

PART 2A OF FORM ADV
FIRM BROCHURE

STONE POINT CAPITAL

20 Horseneck Lane
Greenwich, CT 06830
203-862-2900
www.stonepoint.com

July 20, 2018

This firm brochure (“Brochure”) provides information about the qualifications and business practices of Stone Point Capital LLC (“Stone Point”). If you have any questions about the contents of this Brochure, please contact Jacqueline Giammarco, Chief Compliance Officer, at 203-862-2900 or jgiammarco@stonepoint.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority. References to Stone Point as a “registered investment adviser” do not imply a certain level of skill or training.

Additional information about Stone Point is also available on the website of the U.S. Securities and Exchange Commission at www.adviserinfo.sec.gov.

Item 2. Material Changes

This Brochure has been updated to reflect the addition of a trade error policy and an additional fund managed by Stone Point, including additional risk factors associated with investing in such new fund. In addition, the risk factors section of this Brochure has been reorganized and enhanced.

Except as otherwise specified, all information set forth or referenced in this Brochure is as of the date hereof. Subject to the requirements of the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”), and other applicable laws, Stone Point is under no obligation to update any such information.

We encourage all recipients to read this Brochure carefully and in its entirety.

Item 3. Table of Contents

Item 1.	Cover Page	1
Item 2.	Material Changes	2
Item 3.	Table of Contents	3
Item 4.	Advisory Business	4
Item 5.	Fees and Compensation	6
Item 6.	Performance-Based Fees and Side-By-Side Management.....	9
Item 7.	Types of Clients	9
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9.	Disciplinary Information.....	24
Item 10.	Other Financial Industry Activities and Affiliations.....	24
Item 11.	Codes of Ethics, Participation or Interest in Client Transactions and Personal Trading	25
Item 12.	Brokerage Practices	28
Item 13.	Review of Accounts	29
Item 14.	Client Referrals and Other Compensation	30
Item 15.	Custody	30
Item 16.	Investment Discretion	30
Item 17.	Proxy Voting.....	31
Item 18.	Financial Information.	31

Item 4. Advisory Business

General

Stone Point Capital LLC (“*Stone Point*” or the “*Firm*”), a Delaware limited liability company, is an investment adviser with its principal office located in Greenwich, Connecticut. The Firm provides investment advisory services directly and through certain affiliated entities (the “*Advisory Affiliates*”) to pooled investment vehicles (the “*Funds*”). The Funds include funds that pursue private equity strategies (the “*Trident Funds*”) and funds that pursue credit opportunity strategies (the “*Opportunities Funds*”). Certain affiliates of the Firm serve as general partners of the Funds (each a “*General Partner*” and collectively, the “*General Partners*”).

Stone Point was established in 2005. Prior to the formation of Stone Point, many of the principals of the Firm worked together at MMC Capital, Inc., an investment adviser owned by Marsh & McLennan Companies, Inc. Stone Point acquired substantially all of the assets, and hired substantially all of the employees, of MMC Capital, Inc. on May 31, 2005. Stone Point is principally owned by SPC Field Partners LLC, which is wholly owned by Charles A. Davis, Stephen Friedman, James D. Carey, David J. Wermuth and Nicolas D. Zerbib, each a senior principal of Stone Point and a member of the Investment Committee.

Fund Structure

The Firm serves as investment manager of the Funds and to certain co-investment vehicles established in connection with and invested alongside the Funds, all based on the investment objectives, policies and restrictions contained in the limited partnership agreement or similar constitutional documents of each Fund as well as any side letters or similar agreements entered into between certain Fund investors and the applicable Funds (collectively, “*Governing Agreements*”).

The Trident Funds primarily make private equity investments and the Opportunities Funds primarily make credit-oriented and preferred-equity investments, each in accordance with the investment guidelines established for the applicable Funds. The Funds pursue investments in the financial services sector predominantly in the North American and European markets. Funds established primarily for investors not affiliated with the Firm are referred to as the “*Institutional Funds*” in this Brochure, and Funds established to allow employees and consultants of the Firm and certain other individuals to invest in, or co-invest with, the Institutional Funds are referred to as the “*Affiliated Funds*” in this Brochure. Affiliated Funds may include investors who are not “affiliates” as such term is defined by the Advisers Act.

Each Institutional Fund typically co-invests in, and divests of, each investment made by such Institutional Fund in parallel with one or more other Funds, including the Affiliated Funds (each such group, a “*Fund Group*”). The co-investment arrangement among the members of each Fund Group is generally established pursuant to the Governing Agreements of the applicable Funds in connection with the formation of the Funds in such Fund Group.

All Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “*Investment Company Act*”), pursuant to Section 3(c)(1) and/or Section 3(c)(7) of the Investment Company Act. Interests in the Institutional Funds are only offered to investors that are (a) “*accredited investors*,” as defined in Regulation D of the U.S. Securities Act of 1933, as amended (the “*Securities Act*”), and (b) “*qualified purchasers*” for purposes of Section 3(c)(7) of the Investment Company Act. Interests in the Affiliated Funds are offered to investors that are accredited investors, qualified purchasers or knowledgeable employees of the Firm who meet the sophistication standard.

Advisory Services

The Firm's services include investigating, analyzing, structuring and negotiating potential investments on behalf of the Funds, managing and monitoring the performance of the investments of the Funds and advising the Funds as to disposition opportunities.

As noted above, the Trident Funds primarily make private equity investments and the Opportunities Funds primarily make credit-oriented and preferred-equity investments in the global financial services industry. The Funds may also invest in derivative financial instruments and may utilize leverage in connection with their investment strategies, subject to certain limitations. Investments in portfolio companies may be made directly or indirectly by investing through one or more partnerships or other entities or by causing certain investors to invest through one or more affiliated partnerships or other entities. The investment guidelines of each Fund are memorialized in the applicable Governing Agreements. As discussed more fully in Item 7, the Firm is permitted to, but does not currently, provide investment advice to certain other investment vehicles other than the Funds (excluding investment vehicles wholly-owned by the Funds).

Persons reviewing this Form ADV Part 2A should not construe this as an offering of any of the Funds described herein.

Investment Restrictions

The Firm will tailor its advisory services to the specific investment objectives and strategies of a specific Fund. Any investment restrictions applicable to a Fund are memorialized in the applicable Fund's Governing Agreements. It should be noted that the Firm does not tailor its advisory services to the individual investment objectives and strategies of Fund investors.

