adviser.

- C. Availability of Tailored Services for Individual Clients:** As noted above, each Fund makes an investment in only one Portfolio Company. As such, the Adviser does not tailor its advisory services to the individual needs of Investors. The Portfolio Company asset held in each Fund is managed by the Adviser on a discretionary basis, as set forth in the applicable Governing Fund Documents.
- D. Wrap Fee Programs:** The Adviser does not participate in wrap fee programs.
- E. Client Assets Under Management:** As of December 31, 2018, the amount of regulatory assets under management that the Adviser managed on a discretionary basis was approximately \$278,500,000. The Adviser manages no assets on a non-discretionary basis.

Item 5 – Fees and Compensation

- A. Advisory Fees and Compensation:** This Brochure will be delivered only to “qualified purchasers” as defined in the Investment Company Act of 1940. Accordingly, no detailed fee schedule is included in this Brochure.

At the current time, there are no management fees paid by Investors in any of the Funds. However, in regard to SPC Rightpoint and SPC Vereco, in the event there are no offsetting fees paid by its Portfolio Company available under the terms of the Governing Fund Documents, a quarterly management fee will be payable by SPC Rightpoint and/or SPC Vereco to the Adviser. The amount of such management fee is 0.375% (i.e., 1.5% per annum) of the weighted daily average during the quarter of each Investor's investment contribution to the Fund, which may be waived or lowered at the discretion of the Fund GP as specified in the Governing Fund Documents. Note that under certain specified circumstances, fees paid by SPC Rightpoint's or SPC Vereco's Portfolio Company will not be applied to offset the management fee, as specified in the Governing Fund Documents.

Additionally, Investors in SPC Rightpoint, SPC Intermex and SPC Vereco may pay "carried interest", or a performance fee, to the Fund GP upon the occurrence of a realization event related to the applicable Portfolio Company. These fees are paid out of cash otherwise distributable to Investors in accordance with "waterfall" provisions contained in each of the Governing Fund Documents. The "carried interest" fee may be waived or lowered at the discretion of the Fund GP. "Carried interest" is also discussed in Item 6.

Please refer to the Governing Fund Documents for a complete description of the SPC Rightpoint and SPC Vereco management fees that may be payable by their Investors, as well as the "carried interest" charge that may be payable by SPC Rightpoint, SPC Intermex and SPC Vereco Investors.

- B. Payment of Fees:** Any applicable fees charged to Investors will be deducted from their capital accounts in the Fund and will not be billed separately.
- C. Other Fees and Expenses:** Each of the Funds pay all of the fees and expenses associated with its operations. These fees and expenses are detailed in the Governing Fund Documents for each Fund and include, without limitation:

For SPC Intermex: all expenses (including travel, printing, legal, capital raising, filing and accounting fees and expenses) incurred in connection with organizing and establishing the Fund and the offering of interests in the Fund (including any private placement fees paid in connection with the organization of the Fund) up to \$450,000 in the aggregate, all expenses incurred in connection with the operation of the Fund, including all expenses incurred in connection with identifying, evaluating, investigating, valuing, structuring, monitoring, holding, tracking, servicing, hedging, harvesting, selling (or potentially selling) or purchasing (or potentially purchasing) the Investment, brokerage commissions, custody fees, interest expenses, finders' fees, insurance premiums (including its pro rata share of expenses with respect to

policies whose costs and benefits are expected to be shared with other funds sponsored by the Adviser), expenses in connection with the engagement of unaffiliated persons with industry, managerial or other expertise as advisors, legal expenses, taxes (other than taxes allocated to Fund Partners, as defined in the Fund's Partnership Agreement), research expenses (e.g., news and quotation subscriptions, market research and travel expenses in connection with evaluating, making and monitoring the Portfolio Company), the Fund's allocable share of other administrative expenses, information technology expenses, accounting, audit and tax preparation expenses, fees and expenses of consultants, rating agency expenses and any other out-of-pocket third-party costs and expenses and any litigation and indemnification expenses and other expenses associated with the operation of the Fund. If an Investor fails to fund a capital call within the time period specified by the Fund GP, the Fund GP may charge such Investor an interest charge on late payments, as specified in the Governing Fund Documents.

