

One Stone Partners L.L.C.

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This brochure provides information about the qualifications and business practices of One Stone Partners L.L.C. (“**One Stone**,” “**we**,” “**us**,” “**our**” or the “**Firm**”). If you have any questions about the content of this brochure, please contact Rimma Khafizova, our Chief Compliance Officer (“**CCO**”) at (212) 257-4065 or by e-mail at rk@lstone-llc.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 the Firm also is available on the SEC’s website at www.adviserinfo.sec.gov.

Registration as an investment adviser does not imply that One Stone or any of our principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Item 2: Material Changes

There have been no material changes since the previous annual updating amendment on March 30, 2018. Investors are encouraged, however, to review this brochure in its entirety.

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Item 4: Advisory Business

One Stone, a limited liability company organized under the laws of Delaware, provides investment advisory services to One Stone Energy Partners, L.P., (the “**Fund**”) as well as other privately pooled investment vehicles (collectively, the “**Funds**”, or “**Clients**”). One Stone Energy Partners GP, L.L.C. is the “**General Partner**” of the Funds. Robert Israel, Vadim Gluzman and Edmund Hajim are the principal owners of the Firm.

The Funds are managed in accordance with their own investment objectives and restrictions, if any, set forth in the applicable organizational document, limited partnership agreement, investment management agreement, offering memorandum and/or subscription agreements, as the case may be (each, a “**Fund Document**” and, collectively, the “**Fund Documents**”). The Funds are not tailored to any particular private fund investor (each an “**Investor**”).

As of December 31, 2018, the Firm’s regulatory assets under management were approximately US \$444.1mm, all of which are managed on a discretionary basis.

Item 5: Fees and Compensation

We generally are compensated for our advisory services to the Fund based on a percentage of assets under management and performance-based amounts.

Management Fee

The Fund generally pays us an annual advisory fee (“**Management Fee**”) equal to 2.0% of the capital commitments during a specified investment period. Following the end of the investment period, the Management Fee of the Fund is equal to 2.0% of the invested capital outstanding. The Management Fee is payable quarterly in advance. The Firm or the General Partner may reduce, waive or calculate differently the Management Fee for certain Investors, including members, employees and affiliates of the General Partner, the Firm and their respective affiliates.

Carried Interest

The General Partner is apportioned carried interest distributions from the Fund (“**Carried Interest**”) based on the net cash proceeds attributable to the Fund’s investments. The Firm or the General Partner may reduce, waive or calculate differently the Carried Interest for certain Investors, including members, employees and affiliates of the General Partner, the Firm and their respective affiliates

The Carried Interest is typically 20% of the total distributions, after a preferred return to the Investors. Investors and prospective investors should refer to the Fund Documents for additional or supplementary information regarding the Fund as well as the fees paid by the Fund.

Expenses*Organizational Expenses*

The Fund will bear all legal and other expenses incurred in the formation of the Fund and the offering of the interests in the Fund. Any placement fees will be paid by the Fund but borne by the Firm through a 100% offset against the Management Fee.

Other Expenses

The Fund will pay all costs, expenses and liabilities in connection with its operations, including: fees, costs and expenses related to the purchase, holding and sale of portfolio investments (to the extent not reimbursed); expenses incurred in connection with transactions not consummated; insurance premiums; taxes; fees and expenses of accountants, auditors, counsel and consultants; custodial fees, finders fees and brokerage commissions; bookkeeping, recordkeeping, appraisal and valuation expenses; costs and expenses of the advisory committee and the annual meeting; litigation and indemnification expenses; and other extraordinary expenses. Costs related to the Fund are absorbed by the Firm, however expenses related to managing the Alternative Investment Vehicles are accrued by the Firm for reimbursement purposes. These expenses include, but are not limited to, audit and accounting.

The Firm and its affiliates may charge portfolio companies directors' fees, transaction fees, monitoring fees, advisory fees, break-up fees and other similar fees. An amount equal to 50% of all such fees, and 50% of all directors' fees paid by portfolio companies that are received by the Firm with respect to the Fund's investment, net of any unreimbursed expenses incurred by the Firm or its affiliates in connection with the unconsummated transactions, will be applied to reduce the Management Fee otherwise payable. All such fees will be allocated among the Fund Investors and any related co-investing entities on the basis of capital committed by each to the relevant investment. Management Fee reductions will be carried forward if necessary.

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

As described above, we receive performance-based compensation in the form of Carried Interest distributions from the Fund. For a discussion of our Carried Interest and performance-based compensation received from the Funds, please refer to Item 5 above. Compensation based on performance will only be charged in accordance with the provisions of Rule 205-3 under the Investment Advisers Act of 1940, as amended ("**Advisers Act**").