The rights, duties and obligations of the investors in the Funds are set out, and the treatment of the investors in the Funds is described, in the Funds' Governing Agreements. In that connection, the general partner of each Fund may enter into separate agreements, commonly referred to as "side letters," or other similar agreements with a particular investor in connection with its admission to the Fund without the approval of any other investor, which would have the effect of establishing rights under or supplementing the terms of the applicable Fund's partnership agreement with respect to such investor in a manner more favorable to such investor than those applicable to other investors. Such rights or terms in any such side letter or other similar agreement may include, without limitation, (i) economic arrangements (including alternative fee or other compensation arrangements), (ii) opting out of particular investments, (iii) reporting obligations of the Fund, (iv) transfer to affiliates, (v) co-investment opportunities, (vi) withdrawal events, (vii) consent rights to certain amendments to the applicable Fund's partnership agreement and (viii) indemnification arrangements. If a side letter is entered into entitling an investor in a Fund to opt out of a particular investment or withdraw from such Fund, any election to opt out or withdraw by such investor may increase each other investor's pro rata interest in that particular investment (in the case of an opt-out) or all future investments (in the case of a withdrawal), which may have an adverse effect on such investor's investment results. The investors in the Funds will have no recourse against the Funds or any of its affiliates in the event that certain other investors receive additional or different rights or terms as a result of such Side Letters. Certain investors that have the benefits of a "most favored nation" provision are given the opportunity to elect the rights and terms in any side letter or other similar agreement that are applicable to such investors.

Management of Client Assets

As of December 31, 2017, the Firm managed \$16,796,884,097 of client assets, all on a discretionary basis.

Item 5. Fees and Compensation

Firm Compensation

As compensation for its services, the Firm typically receives management fees from Institutional Funds (“*Management Fees*”). Affiliated Funds typically do not pay such fees. Management Fees may be waived by the Firm and, under certain circumstances, are subject to reduction. Investors should review the applicable Governing Agreements for additional information on the Management Fees and other fees and expenses payable by the applicable Fund.

Management Fees are typically paid quarterly in advance and on a *pro rata* basis for any period that is less than a full quarter period. In the case of the Trident Funds, generally, during an Institutional Fund’s investment period, the Management Fee payable to the Firm is based upon the aggregate capital commitments of the Institutional Fund’s unaffiliated limited partners. Following the end or termination of the investment period of a Trident Fund, the Management Fee is generally based on the outstanding invested capital of such unaffiliated limited partners. In the case of the Opportunities Funds, generally, during an Institutional Fund’s investment period, the Management Fee payable to the Firm is based upon the funded capital commitments of the Institutional Fund’s unaffiliated limited partners. Following the end or termination of the investment period of an Opportunities Fund, the Management Fee is based on the lesser of the limited partner’s funded capital commitments outstanding and the net asset value of such limited partner’s interest in such Fund.

Management Fees payable by an Institutional Fund are deducted from cash held by such Fund following the funding of undrawn capital commitments by unaffiliated investors in such Fund, or the withholding of such amounts from proceeds otherwise distributable by such Fund, in each case in accordance with such Fund’s Governing Agreements. If the Firm does not provide services for the full period in respect of which such Management Fees are paid, the Firm will return a *pro rata* portion of such Management Fees calculated based on the number of days remaining in the applicable time period.

The Management Fee payable to the Firm may vary but current Institutional Funds generally pay 1.5% per annum; however, in certain circumstances, waivers, deferrals or reductions may apply based on certain factors, including the timing or the size of a capital commitment made to an Institutional Fund by an unaffiliated limited partner.

Supervised persons of the Firm (and the Investor described below) are also generally entitled to receive, typically through a direct or indirect ownership interest in the General Partner of an Institutional Fund, a performance allocation (“*Carried Interest*”) as described in greater detail in Item 6 below.

In certain limited situations, the Firm may also receive advisory, monitoring, origination, structuring and certain other transaction-related fees from portfolio companies of a Fund Group (“*Ancillary Fees*”). The payment of monitoring fees may be accelerated upon certain liquidity events with respect to a portfolio company, such as an initial public offering or change of control, in accordance with applicable agreements between the portfolio company and the Firm. All such Ancillary Fees are dealt with in accordance with the Funds’ Governing Agreements, which typically provide that all or a substantial portion of the applicable Fund’s share of those fees will be applied to reduce the Management Fees payable to the Firm by the relevant Fund. Funds that do not pay a Management Fee (such as the Affiliated Funds) do not receive the benefit of such reduction or otherwise share in such fees. Any Ancillary Fees that are not applied to reduce the Management Fees are retained by the Firm.

The Firm or its personnel also receive directors’ fees from certain portfolio companies of the Funds. In connection with Trident VII, L.P. (and its co-investment vehicles), the allocable portion of directors’ fees from public and non-public portfolio companies is credited 100% against the Management Fee, net of unreimbursed expenses. In connection with other Institutional Funds, the allocable portion of directors’ fees from non-public portfolio companies is credited 100% against the Management Fee (net of unreimbursed expenses) and directors’ fees from public portfolio companies may be retained by the Firm or its personnel.

Directors' fees may be paid in cash or non-cash compensation. Directors' fees paid in non-cash consideration are valued at the time of receipt or the satisfaction of any vesting conditions, if later, and credited against Management Fee at that time. Any subsequent change in the value of the non-cash consideration is for the benefit of, or detriment to, the Firm or other recipient.

Detailed disclosure about the fees applicable to the Funds is included in the Governing Agreements related to the Funds (which should be carefully reviewed prior to investment).

Minority Investor

At the end of 2012, the Firm sold a minority interest in the Firm to an institutional investor (the "Investor"). The interest sold represents less than 25% of the carry and net management company interest in the Funds. The Investor does not participate in the Firm's investment process or the day-to-day management of the Firm.

Operating Partners and Senior Advisors

The Firm's Operating Partners and Senior Advisors support the senior management team and generally bring to the Firm experience gained from having served in operating roles of financial services firms. While Operating Partners and Senior Advisors are not necessarily retained exclusively by the Firm, outside activities are monitored to manage potential conflict of interests. Generally, Operating Partners and Senior Advisors enter into a consulting arrangement with the Firm and compensation consists of a consulting fee, an annual discretionary supplemental fee and/or participation in the Carried Interest. In the event an Operating Partner or Senior Advisor serves in an executive, employee or other operating position at a portfolio company, that Operating Partner or Senior Advisor will be eligible to receive compensation from the portfolio company for such services. Any such compensation received by an Operating Partner or Senior Advisor will generally be retained by such persons, and will not benefit the Fund or the investors in the Fund.

In addition, Operating Partners and Senior Advisors may co-invest through a vehicle established for employees of, and consultants to, the Firm, to invest side-by-side with the Funds. As described elsewhere in Item 10 below, such employee co-investment funds will pay no Management Fee and no Carried Interest and will invest in portfolio companies of the Funds at the same time and on terms no more favorable than those of the Funds. Occasionally an Operating Partner or Senior Advisor may also be given the opportunity to invest in a specific portfolio investment.