For SPC Rightpoint: the management fee (as described above), all expenses (including travel, printing, legal, capital raising, filing and accounting fees and expenses) incurred in connection with organizing and establishing SPC Rightpoint and the offering of interests therein (including any private placement fees paid in connection with the organization of SPC Rightpoint) up to \$450,000 in the aggregate, all expenses incurred in connection with the operation of SPC Rightpoint, including all expenses incurred in connection with identifying, evaluating, investigating, valuing, structuring, monitoring, holding, tracking, servicing, hedging, harvesting, selling (or potentially selling) or purchasing (or potentially purchasing) the Investment, brokerage commissions, custody fees, interest expenses, finders' fees, insurance premiums (including its pro rata share of expenses with respect to policies whose costs and benefits are expected to be shared with other funds sponsored by the Adviser, expenses in connection with the engagement of unaffiliated persons with industry, managerial or other expertise as advisors, legal expenses, taxes (other than taxes allocated to SPC Rightpoint Partners, as defined in the Fund's Partnership Agreement), research expenses (e.g., news and quotation subscriptions, market research and travel expenses in connection with evaluating, making and monitoring the Portfolio Company), SPC Rightpoint's allocable share of other administrative expenses, information technology expenses, accounting, audit and tax preparation expenses, fees and expenses of consultants, rating agency expenses and any other out-of-pocket third-party costs and expenses and any litigation and indemnification expenses and other expenses associated with the operation of SPC Rightpoint.

If an Investor fails to fund a capital call within the time period specified by the Fund GP, the Fund GP may charge such Investor an interest charge on late payments, as specified in the Governing Fund Documents. Note additionally that Investors in the Rightpoint Blocker Fund may be subject to additional fees and expenses related to the Rightpoint Blocker Fund, as detailed in the Governing Fund Documents.

For SPC FAPS: these fees and expenses include all Fund organizational expenses, and all fees and expenses incurred by the Fund GP in connection with the business of the Fund, in the discretion of the Fund GP.

For SPC Vereco: all expenses (including travel, printing, legal, capital raising, filing and accounting fees and expenses) incurred in connection with organizing and establishing SPC Vereco and the offering of interests in SPC Vereco (including any private placement fees paid in connection with the organization of SPC Vereco) up to \$450,000 in the aggregate, all expenses incurred in connection with the operation of SPC Vereco, including all expenses incurred in connection with identifying, evaluating, investigating, valuing, structuring, monitoring, holding, tracking, servicing, hedging, harvesting, selling (or potentially selling) or purchasing (or potentially purchasing) the Investment, any Pro Rata Guarantee Share payable by a Limited Partner pursuant to Fund's Limited Partnership Agreement, brokerage commissions, custody fees, interest expenses, finders' fees, insurance premiums (including its pro rata share of expenses with respect to policies whose costs and benefits are expected to be shared with other funds sponsored by the Adviser), expenses in connection with the engagement of unaffiliated persons with industry, managerial or other expertise as advisors, legal expenses, taxes (other than taxes allocated to Partners), research expenses (e.g., news and quotation subscriptions, market research and travel expenses in connection with evaluating, making and monitoring the Investment), the SPC Vereco's allocable share of other administrative expenses, information technology expenses, accounting, audit and tax preparation expenses, fees and expenses of consultants, rating agency expenses and any other out-of-pocket third-party costs and expenses and any litigation and indemnification expenses and other expenses associated with the operation of SPC Vereco. If an Investor fails to fund a capital call within the time period specified by the Fund GP, the Fund GP may charge such Investor an interest charge on late payments, as specified in the Governing Fund Documents. Note additionally that Investors in the Vereco Blocker Fund may be subject to additional fees and expenses related to that Fund, as detailed in the Governing Fund Documents.

For all Funds: Except for instances in which an expense or fee is incurred or charged to one Fund in particular, when multiple Funds have utilized the same

product or service, each participating Fund will generally share proportionately in the expense or fee based on committed capital or any other similar methodology determined by the Adviser to be appropriate under the circumstances. The Adviser will make such allocation decisions in its fair and reasonable discretion, notwithstanding its interest in the outcome, and may make corrective allocations should it determine that such corrections are necessary or advisable.

In addition, the Adviser has received, and may receive in the future, various fees from the Portfolio Companies, such as closing fees, quarterly management fees, monitoring fees (including accelerated monitoring fees), consulting fees, directors' fees, acquisition and disposition fees, financial advisory fees, financing fees and other similar fees. Such fees are discussed in Item 11(B) below.