Item 7: Types of Clients

We deem the Fund to be our Client, along with any other privately pooled investment vehicles or special purpose vehicles we may advise. We require prospective investors to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment. Our Investors must be "accredited investors" under Regulation D of the Securities Act of 1933, as amended (the "**Securities Act**"), be able to enter into a performance fee arrangement under the Advisers Act (i.e., "qualified clients" under Rule 205-3 of the Advisers Act) and be "qualified purchasers" under Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended.

The minimum initial investment in the Fund is generally \$1,000,000; however, lesser amounts may be accepted in our sole discretion.

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

Methods of Analysis and Investment Strategies

The investment objective of the Fund is to generate superior capital appreciation typically through privately negotiated equity and equity-related investments.

In advising the Fund, we seek to create a valuable portfolio of investments in privately sourced, value added opportunities, including those related to (i) upstream oil and gas, (ii) oil field services and technologies and (iii) energy-related midstream and logistics businesses.

The Fund will make privately negotiated equity or equity-related investments, focusing on transactions primarily in North America, South America, Europe and West Africa. In advising the Fund, we intend to (i) acquire portfolio companies in industries with which the Firm has experience or understands, (ii) motivate and incentivize management of such portfolio companies to increase shareholder value, and (iii) sell our interest in each portfolio company when the value of the business has significantly increased. We may also invest in other types of private equity transactions, such as growth equity financings, strategic joint ventures with corporate partners and recapitalizations. We intend generally to make investments in companies in which we obtain majority control of the board of directors or significant influence over governance of the business.

Risk of Loss Factors

Investing in securities involves risk of loss that Investors should be prepared to bear. Investors should consider the following factors before investing in the Fund. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund. Prospective investors are urged to consult their professional advisers and review the Fund Documents before deciding to invest.

Dependence on Management

The success of the Fund will be highly dependent on the expertise and performance of Mr. Israel and Mr. Gluzman. The loss of Mr. Israel could have a material adverse effect on the performance of the Fund.

Illiquidity of Investments

An investment in the Fund requires a long-term commitment with no certainty of return. It is unlikely there will be near-term cash flow available to the Investors. The investments of the Fund will be illiquid, and there can be no assurance that the Fund will be able to realize such investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. Consequently, dispositions of such investments may require a lengthy time period or may result in distributions in-kind to the Investors. Additionally, the Fund may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in accordance with Rule 144 promulgated under the Securities Act. There can be no assurance that private purchasers can be found for the investments of the Fund on a timely basis, or at all.

The Fund may co-invest in a portfolio company with financial, strategic or other third party investors.

Such investments will involve additional risks not present in investments where a third party is not involved, including the possibility that the co-investor may have interests or objectives that are inconsistent with those of the Fund or may be in a position to take action contrary to the investment objectives of the Fund. In addition, the Fund may, in certain circumstances, be liable for actions of its third-party co-investors or partners.

Investments Longer than Term

The Fund may invest in portfolio companies that may not be advantageously disposed of prior to the date that the Fund will be dissolved, either by expiration of the term of each such portfolio company's term or otherwise. Although the General Partner expects that investments will be either disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Leverage

The Fund's investments are expected to include portfolio companies whose capital structures may have significant leverage. Although we will seek to use leverage in a manner we believe is prudent, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio company or its industry. If a portfolio company cannot generate adequate cash flow to meet its debt obligations, the Fund may suffer a partial or total loss of capital invested in such portfolio company. Although there is currently ample availability of financing for leveraged transactions by historical standards, a decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions (e.g., due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders) would impair the Fund's ability to consummate these transactions.

Risks in Effecting Operating Improvements

In some cases, the success of the Fund's investment strategy will depend, in part, on the ability of the Fund 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 Fund will be able to successfully identify and implement such restructuring programs and improvements.

Risk of Limited Number of Investments

The Fund may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund may be substantially adversely affected by the unfavorable performance of even a single investment. In addition, Investors have no assurance as to the degree of diversification of the Fund's investments, either by geographic region, industry or transaction type. To the extent the Fund concentrates investments in a particular issuer, industry, security or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and business conditions with respect thereto.

Non-Controlling Investments; Investments with Third Parties

The Fund may hold a non-controlling interest in certain portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies, although as a condition of investment in a portfolio company, it is expected that appropriate shareholder rights generally will be sought to protect the Fund's interests.