Broken Deal Expenses

The Funds' investments may require extensive due diligence activities prior to investment, and the related expenses may be quite substantial. These expenses may include, among others, due diligence and legal costs, and submission costs. Such expenses will generally be borne solely by the Funds (except for amounts that are treated as manager expenses under the applicable fund partnership agreement), even if co-investors were being sought and, in some cases, agreed, to participate had the transaction been consummated or if co-investors have participated in other completed transactions. Please see Item 8 below for additional information on allocation of broken deal expenses to co-investment vehicles.

Allocation of Fees and Expenses

Each Fund bears offering and organizational expenses subject, in certain cases, to a maximum amount set forth in such Fund's Governing Agreements. In the case of an Institutional Fund, organizational expenses in excess of any such maximum will be borne by such Fund but will be subject to a 100% offset against the Management Fee payable by such Fund.

In the event the Firm needs to engage the services of a custodian, broker or dealer, the Funds will bear the costs for any such services, as discussed in Item 12 below. In accordance with the terms of each Fund's Governing Agreements, other expenses borne by a Fund generally include the following:

- expenses incurred in connection with the acquisition, holding and disposition of investments by such Fund, including certain legal, travel and other expenses;
- negotiating, structuring, financing, refinancing, sourcing, bidding, evaluating, purchasing, trading, settling, maintaining custody, holding, monitoring, operating and sale of actual or proposed investments in the Opportunities Funds (including certain travel expenses);
- third-party advisor and out-of-pocket expenses incurred in connection with transactions evaluated on behalf of, but not consummated by, such Fund;
- legal, compliance, auditing, consulting and accounting expenses of such Fund, including expenses incurred for the preparation of financial statements and tax returns for such Fund;
- expenses of the Board of Advisors;
- expenses of reports to, meetings with, or compliance with respect to any limited partner;
- insurance, bank fees, taxes and governmental charges applicable to such Fund;
- placement agent fees, if any, incurred in connection with the formation of such Fund, subject to a 100% offset against the Management Fees of such Fund; and
- extraordinary expenses of such Fund (such as litigation).

The Firm and its Advisory Affiliates are responsible for the expenses of providing their services to the Funds, including the Firm's overhead, facilities and employee compensation expenses (except as noted above) and, in the case of certain Funds, unreimbursed travel expenses, costs of insurance for the Firm and its Advisory Affiliates and annual meeting expenses, in each case to the extent allocable to the activities of such Funds. As noted above, to the extent that expenses relating to the activities of a Fund Group are borne by the Firm and are not otherwise reimbursed by such Fund Group, a portfolio company of such Fund Group or otherwise, the Firm may be entitled to be reimbursed for such expenses to the extent that the Firm receives Ancillary Fees or certain other fees from portfolio companies of such Fund Group.

From time to time, the General Partners will be required to decide whether costs and expenses are to be borne by one Fund, on the one hand, or the Firm, on the other, and/or how certain costs and expenses should be allocated between such Fund and the parallel funds or between such Fund, on the one hand, and a separate Fund, on the other. In addition, there may be circumstances when Stone Point has considered a potential private equity investment in a portfolio company on behalf of a Trident Fund, has determined not to make such private equity investment and an investment is eventually made in such portfolio company by the Opportunities Fund. In these circumstances, the Opportunities Fund may benefit from research by the Firm's investment team and/or from costs borne by the Trident Fund in pursuing the potential portfolio investment, but will not be required to reimburse the Trident Fund for expenses incurred in connection with such investment as described above. While it may not be as likely, it is possible that the Firm may consider an opportunity for the Opportunities Fund that is not pursued and an investment is later made in such portfolio company by a Trident Fund. In those circumstances, the Trident Fund could benefit from the Firm's diligence and/or from costs borne by the Opportunities Fund, but may not be reimbursed by the Trident Fund. The General Partners will make such judgments regarding appropriate allocation notwithstanding their interest in the outcome, in accordance with the relevant partnership agreements and the Firm's fee income and expense allocation policy. Conflicts of interest may arise in allocating any such fees and expenses between the Firm and the Funds.

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

As noted above, the Firm is compensated for the investment advisory services it provides to the Institutional Funds through Management Fees and may also receive Ancillary Fees in connection with an investment. In addition, supervised persons of the Firm (and the Investor described above) typically are entitled to receive, often through a direct or indirect ownership interest in the General Partner of an Institutional Fund, Carried Interest in respect of each unaffiliated investor in such Fund that is generally 15 % to 20% of each such investor's net profit from investments made by such Fund, subject to (i) the satisfaction of a preferred internal rate of return, compounded annually, and (ii) recoupment of prior net losses, expenses and fees by such investor in such Fund. However, in certain circumstances, the Firm may waive, defer or reduce the Carried Interest in respect of an investor based on certain factors, including the timing or the size of a capital commitment made to an Institutional Fund. Carried Interest is subject to clawback from the General Partner under certain circumstances.

The Carried Interest may create an incentive for the Firm to invest a Fund's capital more speculatively than would otherwise be prudent in an effort to generate higher performance-based compensation. However, this incentive is mitigated in part by the substantial financial commitment that the Firm's personnel make to the Affiliated Funds.

The Firm recognizes that some of the Funds may have different terms in respect of fees and performance allocations and that, accordingly, actual or perceived conflicts of interest may arise in allocating opportunities to, between or among the Funds and/or other vehicles managed, advised or controlled by or otherwise related to the Firm. The Firm further recognizes its fiduciary duty to act in the best interests of the Funds and exercises due care to ensure that investment opportunities are allocated fairly and in accordance with the terms of the applicable Governing Agreements, including a consideration of the investment objectives and parameters of such Funds. The Governing Agreements typically address such matters in detail, including to what extent opportunities must be allocated to a particular Fund, whether co-investment is permissible and whether and on what terms the Firm, any of its affiliates, other investment vehicles may participate in those opportunities. Subject to compliance with those terms and the terms of the Governing Agreements dealing with potential conflicts that must be reported to the relevant Board of Advisors or that require its consent or those of the Fund investors, investment decisions, including allocations, are made in the reasonable discretion of the Firm. The Firm has also adopted a policy with respect to the allocation of investment opportunities, as discussed in more detail in Item 11 below.

Item 7. Types of Clients

As described in Item 4 above, currently the Firm's sole clients are the Funds. The Firm provides investment advice to the Institutional Funds and Affiliated Funds directly and through certain of its Advisory Affiliates. In general, the minimum initial capital commitment by an unaffiliated investor to an Institutional Fund is \$1 million, and by an affiliated investor to an Affiliated Fund is \$100,000, although higher minimums may be established, and individual commitments of lesser amounts may be and have been accepted, in each case at the discretion of the applicable General Partner.