Given the nature of the Funds' investment programs, the Adviser does not usually transact through broker-dealers. Therefore, Investors do not generally incur brokerage costs. A discussion of brokerage practices may be found in Item 12, below.

- D. Prepayment of Fees:** As described above in Item 5B, Investors do not prepay any fees. There is no refund to Investors of any of the fees and expenses that have been charged to Investors or the Funds, including in the event that the applicable fiscal period were to end early.
- E. Additional Compensation and Conflicts of Interest:** No supervised person of the Adviser accepts compensation for the sale of securities or investment products to the Funds.

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

As discussed in Item 5, above, the Adviser may receive performance-based compensation through the payment of "carried interest" to the Fund GP. Any performance-based compensation will be paid in accordance with Section 205(3) of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and Rule 205-3 thereunder.

Managing Members and certain senior level employees of the Adviser participate in the carried interest paid to the Fund GP. In addition, the Managing Members and certain senior level employees of the Adviser have personal investments in the Funds, and will be invested on terms that do not include the payment of carried interest or management fees. The potential for

earning a carried interest payment creates an incentive for the Adviser to make riskier and more speculative investment decisions on behalf of the Funds than it would otherwise make.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of the Funds and in the future, any additional Client accounts. The Investment Committee ("IC"), which is comprised of the Managing Members, and the Chief Financial Officer/Chief Compliance Officer (as a non-voting member), meets as necessary and is responsible for approving all acquisitions of Portfolio Companies and addressing any conflicts of interest associated therewith. The Valuation, Risk and Operations Committee ("VROC"), which is comprised of the Managing Director, a Principal and the Chief Financial Officer/Chief Compliance Officer, and meets quarterly and is responsible for overseeing operational risk matters and any associated conflicts of interest.

Item 7 – Types of Clients

The Adviser currently provides investment advice only to the Funds, which are currently closed for new Investors. Minimum commitment levels for each Fund were established by the Fund's GP. There is no required minimum account size that must be maintained by Investors.

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

A. Methods of Analysis and Investment Strategies:

The Adviser's investment objective for the Funds is to identify and acquire middle market portfolio companies in the Industrial, Consumer and Business Services sectors in North America. After acquisitions, the Adviser provides operational expertise and long-range market insight to Portfolio Companies with the goal of achieving long-term growth for Investors. The Adviser seeks to identify Portfolio Companies that have strong market positions and identifiable growth opportunities, along with effective risk mitigation strategies in place.

The IC analyzes, reviews and approves all acquisition, add-on and disposition investment decisions regarding Portfolio Companies.

Unemployed cash held by a Fund may only be invested in short-term investments, such as US government obligations, certificates of deposit, overnight repurchase obligations, commercial paper and similar instruments, as specified in the applicable Governing Fund Documents.

B, C. Material Risks of the Adviser's Investment Strategies, Methods of Analysis and Types of Securities:

Investing in the Funds is highly speculative and involves risk of loss that Investors should be prepared to bear. Only sophisticated persons who are able to bear the economic risk of the loss of all or a portion of their investment should invest. There is no guarantee that investment objectives will be achieved. The performance of prior investments is not indicative of any expected future results.

As it is not possible to identify all of the risks associated with investing, this section discusses certain material risks of investing in the Funds in summary fashion. Moreover, the particular risks applicable to the Funds will depend on what part of the investment cycle they are in. Investors and prospective Investors in future Funds should consult the Governing Fund Documents of the applicable Fund for a more detailed discussion of applicable risks, including other risks not summarized below.

Summarized below are material risks for the Funds:

- **General Economic and Market Conditions:** The success of the Funds will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances, as well as the cyclical nature of the industries in which the Funds intend to invest.
- **Risks of Limited Number of Investments; Dependence on Performance of Limited Investments:** The Funds will participate in only one investment. As a result, each Fund's investment portfolio is highly concentrated, and the performance of the one Portfolio Company is responsible for the entirety of the Fund's aggregate return.
- **Competition for Investments:** The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty.