The Fund may co-invest with third parties through consortiums of private equity investors, joint ventures or other similar arrangements. Such investments may involve risks in connection

with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Fund, or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives. In addition, the Fund may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Risks Associated with Non-U.S. Investments; Non-U.S. Currency and Exchange Risks

There are additional risks associated with non-U.S. investments, including the following: the unpredictability of international trade patterns; the possibility of governmental actions adverse to business generally or to non-U.S. investors in particular; changes in taxation, fiscal and monetary policies or imposition or modification of controls on non-U.S. currency exchange, repatriation of proceeds, or non-U.S. investment; the imposition or increase of withholding taxes on income and gains; price volatility; absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation which may result in lower quality information being available and less developed corporate laws regarding fiduciary duties and the protection of investors; governmental influence on the national and local economies; and fluctuations in currency exchange rates. In addition, collateral that is located outside of the United States may be subject to various laws enacted for the protection of creditors, depending on the country and the issuer, which laws may differ substantially from those applicable in the United States. Repatriation of investment income, capital and the proceeds from sales of securities by non-U.S. investors such as the Fund may require governmental registration and approval in some countries. The Fund could be adversely affected by delays in or a refusal to grant required governmental registration or approval for any such proposed repatriation.

In addition, non-U.S. investments may be denominated in currencies other than the U.S. Dollar, and hence the value of such investments will depend in part on the relative strength of the U.S. Dollar. The Fund may be affected favorably or unfavorably by currency control regulations or changes in the exchange rate between non-U.S. currencies and the U.S. Dollar. In addition, the Fund will incur costs in connection with conversions between various currencies. The Fund may, but is not obligated to, engage in any currency hedging operations. There can be no assurance as to the success of any hedging operations that the Fund may implement.

Risks Associated with Investments in Emerging Markets

The Fund may make significant investments in countries that are considered to be "emerging markets." Investments in emerging markets involve a broad range of economic, non-U.S. currency and exchange rate, political, legal and financial risks. Many of these risks are not quantifiable or predictable and are not typically associated with investing in the securities of issuers in more developed and regulated economies. Due to the developing nature of the emerging market countries, their markets may similarly be of a developing nature. Also, the governments of many emerging markets have exercised and continue to exercise substantial influence over many aspects of the private sector. Prior government approval for non-U.S. investments may be required under certain circumstances in some emerging markets, and the process of obtaining these approvals may require a significant expenditure of time and resources. Other potential risks that could have an adverse effect on investments may include (depending on the country involved) nationalization, expropriation, confiscatory taxation, negative diplomatic developments and political or social instability. In addition, the laws of some emerging markets governing business organizations, bankruptcy and insolvency may

make legal action difficult and provide little, if any, legal protection for investors. The Firm will analyze risks in applicable countries before making investments, but no assurance can be given that a political or economic climate, or particular tax, legal or regulatory risk might not adversely affect an investment by the Fund.

Side Letters

We may from time to time enter into letter agreements or other similar arrangements (collectively, “**Side Letters**”) with one or more Investors that have the effect of establishing rights under, or altering or supplementing the terms of, the Fund Documents. As a result of such Side Letters, certain Investors may receive additional benefits that other Investors will not receive. Such rights or terms in any such Side Letter or other similar agreement may include: (i) 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); (ii) additional reporting obligations of One Stone; (iii) the waiver of certain confidentiality obligations; (iv) our consent to certain transfers by such Investor; (v) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of an Investor; or (vi) different economic terms, including reductions to either Management Fees or Carried Interest or both. Neither One Stone nor its affiliates will be required to notify any or all of the other Investors of any such Side Letters or any of the rights or terms or provisions thereof, nor will we be required to offer such additional or different rights or terms to any or all of such other Investors. We may enter into such Side Letters with any party as we may determine in our sole and absolute discretion at any time. The other Investors will have no recourse against the Fund or any of its affiliates in the event that certain Investors receive additional or different rights or terms as a result of such Side Letters.

Cybersecurity Risk.

With the increased use of technologies such as the internet to conduct business, the Fund is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting One Stone’s and other service providers (including, but not limited to, the Fund accountants, administrator and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund’s ability to value its investments, impediments to trading, the inability of Investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which the Fund invests, counterparties with which the Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Investors) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Fund’s service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Fund cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Fund or its Investors. The Fund and its Investors could be negatively impacted as a

result.

Item 9: Disciplinary Information

Neither we nor any of our management personnel are subject to or have in the past been subject to any criminal or civil action in any domestic or foreign court, and neither we nor any of our management personnel have been subject to any administrative proceedings before the SEC or any other state, federal or foreign financial regulatory authority.

Item 10: Other Financial Industry Activities and Affiliations

The General Partner is a related entity of One Stone. One Stone also enters into investments in companies through co-investment or special purpose vehicles.

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

Code of Ethics & Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, we have adopted a Code of Ethics and employee investment policy that establish various procedures with respect to investment transactions in accounts in which employees of One Stone or related persons have a beneficial interest or accounts over which an employee has investment discretion.