The Firm typically requires that each investor in a Fund be an "accredited investor" as defined in Regulation D under the Securities Act, a "qualified client" within the meaning of the Advisers Act, and either a "qualified purchaser" or a "knowledgeable employee" within the meaning of the Investment Company Act.

Pursuant to the management agreement between the Firm and the Funds and the applicable partnership agreements of the Funds, the Firm is permitted to engage independently or with others in other investments or business ventures of any kind. In that regard, to the extent not prohibited by the applicable partnership agreement, the Firm may provide investment advice to other investment vehicles, in addition to the Funds. The Firm does not currently provide investment advice to investment vehicles other than the Funds.

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

Methods of Analysis and Investment Strategies

As a general matter, the Firm utilizes the methods of analysis and investment strategies detailed in the Governing Agreements of a Fund, where detailed information concerning the Firm's investment strategies with respect to each Fund can be found. The information contained in this Brochure is a summary only.

Investment ideas typically are generated internally through research and analysis. In connection with identifying, evaluating and analyzing investment opportunities for the Funds, investment professionals of the Firm also generally draw upon their professional experience in relevant industries and contact with industry executives, established business relationships and independent consultants and advisors.

In the case of the Trident Funds, the Funds generally take control and minority positions, either individually or as lead member of, or participant in, a consortium of investors. Target investments include both privately held and public companies, as well as certain asset pools, generally via private transactions. A core part of the investment process often involves developing a relationship with the senior executives and key shareholders of a potential investee company. In most cases, the Trident Fund will obtain board representation, observer rights or other types of management or shareholder rights.

The Firm is flexible with respect to the types of transactions that it pursues on behalf of the Trident Funds, including buyouts from corporate parent organizations and financial investors and purchases of majority or significant minority stakes from owner-operators seeking a private equity partner to help them continue to build their business. In addition to investing in service-oriented, cash flow companies, the Trident Funds have made substantial investments in balance sheet-oriented companies primarily in response to dislocations in the financial services space. These investments have historically been undertaken as start-ups or buyouts from, or investments in, established companies.

The Opportunities Funds utilize a variety of credit investment strategies as part of its investment program. Target investments include opportunities to invest in companies where an equity investment is either unavailable or falls outside the Trident Fund mandate; opportunities to structure, originate and invest in niche financings, such as first or second lien term loans, high yield bonds, preferred equity, stressed/distressed opportunities; risk retention financing; warehouse financing and consumer loans. The Firm's broad investment mandate for the Opportunities Funds is designed to give it flexibility to target opportunities at different points in the credit cycle that are expected to provide attractive risk-adjusted returns.

Certain Risks Relating to Investment in the Funds

The Funds' investment strategies present a high degree of risk that investors should be prepared to bear. More detailed information concerning the Firm's investment strategies and the material risks related thereto appears in the private placement memoranda and the Governing Agreements of the Funds, and those documents should be carefully reviewed prior to making an investment.

Set forth below is a summary of the general risks applicable to an investment in a Fund.

- ***Nature of Investment.*** Investments in the Funds typically require a long-term commitment, with no certainty of return of capital. There is likely to be little or no near-term cash flow available to investors in the Funds. Many of the Funds' investments will be highly illiquid, and it is expected that investors in the Funds will achieve liquidity on their investments only when they receive interim distributions/or and upon termination of the Funds. Moreover, there can be no assurance that the Funds will be able to realize on such investments in a timely manner. Dispositions of such investments may require a lengthy time period or may result in distributions in kind to investors in the Funds.

- ***Lack of Operating History.*** Each new Fund and General Partner established in connection with an offering has no operating history upon which to evaluate such Fund's likely performance. The performance of the investment team's past portfolio investments is not necessarily indicative of the results that will be achieved by any new Fund. In particular, the sponsoring of the Opportunities Funds represents a new business initiative for the Firm and there can be no assurance that they will be successful. Accordingly, the Opportunities Funds are subject to the business risks and uncertainties associated with new business lines and new investment professionals, including the risks that there can be no assurances that the investment team will be able to implement such Funds' strategy, achieve such Funds' investment objectives, and find investments that fit such Funds' investment criteria or avoid substantial losses. The performance of the investment team's past portfolio investments is not necessarily indicative of the results that will be achieved by the Opportunities Funds.
- ***Dependence on Key Personnel.*** The success of the Funds depends in substantial part on the experience and expertise of the Firm and its investment team. There can be no assurance that any individual will continue to be employed by the Firm throughout the term of the Funds. The loss of key personnel could have a material adverse effect on the Funds.
- ***Business and Regulatory Risks of Alternative Asset Funds.*** Legal, tax and regulatory changes could occur that may adversely affect the Funds at any time during their respective terms. The legal, tax and regulatory environment for funds that invest in alternative investments is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by some politicians, regulators and market commentators, may adversely affect the ability of the Funds to pursue their investment strategy, their ability to obtain leverage and financing and the value of investments held by the Funds. In recent years, market disruptions and the dramatic increase in the capital allocated to alternative investment strategies have led to increased governmental as well as self-regulatory scrutiny of the alternative investment fund industry in general, and certain legislation proposing greater regulation of the industry periodically is considered by the European Union and the governing bodies of both U.S. and non-U.S. jurisdictions. It is impossible to predict what, if any, changes may be instituted with respect to the regulations applicable to the Funds, the General Partner, the Firm, their respective affiliates, the markets in which they trade and invest, the investors in the Funds or the counterparties with which they do business, or what effect such legislation or regulations might have. There can be no assurance that the Funds, the General Partner, the Firm or their respective affiliates will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of the Funds to implement their investment strategy could have a material adverse impact on the Funds' portfolio. To the extent that a Fund or a Fund's investments are or may become subject to regulation by various agencies in the United States or Europe, the costs of compliance may be borne by such Fund.

As a registered investment adviser under the Advisers Act, the Firm is required to comply with a variety of periodic reporting and compliance related obligations under applicable U.S. federal and state securities laws (including the obligation of the Firm and its affiliates to make regulatory filings with respect to the Funds and their activities under the Advisers Act (including Form ADV and Form PF)). Following the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010 ("*Dodd-Frank Act*"), the U.S. Securities and Exchange Commission (the "*SEC*") has particularly scrutinized the private equity industry, including conducting a number of examinations and bringing a number of enforcement actions particularly focused on the private equity industry. In light of the heightened regulatory environment in which the Firm operates and the increased regulatory burdens applicable to private investment funds and their investment advisers, it has become expensive and time consuming for the Firm and its affiliates to comply with such regulatory reporting and compliance related obligations. The costs of any such increased reporting, registration and compliance requirements may be borne by the Funds and may furthermore place the Funds at a competitive disadvantage to the extent that the Firm or portfolio companies are required to disclose sensitive business information. Any further increases in the regulatory burdens applicable to

private investment funds generally or the Funds, the General Partner or the Firm in particular may result in increased expenses associated with the Funds' activities and additional resources of the Firm being devoted to such regulatory reporting and compliance related obligations, which may reduce overall returns for investors in the Funds or have an adverse effect on the ability of the Funds to effectively achieve their investment objectives. Therefore, there can be no assurance that any continued regulatory scrutiny or initiatives will not have an adverse impact on the Funds' activities, including the ability of the Funds to achieve their investment objectives.