- **Reliance on Key Personnel:** The success of the Funds will significantly depend upon the skill and expertise of the Managing Members, and, to a lesser extent, the Adviser's other investment professionals.
- **Reliance on Portfolio Company Management:** While the Adviser will actively monitor each investment, it is primarily the responsibility of company management to operate the Portfolio Company on a day-to-day basis, and the success of the Portfolio Company will depend heavily on the ability of company management to successfully operate it.
- **Risk Arising from Provision of Managerial Assistance:** The Adviser intends to be actively involved with management of each Fund's Portfolio Company, including through representation on the board of directors or executive committee thereof where appropriate, as determined by the Adviser in its sole discretion. These activities could expose the assets of a Fund to claims by the Portfolio Company, its security holders, or its creditors (or any agent of such creditors, such as a bankruptcy trustee), including claims that the Funds are a controlling person and thus are liable for securities laws violations of a Portfolio Company.
- **Risks of Investing with Third Parties:** Certain decisions may require approval of a third party, and the cooperation of the relevant Fund and the third party on business decisions affecting the Portfolio Company will be an important factor for the sound operation of the Portfolio Company and as a result, the financial success of the Fund's investment.
- **Need for Significant Capital; Follow-On Investments:** The Portfolio Companies in which the Funds have invested may require additional capital from time to time. There can be no assurance that such capital will be available to such Portfolio Companies on a timely basis, either from the Funds as a follow-on investment or otherwise. In the case of follow-on investments, there can be no assurance that the Funds will wish to make follow-on investments or that they will have sufficient funds to do so. The failure of Portfolio Companies to raise the necessary capital to fund their operations, capital expenditures or other activities may require, among other things, the sale or liquidation of such Portfolio Companies at a loss or reduced valuation from the price paid for such Portfolio Companies by the relevant Funds.

- **Bankruptcy of Portfolio Companies:** The Funds may make investments in Portfolio Companies that may experience financial difficulties and become insolvent or file for bankruptcy protection.
- **Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes:** Legal, tax and regulatory changes could occur that may adversely affect the business and operations of Portfolio Companies and/or the Funds.
- **Intense Competition; Technological Obsolescence:** The companies in the Funds' target industries may encounter competition in all areas of their businesses. Customers increasingly demand more technologically advanced and integrated products. To remain competitive, a Portfolio Company may need to invest continuously in research and development, manufacturing, marketing, client service and support and distribution networks. In the event of technological advances and a significant shift in the character of the market's demand, or if certain products become technologically obsolete, the performance of the Portfolio Company, and therefore the value of the relevant Fund's investment, may be materially adversely affected.
- **Highly Regulated Industries:** Many of the Portfolio Companies operate in highly regulated industries or are providing products or services to highly regulated industries. The Portfolio Companies may incur substantial costs related to compliance with regulations.
- **Cyclicalities of Portfolio Company Industries; Large Customers and Dependence on Vendors:** Portfolio Companies may be adversely affected by demand cycles in their respective sectors. Portfolio Companies are dependent upon vendors to continue to supply it with equipment and services at competitive terms and price levels. Significant deterioration in relationships with, or in the financial condition of, these significant vendors could have an adverse effect on a Portfolio Company's operations. In addition, the loss of a key customer to a Portfolio Company could have a material adverse effect on a Portfolio Company.
- **Environmental Risk:** The operations of Portfolio Companies may be subject to numerous laws and regulations relating to environmental protection. Certain laws and regulations might also require that the business carried on by Portfolio Companies address possible prior or future environmental contamination.

- **Dependence on Protection of Intellectual Property:** The Portfolio Companies may own or develop various patents and other forms of intellectual property that will be subject to challenge, invalidation, misappropriation or circumvention by third parties, including by direct competitors of such Portfolio Companies. Such Portfolio Companies may also rely significantly upon proprietary technology, information, processes and know-how that are not protected by patents.
- **Cyber-Security and Information Technology Systems Threats:** Portfolio Companies, particularly those that operate in sensitive industries, face various cyber and other security threats, including malicious software, attempts to gain unauthorized access to data, and other electronic security breaches that could lead to disruptions to critical systems, unauthorized release of confidential or otherwise protected information and corruption of data, networks or systems. Portfolio Companies are dependent on the continuing development, maintenance and operation of their information technology systems. A Portfolio Company's success is dependent on the accuracy, proper utilization and continuing development of its information technology systems, including its business systems, such as sales, customer management, financial and accounting, marketing, purchasing, warehouse management, e-commerce and mobile systems, as well as its operational platforms, including voice and data networks and power systems.
- **Reliance on Historical Information:** Any performance or other projections relating to a Portfolio Company are based in part upon historical information, projections, and assumptions provided by the Portfolio Company or other third parties, and the Adviser has relied on that information. Those assumptions and projections may be incorrect or may not materialize as anticipated.