The foundation of the Code of Ethics is based on the underlying principles that:

- Employees must at all times place the interests of the Clients first;
- Employees must make sure that all personal securities transactions are conducted consistent with the Employee Investment Policy; and
- Employees should not take inappropriate advantage of their position at One Stone.

Employees (and any beneficiary accounts) must obtain written authorization from the CCO prior to making personal investment in other private investment vehicles. The spirit of the Code of Ethics is to discourage frequent trading in personal employee accounts. Employees may not participate in any initial public offerings or engage in any outside business activities or private placements before obtaining authorization from the CCO.

Our Code of Ethics is available to Clients and Investors upon request.

Participation or Interest in Client Transactions

One Stone serves as the investment adviser to pooled investment vehicles. Employees, affiliates of the employees, and relatives of the employees may make investments in these vehicles. In general, One Stone will not receive any compensation from such investments from employees.

One Stone and One Stone's employees have a financial interest in the pooled investment vehicles and in the General Partner through a direct investment interest in the vehicles or through an incentive allocation.

Item 12: Brokerage Practices

As an adviser to private equity funds, we do not generally make investments in securities listed on national exchanges. While we primarily make investments directly with private issuers, there may be situations where we place a trade(s) through a broker, particularly if there has been a liquidity event in a portfolio holding. In such an event, we will seek “best execution” in light of the circumstances involved in transactions. In selecting a broker for any transaction, we may consider a number of factors, including, for example, the broker’s reputation, net price or spread, financial strength and stability, market access, efficiency of execution and error resolution, and the size of the transaction. We will not be obligated to obtain the lowest commission or best net price for a client on any particular transaction.

We will monitor transaction results as orders are executed to evaluate the quality of execution provided by the various brokers and dealers that we use in order to determine that commission rates are competitive and otherwise to evaluate the reasonableness of the commission rates paid to those brokers and dealers in light of all the factors described above. We do not have any formal or informal soft dollar arrangements nor do we receive any soft dollar benefits from any broker, dealer or other counterparty.

Item 13: Review of Accounts

Review of Accounts

We review the Fund’s portfolio on a continual basis. We engage in active management of the Fund and, accordingly, review our transactions, positions and cash balances on a quarterly basis.

Reporting

In addition to receiving periodic reports from One Stone, such as quarterly net asset value (NAV) statements, each Investor will receive the Fund’s audited financial statements within 120 days of such Fund’s fiscal year end (see Item 15: **Custody**).

Item 14: Client Referrals and Other Compensation

Compensation by Non-Clients

As discussed in Item 5, we or our affiliates may charge portfolio companies directors’ fees, transaction fees, monitoring fees, advisory fees, break-up fees and other similar fees. A portion of these amounts, net of related expenses, will be credited against the Management Fee payable to us by the Fund.

Compensation for Client Referrals

This item is not applicable.

Item 15: Custody

We do not provide custodial services to the Fund or our Investors. In addition, we will not maintain physical possession of the Fund’s cash or securities. The Fund’s cash and securities

are held with unaffiliated broker-dealers or banks that are deemed “qualified custodians” which are selected by the Firm.

Because we have access to the Fund’s cash or securities as part of our normal investment and operating functions, we are deemed to have “custody” under the Advisers Act. To ensure compliance with Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”), we will be required to provide all Investors with audited financial statements for the Fund within 120 days of such Fund’s fiscal year end. In addition, the audited financial statements must be audited by an independent accounting firm that is registered with, and subject to review by, the Public Company Accounting Oversight Board in accordance with U.S. Generally Accepted Accounting Principles (“**U.S. GAAP**”). Investors and prospective investors should carefully review the audited financial statements of the Fund.

Item 16: Investment Discretion

Subject to any investment restrictions set forth in the Fund Documents, we have discretionary authority to make the following determinations without obtaining the consent of the Fund or Investor before the transactions are effected:

- The securities that are to be bought or sold;
- The total amount of the securities to be bought or sold;
- The brokers, investment banks or placement agents through which securities are to be bought or sold; and
- The commissions, fees or other rates at which securities transactions for a Fund are effected.

Our discretionary authority is derived from our authority as the investment manager of the Fund and pursuant to an investment management agreement entered into by One Stone, the General Partner and the Fund.

Item 17: Voting Client Securities

Although infrequent, when necessary we will vote proxies/corporate actions of companies in which the Fund invests. The proxies/corporate actions are reviewed and analyzed by our investment professionals. Prior to voting, we will make a determination, in our opinion, as to what vote is in the best interest of the Fund. We will maintain a written record of the proxy/corporate action vote on each occasion that a vote is required.

Upon request, we will provide our Clients and prospective clients, and Investors and prospective Investors, with a copy of our proxy voting policies and procedures and/or a record of all proxy votes cast by the Fund.

Item 18: Financial Information

We are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual obligations to our Clients.