Finally, the SEC and other various U.S. federal, state and local agencies may conduct examinations and inquiries into, and bring enforcement and other proceedings against, a Fund, the General Partners, the Firm or their respective affiliates. The Funds, the General Partners, the Firm or their respective affiliates may receive requests for information or subpoenas from the SEC and other state, federal and non U.S. regulators from time to time in connection with such inquiries and proceedings and otherwise in the ordinary course of business. These requests may relate to a broad range of matters, including specific practices of the General Partners, the Firm, the securities in which the Firm invests on behalf of its clients or industry wide practices. The costs of any such increased reporting, registration and compliance requirements may be borne by the Funds and may furthermore place the Funds at a competitive disadvantage to the extent that the Firm is required to disclose sensitive business information.

- ***Absence of Regulatory Oversight.*** While the Funds may be considered similar in some ways to an investment company, they are not required and do not intend to register as such under the Investment Company Act, and, accordingly, Limited Partners are not accorded the protections of the Investment Company Act. In addition, pursuant to an exemption from registration with the CFTC (as defined below), the General Partners are not required to register with the CFTC as a CPO (as defined below) and are not required to deliver a Disclosure Document (as defined in, and required under, the CFTC rules) or an annual report to investors or to comply with any of the other disclosure, reporting and recordkeeping requirements of the U.S. Commodity Exchange Act and the CFTC regulations applicable to CPOs. Therefore, investors in the Funds will not be afforded any of the protections of such act and regulations available to investors in commodity pools.
- ***Competitive Nature of the Fund's Business.*** The business of the Firm is highly competitive. The Firm expects to encounter competition from other entities having similar investment objectives, including other private equity funds, strategic industry acquirers, business development companies, investment partnerships and corporations, and other financial investors. In addition, other financial institutions (particularly banks) are now able to own insurance companies and to engage in insurance-industry related services as a result of the U.S. Gramm-Leach-Bliley Act of 1999 (the "Gramm-Leach-Bliley Act"), which eliminated many legal barriers to affiliations among banks, insurers, securities firms and other financial services providers. The Gramm-Leach-Bliley Act may have the effect of increasing competition in the insurance industry. Some of these competitors may have more relevant experience and contacts or better resources than the Firm. Such other investors may make competing offers for investment opportunities that are identified, and even after an agreement in principle has been reached with the board of directors or owners of an acquisition target, consummating the transaction will be subject to myriad uncertainties, only some of which are foreseeable or within the control of the Firm. To the extent that the Funds encounter competition for investments, yields to investors in the Funds may be reduced.
- ***Market Risks.*** General economic conditions may affect the Funds' activities. Interest rates, the price of securities and participation by other investors in the financial markets may also affect the value of securities purchased by and the number of investments made by the Funds.
- ***Financial Services Industry Risks.*** Many financial services companies have asset and liability structures that are essentially monetary in nature and are directly affected by many factors, including domestic and international economic and political conditions, broad trends in business and finance, legislation and regulation affecting the national and international business and

financial communities, monetary and fiscal policies, interest rates, inflation, currency values, market conditions, the availability and cost of short-term and long-term funding and capital, the credit capacity or perceived creditworthiness of customers and counterparties and the level and volatility of trading markets. Such factors can adversely impact financial institutions and their customers, suppliers, service providers and counterparties, all of whom are potential investment targets for the Funds. Moreover, the financial services industry is highly dependent on technology and communications and information systems, is exposed to many types of operational risks and operates in a highly regulated environment; each of these factors could have an adverse impact on financial institutions and their customers and counterparties.

- ***Cyclical***. Certain sectors targeted by the Funds are highly cyclical and subject to significant fluctuation due to competition, the high level of government regulation, general economic conditions, the level of interest rates, the state of the public equity markets and other factors. The returns on the Funds' investments may therefore be lower in certain periods. In particular, the financial performance of the property & casualty insurance industry has tended to fluctuate in cyclical patterns of soft markets followed by hard markets. Although an individual insurance company's financial performance depends in part upon its own specific business characteristics, the profitability of most property & casualty insurance and reinsurance companies tends to follow this cyclical market pattern. The Firm expects the Funds to continue to experience the effects of this cyclical market pattern, which, during down periods, could have an adverse impact on the business of property & casualty insurers and reinsurers in which the Funds invest.
- ***Economic and Political Environment***. The U.S. economy has generally recovered from the depths of the 2008 financial crisis. The S&P 500 has reached new record levels and leverage loan and high yield issuance has surged as investors once again are pursuing yield in the protracted low interest rate environment. While there appear to be some similarities to the run-up to the financial crisis, there has also been a sweeping overhaul of the U.S. financial regulatory system, resulting in increased oversight, transparency and accountability. In general, corporations have strong balance sheets and record profitability, banks have more tangible capital to absorb losses and the housing market does not appear to be overheated. Regulatory changes and credit cycles lead to dislocations in the various markets in which the Firm invests, and provide an ever-changing landscape that inevitably will be different from the ones faced when investing prior funds. While the overarching fundamentals still appear to be generally favorable, the Firm remains cognizant of the fact that the benign credit environment has been going on for a prolonged period of time, and as a result are wary of potential cracks in the economy, both from a corporation and consumer standpoint. The Firm may explore counter-cyclical opportunities that could benefit in a more challenging economic environment as well as on business services that stand to grow in today's regulatory landscape. On the political front, the Firm is consistently wary of changes that could result in market volatility; areas of heightened focus include trade wars, China and the evolving Brexit/Euro situation. The Firm will continue to closely monitor the economic and political environment with a particular focus on protecting the downside.

It is uncertain whether regulatory actions will be able to prevent further losses and volatility in securities markets, or stimulate the credit markets. The Funds may be adversely affected by the foregoing events, or by similar or other events, including tax reform, in the future. In the longer term, there may be significant new regulations that could limit the Funds' activities and investment opportunities or change the functioning of the capital markets, and there is the possibility of a severe worldwide economic downturn. Consequently, the Funds may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns or effectively managing risks.

The activities of the Funds could be materially adversely affected by the instability in the U.S. and/or global financial markets and/or changes in market, economic, political, and/or regulatory conditions, as well as by numerous other factors outside the control of the Firm, the investors in the Funds and their respective affiliates.