The Adviser works to mitigate these risks through its initial due diligence processes and on-going monitoring of Portfolio Companies once they have been acquired.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an Investor's evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no disclosures to make in this regard about itself or any of its management persons.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Broker-Dealer Registration Status:** Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Adviser Registration Status:** Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Material Relationships or Arrangements with Industry Participants:** Aside from its relationship with Fund GP's, neither the Adviser nor any of its Funds have any material relationship with industry participants that are related parties. The Adviser does not believe that its relationship with the Fund GP's creates a material conflict of interest.
- D. Material Conflicts of Interest Related to Other Investment Advisers:** The Adviser does not recommend or select other investment advisers for the Funds.

Item 11 – Code of Ethics

- A. Code of Ethics:** The Adviser has a written code of ethics (the "Code") which sets forth standards of ethical conduct for employees and is designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act. Among other things, the Code prescribes standards for dealing with Clients ethically, and addresses conflict of interest issues, including personal trading, personal political activities, gifts and entertainment, and outside business activities. The Adviser also maintains a written compliance manual which sets forth additional compliance policies and procedures, including those related to the confidentiality and the handling of material non-public information.

The Adviser's Investors or prospective Investors may request a copy of the Code by contacting the Adviser as indicated on the Cover Page.

- B. Transactions in Securities where the Adviser or a Related Person has a Material Financial Interest:**

At the present time, the Managing Members as well as other employees of the Adviser have made personal investments in the Funds, providing them with a financial interest in the Portfolio Companies. These types of investments are intended to align the interests of the Managing Members and Adviser personnel with the Investors in the Funds and are not perceived by the Adviser as presenting a conflict of interest. In addition, as discussed in Item 6, the Managing Members as well as certain employees also have a carried interest in the overall performance of the Funds. This creates an incentive for the Adviser to make riskier and more speculative investment decisions on behalf of the Funds than it would otherwise make. All investment decisions are made by the voting members of the Investment Committee, which must approve investment decisions related to the Portfolio Companies. Any conflicts of interest, or potential conflicts of interest, are reviewed by the IC and VROC as part of their oversight processes. In addition, the Adviser may (but is not required to) consult with Investors in the event of a material conflict of interest.

The Adviser or its affiliates may, from time to time, receive fees or other payments from Portfolio Companies, including closing fees, quarterly management fees, monitoring fees (including accelerated monitoring fees), consulting fees, directors' fees, acquisition and disposition fees, financial advisory fees, financing fees and other similar fees (collectively, "Other Fees"). Collection of these Other Fees are not dependent on the performance of the particular Portfolio Company, and therefore may create a conflict of interest between the Adviser and the relevant Fund. While in certain circumstances Other Fees collected from the SPC Rightpoint and/or SPC Vereco Portfolio Companies may be applied as an offset to the management fee otherwise chargeable to the applicable Fund, in all other circumstances for all the Funds, Other Fees are payable directly to the Adviser or its affiliates and do not become an asset of the relevant Fund. As an oversight mechanism, the collection of Other Fees and any conflicts related thereto is monitored by the VROC.

Neither the Adviser nor any of its related persons contemplates buying securities from, or selling securities to, the Funds as principal (a "principal transaction"). Additionally, it is not contemplated that the Adviser will recommend that one Fund purchase securities from, or sell securities to, another Fund (a "cross transaction"). In the event the Adviser is contemplating engaging in either a principal transaction or cross transaction, the Adviser will only complete such a transaction in accordance with the requirements of Section 206(3) of the Advisers Act, which include notice to, and consent from, affected Investors, as applicable.

C, D. Investing in Securities Recommended to Clients; Contemporaneous Trading; Personal Account Trading:

While the acquisition of a Portfolio Company by a Fund is typically made as a private securities transaction, it is possible that a Fund may from time to time hold publicly-traded securities. As such, potential conflicts of interest related to personal account trading by the Adviser's Managing Members and employees may arise. The Adviser maintains personal trading policies and procedures that are designed to mitigate these conflicts of interest. The Adviser's policies and procedures prohibit the Managing Members and employees from transacting in securities issued by, or related to, Portfolio Companies, as well as from transacting in securities on the Restricted List (as discussed below). The Managing Members and employees are required to report their securities holdings and transactions periodically to the CCO or his designee for review.