The threats of terrorist strikes, and the fear of prolonged conflict in the Middle East and elsewhere, have exacerbated volatility in the financial markets and caused consumer, corporate and financial confidence to weaken, increasing the risk of a “self-reinforcing” economic downturn. While new opportunities for portfolio companies may arise in the insurance and reinsurance industries as a result of catastrophic events and financial market problems, the climate of uncertainty may have an adverse effect upon the portfolio companies in which the Funds make investments. Economic and political uncertainty also increases the difficulty of modeling market conditions, which may reduce the accuracy of the Firm’s financial projections. The performance of the Funds’ portfolio companies may be affected by additional catastrophic events.

- ***Cyber Security Breaches and Identity Theft.*** Cyber security incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Stone Point and its service providers’ information and technology systems may be vulnerable to damage or interruption from computer viruses and other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If unauthorized parties gain access to such information and technology systems, they may be able to steal, publish, delete or modify private and sensitive information. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Stone Point’s, the Funds’ and/or a portfolio investment’s operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Limited Partners (and their beneficial owners) and the intellectual property and trade secrets of Stone Point and/or portfolio entities. Such a failure could harm Stone Point, the Funds’ and/or a portfolio investment’s reputation, subject any such entity and their respective affiliates to legal claims and adverse publicity and otherwise affect their business and financial performance.
- ***Investments in Banks and Depository Institutions.*** The Funds may make investments in banks and depository institutions, which are subject to a comprehensive and ongoing regulatory regime that may not be associated with other investments. Because of various requirements under the applicable regulatory regime, such investments may have to be made as non-control investments. In making such a non-control investment, the Funds (i) would have limited ownership rights and would have limited governance rights with respect to such bank or depository institution and (ii) may be required to execute passivity commitments or a rebuttal of control agreement with the applicable regulators. In addition, regulatory guidelines governing investments in banks and depository institutions are changing. The Funds may make investments in banks and depository institutions in a manner that is designed to comply with, or take advantage of, such changes in regulation or structure, which may be less advantageous to the Funds than other investment structures.
- ***Insurance Industry Regulation.*** The insurance industry is heavily regulated by a number of different regulators. Such regulation usually includes: (i) regulating premium rates, policy forms and lines of business; (ii) setting minimum capital and surplus requirements and prescribing methods of measuring capital and surplus; (iii) imposing guaranty fund assessments and requiring residual market participation; (iv) licensing insurance companies and insurance agents and brokers; (v) approving accounting methods and methods of setting reserves; (vi) setting requirements for and limiting the types and amounts of investments; (vii) establishing requirements for the filing of annual statements and other financial reports, corporate governance disclosures and enterprise risk reports; (viii) conducting periodic examinations of the affairs of insurance companies; (ix) limiting the amount of dividends that may be paid by an insurance company without prior notice and approval; (x) regulating transactions between an insurance company and its affiliates; and (xi) regulating trade practices and market conduct of insurance companies, agents and brokers. Such regulation and supervision are primarily for the benefit and protection of policyholders and not for the benefit of investors.

In the United States and other jurisdictions, the insurance regulatory structure, as well as the regulatory structure applicable to other types of financial institutions, has been subject to increased scrutiny by applicable governmental and regulatory authorities. Adoption of additional legislation, regulations or changes in applicable legislation and regulations already in place may adversely affect insurance companies and their results and therefore the results of the Funds. Further, prior to acquiring significant positions in certain regulated companies, the Funds will be required to obtain various regulatory approvals. There can be no assurance that the Funds will be able to obtain the requisite approvals with respect to any particular investment. In addition, uncertainty regarding future legislation as well as regulatory and other investigations may complicate the Firm's ability to value potential investments and/or may affect exit opportunities and contingent liabilities upon the disposition of an investment.

- ***Duties of the Firm and the Investor's Rights.*** The Firm has been engaged to provide the Funds (and not any individual investor) with portfolio management and certain administrative services. As such and to the fullest extent permitted by law, an investor in the Funds will not have direct rights against the Firm and the Firm does not represent or owe any duty to any individual investor in the Funds in connection with its appointment to provide such services.
- ***Restrictions on Transfer and Withdrawal.*** The interests in the Funds have not been registered under Securities Act or any other applicable securities laws. There is no public market for the interests and none is expected to develop. In addition, the interests are not transferable except with the consent of a General Partner, which may be withheld in its sole discretion, and are subject to the terms and conditions of the applicable partnership agreement. Limited partners generally may not withdraw capital from the Funds. Limited partners may not be able to liquidate their investments prior to the end of a Fund's term. Each purchaser of an interest is required to represent that the interest is being acquired for its own account, for investment, and not with a view to resale or distribution.
- ***No Right to Control the Fund's Operations.*** Investors in the Funds will have no opportunity to control the day-to-day operations of the Funds, including investment and disposition decisions. In order to safeguard their limited liability from the liabilities and obligations of the Funds, investors in the Funds must rely on the general partners in the Funds and the Firm's ability to identify, structure and implement investments consistent with the investment objectives and policies of the Funds.
- ***Consequences of Default.*** In the event that a limited partner fails to fund any portion of its commitment when due, such limited partner may forfeit a portion of its interest in a Fund and may be subject to other default provisions under the applicable partnership agreement. Other limited partners may also face acceleration of the payment of their commitments in the event of a default by another limited partner.
- ***Involuntary Sale of Interest.*** Pursuant to the various partnership agreements, the general partner of a Fund may, upon written request, cause a Limited Partner to sell its interest in such Fund if the general partner determines, in its sole discretion, that the continued participation of such Limited Partner in the applicable Fund would have a material adverse effect on the general partner, the Fund, any portfolio company of the Fund or any of their respective affiliates.
- ***Indemnification Obligations.*** Each Fund will indemnify its General Partner, the Firm, the Investment Committee, members of the Board of Advisors and the General Partner's and the Firm's directors, officers, shareholders, partners, employees, consultants, agents, advisors and affiliates and their personnel against claims, liabilities, costs and expenses, including legal fees, judgments and amounts paid in settlement, incurred by them by reason of their activities in connection with the applicable Fund or the partners, and none of such persons will be liable to such Fund or the limited partners, other than in respect of any of the foregoing arising out of gross negligence, fraud, willful misfeasance, material breach of the applicable partnership agreement,

conviction of a felony having a material adverse effect on the Fund, or reckless disregard of the duties of the person seeking indemnification. The indemnification obligations of the Fund would be payable from the Fund's assets, including unfunded commitments. If the Fund's assets are insufficient, the General Partner may recall distributions previously made to the limited partners, subject to certain limitations in the applicable partnership agreement.