To prevent insider trading and other inappropriate forms of personal trading activities, the Adviser also maintains "Restricted List" procedures. Under these procedures, the CCO will place any securities of publicly-traded companies for which the Adviser believes it has or may have material, non-public information on a "Restricted List." Managing Members and employees must report the receipt of any such information to the CCO, and are strictly prohibited from trading in securities (including, without limitation, equity, debt or options) of an issuer on the Restricted List for their own account. The CCO reviews personal account trading for any trading in Restricted List securities. Managing Members and employees certify annually that they have not traded in any such securities.

Other conflicts of interest related to personal account trading may arise in the future when a Managing Member or employee has a relationship that presents a conflict of interest, i.e., a spouse who serves as a director of a public company. The Adviser requires disclosure of any such potential material conflicts.

Item 12 – Brokerage Practices

A. Selection of Broker-Dealers: The Adviser makes opportunistic private equity investments in private securities on behalf of Clients. Accordingly, as a general matter the Adviser does not advise Clients on investments in public securities, and generally does not transact business through broker-dealers. However, from time-to-time, a Portfolio Company may "go public" and issue exchange-traded securities (as is the case with SPC Intermex's Portfolio Company). In such situations, the Adviser may need to transact with broker-

dealers. The Adviser will then consider the broker-dealer's execution capabilities, including block positioning, research, financial stability, ability to maintain confidentiality, delivery and ability to obtain best execution for all Client securities transactions.

A.1. Research and Other Soft Dollar Benefits: As noted above, given the nature of the investments made by Clients, the Adviser does not typically transact in publicly-traded securities. As a result, the Adviser does not have any soft dollar arrangements in place that would require the Adviser to give a specified amount of brokerage to any broker-dealer. The Adviser may however from time-to-time receive unsolicited research from brokers, dealers and banks. In circumstances in which the Adviser uses such research, the quality and ability to receive research may factor into the selection of broker-dealers executing portfolio trades. Even in these cases, the broker-dealer's ability to achieve best execution for Clients will remain the primary factor influencing the selection of a broker-dealer.

A2. Brokerage for Client Referrals: To the extent the Adviser engages in selecting broker-dealers, such decisions will be made as described above in Item 12(A), and not in consideration of whether the Adviser or a related person receives Investor referrals from a broker-dealer or a third party.

A3. Directed Brokerage:

- a. The Adviser does not recommend, request or require that a Client direct it to execute transactions through a specified broker-dealer ("directed brokerage").
- b. The Adviser does not have directed brokerage arrangements with its Clients.

B. Order Aggregation: As noted above, given the nature of the investments made by Clients, the Adviser does not typically transact in publicly traded securities. Additionally, each Fund holds an interest in only one company. Therefore, the Adviser does not expect to aggregate the purchase or sale of securities for multiple Clients. However, in the unlikely event that the Adviser has occasion to conduct trading through a broker-dealer for multiple Clients in the same security, it will seek to aggregate orders whenever practicable and cost-efficient.

Item 13 – Review of Accounts

A. Frequency and Nature of Review: The Adviser’s investment team professionals and financial operations professionals review the operations of the Portfolio Companies on an on-going basis. These professionals monitor operations, overall performance, financial performance and strategic direction of each Portfolio Company. Each Portfolio Company provides regular reports regarding its financial status and performance. In addition, the VROC is responsible for valuing the Portfolio Companies at the quarterly meetings.

B. Factors Prompting a Non-Periodic Review of Accounts: As each Portfolio Company is monitored on an on-going basis, review other than in the ordinary course would be unusual but may be triggered by a material market event or particular event occurring at the Portfolio Company.

C. Content and Frequency of Regular Account Reports:

For SPC Intermex, SPC Rightpoint and SPC Vereco: The following reports are provided to Fund Investors, as indicated – (i) audited financial statements within 90 days after the end of each fiscal year, (ii) information necessary to the preparation of a tax return with 120 days after the end of each fiscal year (including a copy of the Schedule K-1), (iii) unaudited financial statements on a quarterly basis, and (iv) quarterly letters from the Adviser.

For SPC FAPS: The following reports are provided to Fund Investors, as indicated – (i) audited financial statements within 120 days after the end of each fiscal year, (ii) information necessary to the preparation of a tax return with 120 days after the end of each fiscal year (including a copy of the Schedule K-1), and (iii) unaudited financial statements on a quarterly basis.

In addition, to the extent the Fund GP is permitted to do so under applicable law and any applicable agreements, the Fund GP shall deliver such other information regarding the Portfolio Company available to the Fund GP as an Investor may reasonably request, including any quarterly and annual financial reports of the Portfolio Company.

Item 14 – Client Referrals and Other Compensation

- A. Non-Client Benefits:** Aside from the receipt of Other Fees, as described in Item 11B, the Adviser does not receive economic benefits from a person who is not a Client for providing investment advice or other advisory services.

- B. Compensation for Client Referrals:** The Adviser has employed third-party solicitors for SPC Rightpoint and SPC Intermex, and may in the future employ additional third-party solicitors. In connection with their solicitation services, each receive compensation from the applicable Fund which is calculated as a percentage of funds called from Investors.

Item 15 – Custody

The Adviser has “custody” of the assets and securities of the Funds for purposes of Rule 206(4)-2 of the Investment Advisers Act of 1940 (the “Custody Rule”). All Fund assets and securities over which the Adviser has custody are maintained at a “qualified custodian”, unless an exception to this requirement is permitted. Each of the Funds undergoes an annual audit by a PCAOB-registered auditor that is subject to PCAOB inspection. All Investors will receive audited financial statements for the Funds within 120 days of the end of the fiscal year in accordance with the Custody Rule requirements. Consequently, Investors will not receive statements directly from qualified custodians.

Item 16 – Investment Discretion

As discussed in Item 4 above, the Adviser provides advisory services on a discretionary basis to the Funds. The limits of the Adviser’s investment discretion are set forth in the applicable Governing Fund Documents, and Investors agree to become subject to such discretion when they execute subscription documents. As each Fund only has one investment in a Portfolio Company, Investors have no ability to request or direct a change in the stated investment objectives and guidelines.

Item 17 – Voting Client Securities

Although the Adviser’s investment program does not typically involve publicly-traded securities, where such securities are involved, the Adviser believes its policies and procedures are reasonably designed to ensure that proxies are voted in the best economic interests of Clients and to recognize and resolve any material conflicts of interest that may arise in the course of such voting. A summary of the Adviser’s proxy voting policies and procedures are set forth below. Clients may obtain a copy of the Adviser’s complete proxy

voting policies and procedures upon request by contacting the Adviser as set forth on the Cover Page.

The Adviser has authority to vote all proxies for securities held in all Client portfolios. Voting decisions are made by the Managing Partners, in consultation with the relevant investment team. Absent good reason to the contrary, the Adviser will generally give substantial weight to management recommendations regarding voting, and will vote for routine matters in favor of management proposals. Non-routine matters will be voted on a case-by-case basis, given the complexity of many of these issues.

Investors may not direct the Adviser's vote in any proxy solicitation.

Potential conflicts of interest between the Adviser and Client accounts may arise when the Adviser's relationships with an issuer or with a related third party actually conflict, or appear to conflict, with the best interests of the Client(s). If the issue is specifically addressed in the Adviser's proxy voting policies and procedures, the Adviser will vote in accordance with the stated policies. In a situation where the issue is not specifically addressed in the policies and an apparent or actual conflict exists, the Adviser shall either: (i) delegate the voting decision to an independent third party; (ii) inform the Investors of the conflict of interest and obtain advance consent of a majority of such Investors for a particular voting decision; or (iii) not vote. The CCO will be responsible for documenting the rationale for the decision made and voted. In all such cases, the Adviser will make disclosures to Investors of all material conflicts and will keep documentation supporting its voting decisions.

Note that the policies referenced above are not intended to govern situations where the Adviser, or a representative of the Adviser who is a member of the board of directors of a Portfolio Company, is required to make decisions concerning the affairs of a Portfolio Company. In those cases, the Adviser (or its representative) will exercise decision-making authority consistent with applicable fiduciary duties.

Item 18 – Financial Information

The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.