- ***Defined Benefit Pension Liabilities.*** A recent court decision has increased the likelihood that the Funds could be jointly and severally liable with its portfolio companies for the portfolio companies' defined benefit pension liabilities. Under ERISA, a trade or business that owns at least 80% of another entity may be jointly and severally liable for that other entity's unfunded pension liabilities if the plan terminates or if the employer withdraws from contributing to the plan. A recent Federal appeals court decision has held that a private equity fund is a "trade or business" for these purposes. In acquiring portfolio companies with unfunded pension liabilities, both the risk of this liability being incurred as well as risk mitigation strategies will be evaluated and, in appropriate instances, this risk may cause the Funds to not pursue an otherwise attractive investment opportunity or to limit its ownership percentage to below the 80% threshold.

Set forth below is a summary of the risks applicable to investment activities of the Funds.

- ***Difficulty of Locating Suitable Investments.*** There can be no assurance that there will be a sufficient number of suitable investment opportunities satisfying the investment objectives of the Funds to enable a Fund to invest all of its committed capital, or that such investment opportunities will lead to completed investments by such Fund. Identification of attractive investment opportunities is difficult and the availability of investment opportunities generally will be subject to market conditions and the prevailing regulatory and economic climate.
- ***Flexible Strategy.*** While the Opportunities Fund is expected to seek to make credit-oriented investments on an opportunistic basis utilizing a variety of investment techniques and structures, the Firm will implement on behalf of the Opportunities Fund whatever strategies or discretionary approaches it believes from time to time may be best suited to prevailing credit market conditions in furtherance of that purpose, subject to the limitations set forth in the applicable partnership agreement. There can be no assurance that the Firm will be successful in implementing any particular aspect of the Opportunities Fund's credit-oriented opportunistic investment strategy or that it will be able to effectively achieve the Fund's trading or investment activities. Furthermore, the Opportunities Fund's investment strategies may evolve over time and/or involve risks that are not described in this Brochure, which could prove substantial and impact the Fund's investment program.
- ***Co-investment with Third Parties.*** The Funds may co-invest in portfolio companies with third parties (including the Firm and its affiliates) through partnerships, joint ventures or other arrangements. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Funds or may be in a position to take action contrary to the Funds' investment objectives. In addition, the Funds may under certain circumstances be liable for actions of their third party co-venturers or partners.
- ***Minority Investments.*** The Funds may make minority investments, or may make investments in "club" deals alongside funds sponsored by other private equity firms, in portfolio companies where the Funds may not have the right to appoint a director or otherwise be able to control or effectively influence the business or affairs of such entities. The entity in which a Fund's investment is made may have economic or business interests or goals that are inconsistent with those of such Fund, and such Fund may not be in a position to limit or otherwise protect the value of its investment in the portfolio company. In addition, although the Funds may seek board representation in connection with certain private-equity investments, there is no assurance that

such representation, if sought, will be obtained. In all such cases, the Funds will rely significantly on the existing management and boards of directors of portfolio companies, which may include representatives of investors with whom the Funds are not affiliated and whose interests may conflict with the interests of the Funds.

- ***Follow-On Investments.*** The Funds may make follow-on investments in certain portfolio companies or have the opportunity to increase an investment in certain portfolio companies. There can be no assurance that a Fund will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by a Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish such Fund's ability to influence the portfolio company's future development.
- ***Risks Upon Disposition of Investments.*** In connection with the disposition of an equity investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. The Funds may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the investors in the Funds to the extent of their commitments or to the extent that the investors in the Funds have received prior distributions from the Funds.
- ***Fund Borrowing.*** A Fund may incur leverage in connection with its operations, collateralized by its assets and/or capital commitments. The use of leverage by such Fund may have important consequences to the limited partners, including, but not limited to, the following: (a) greater fluctuations in the net asset value of the Fund; (b) use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for additional investments, distributions or other purposes; (c) increased interest expense if interest rate levels were to increase significantly; (d) limitation on the flexibility of the Fund to make distributions to the limited partners; (e) the amount and timing of contributions and distributions to the limited partners may be affected in a manner that may have potentially adverse consequences to the limited partners; and (f) result in lower multiples of cost (but enhanced IRRs). There can be no assurance that a Fund will have sufficient cash flow to meet its debt service obligations. As a result, such Fund's exposure to losses may be increased due to the illiquidity of its investments generally. A Fund and any other parallel investment entities may be jointly and severally liable for all credit support obligations in respect of investments or under any Fund-related credit facility. Therefore, in the event that one or more limited partners fail to satisfy a drawdown or otherwise default on their contribution obligations pursuant to the credit support, such amount would be drawn on a pro rata basis from non-defaulting limited partners up to the remaining amount of their respective unfunded capital commitments. Finally, the use of leverage may limit the limited partners' ability to use their interests as collateral for other indebtedness.

In connection therewith, credit facilities may be secured by an assignment of the limited partners' unfunded capital commitments or the Fund's portfolio investments and assets. Limited partners may be required to acknowledge their obligation to pay their share of such indebtedness up to the amount of their unfunded capital commitments or to acknowledge the right of such lender to call on such limited partners to fund their commitments. The applicable partnership agreements and the subscription agreements may provide a lender with the right to receive detailed due diligence and credit related information regarding the limited partners. The General Partners reserve the right, in their sole discretion, to waive these requirements for certain limited partners, which may have an adverse effect on the Fund's ability to obtain such credit facility or terms thereof.

- ***Hedging Policies/Risks.*** In connection with certain portfolio investments, a Fund may employ

hedging techniques designed to reduce the risk of adverse movements in interest rates, securities prices and currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while a Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, currency exchange rates and other factors may result in a poorer overall performance for a Fund than if it had not entered into such hedging transactions. The successful utilization of hedging and risk management transactions requires skills that are separate from the skills used in selecting and monitoring investments.

- ***Risks of Investments in Portfolio.*** Certain of the Funds' investments may be in portfolio companies with little or no operating history, unproven technology, untested management, and unknown future capital requirements. These companies may face intense competition, often from established and more experienced companies with much greater financial and technical resources, more marketing and service capabilities, and a greater number of qualified personnel, including in certain cases affiliates of the Firm. Investments in financial services companies may be made by creating newly formed start-up vehicles. Such vehicles are subject to the other risks described herein and additional risks due to the specialized nature of the businesses and the need to identify a skilled management team. The Funds' portfolio companies also may compete with new market entrants, including possibly other companies with which the Firm or its affiliates have a relationship, including an advisory or investment relationship.
- ***Portfolio Company Management.*** Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although the Firm will be responsible for monitoring the performance of each portfolio investment there can be no assurance that the existing management team, or any successor, will be able to successfully operate the portfolio company in accordance with a Fund's plans. The success of each portfolio company depends in substantial part upon the skill and expertise of each portfolio company's management team.
- ***Operating and Financial Risks of Portfolio Companies.*** Companies in which a Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. As a result, companies which a Fund expects to be stable may operate, or expect to operate, at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or be experiencing financial distress. In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of a Fund to restructure and/or 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 a Fund will be able to successfully identify and implement such restructuring programs and improvements.
- ***Projections and Third-Party Reports.*** The Funds will generally make investments on the basis of projections of the operating results of portfolio companies, the market environment and views/assumptions on default rates, recoveries, interest rate movements and technical market factors. Projected operating results will normally be based primarily on the guidance of the company's management and be justified by the General Partner's judgments or third-party advice and reports. 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 achieved and actual results may vary significantly from the projections. General economic, natural and other conditions, which are not predictable, can have an adverse impact on the reliability of such projections.

The following sets forth a summary of the material risk areas related to the types of securities invested in by the Firm.

- ***Investments by the Funds.*** The securities in which the Funds will invest generally will be the most junior in what typically will be a complex capital structure, and thus subject to the greatest risk of loss. Certain of the Funds' investments may be in public companies and in leveraged companies that, by their nature, require companies to undertake a high ratio of fixed charges to available income. Such investments are inherently more sensitive to declines in revenues and to increases in expenses. Since the Funds may make only a limited number of investments, and since the Funds' investments generally will involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to investors in the Funds. The types of securities in which the Funds invest and the material risks associated therewith are described in greater detail in the private placement memoranda and the Governing Agreements of the Funds.
- ***Risks of Investing in a Credit Vehicle.*** In addition to the foregoing risks, investing in the Opportunities Fund presents certain risks, including, but not limited to, risks associated with: credit, investments in loans, "higher-yielding" debt securities, stressed and distressed investments, investments in public companies, credit ratings, prepayment, and interest rates. More detailed information concerning the Opportunities Funds' strategies and the material risks related thereto appear in the private placement memoranda and the Governing Agreements of the Opportunities Funds.
- ***Purchase of "New Issues."*** The returns to the investors in the Funds on their investments in the Funds may differ depending upon whether or not they are deemed by the general partner of each Fund to be New Issues Restricted Persons whose ability to participate in the allocations of the profit and loss attributable to New Issues may be restricted, in whole or in part. The determination of whether an investor in the Fund is subject to the FINRA prohibition on participation in New Issues is governed by complex rules promulgated by FINRA. The interpretation and application of these rules may result in a determination regarding New Issues eligibility that may be unexpected or unfavorable to an investor in the Fund. While the general partner of each Fund, with the assistance of counsel, will make such determinations in good faith and in its sole discretion, there can be no guarantee that any investor in the Fund will not be a New Issues Restricted Person.
- ***Foreign Investments.*** The Funds will accept subscriptions and will maintain books and records in dollars although the Funds may invest a significant portion of capital outside of the United States (and in various foreign currencies). Investment in foreign securities involves certain factors not typically associated with investing in U.S. securities, including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the dollar and the various foreign currencies in which the Funds' foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and foreign securities markets, including potential price volatility in and relative liquidity of some foreign securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; (iii) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation; and (iv) the possible requirement of financing and structuring alternatives and exit strategies that differ substantially from those commonly used in the United States. In addition, the Funds and the investors in the Funds could become subject to additional or unforeseen taxation in foreign jurisdictions in which the Fund invests, and changes to taxation treaties (or their interpretation) between the jurisdiction of an investors in a Fund and the countries in which such Fund invests may adversely affect the tax treatment of such investor. The foregoing factors may increase transaction costs and adversely impact the value of the Funds' investments in non-U.S. portfolio companies.
- ***Difficulties Upon Exit.*** The Funds' investments will be subject to various risks, particularly the risk that the Funds will be unable to realize their investment objectives by sale or other disposition

at attractive prices or be unable to complete any exit strategy. Dispositions of investments may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. There can be no assurance that a public market will develop for any of the Funds' investments or that the Funds will otherwise be able to realize such investments. Therefore, there can be no assurance that the Funds will realize net profits or achieve returns commensurate with the risks associated with the investments, or that the Funds will not experience losses in its investments, which may be substantial.

The following sets forth a summary of certain potential risk areas related to conflicts of interest. More detailed information concerning potential conflicts of interest appear in the private placement memoranda and the Governing Agreements of the Funds.

- ***Allocation of Time, Services or Functions.*** The Firm's investment team and other members of the Firm will continue to devote such time and attention to its other present and future business activities and advisory relationships, including any other funds, vehicles, accounts, clients or arrangements formed, sponsored or managed by the Firm or its affiliates ("Other Sponsored Funds"), as is required to discharge its duties to them, and conflicts of interest may arise in allocating management time, services or functions among a Fund, on the one hand, and any other present and future business activities and advisory relationships, on the other hand. Other conflicts of interest may arise for a General Partner, the Firm and its investment team in connection with their management of Other Sponsored Funds, including certain transactions involving investments by a Fund and Other Sponsored Funds in the same portfolio company (including in respect of the timing, structuring and terms of such investments and disposition thereof).
- ***Other Sponsored Funds.*** Stone Point will be permitted to organize other investment funds with principal investment objectives different from those of a Fund. It is possible that a particular opportunity would be suitable for a Fund and Other Sponsored Funds and thereby limit the presentation of such opportunity to a Fund or may result in a situation where a Fund and such Other Sponsored Fund co-invest in a particular transaction.
- ***Personal Investment Activities.*** Among other personal investments, certain members of the Firm have established one or more partnerships to hold certain passive investments made on their behalf, including investments in investment management firms that target opportunities in (a) commercial real estate in the United States (Ivy Real Estate) and (b) debt securities and other credit instruments (Sound Point Capital) and (c) multi-family apartment buildings in the United States (BH Management Services). In connection with Ivy Real Estate, in which certain members of Stone Point have a less than 25% interest, Stephen Friedman serves as a member of the investment committee for that vehicle.

In connection with Sound Point Capital, in which certain members of Stone Point have a less than 40% interest, James D. Carey serves as a member of the board of managers of that firm, but is not a member of the committee that makes investment decisions for the funds and other vehicles managed by that firm. It is also possible that the members of the Firm will make similar investments during a Fund's investment period, but any such investments will not be prohibited by the applicable partnership agreement and will not materially impact the commitment of any such members to a Fund and its portfolio companies.

Sound Point Capital has provided investment management services to certain portfolio companies of the Funds in the ordinary course of business. The Funds' partnership agreements permit an affiliate of the Firm to provide services to a portfolio company of the Funds if certain parameters are met. The Firm believes that the fees payable to Sound Point Capital are commercially reasonable and not less favorable than could be obtained in arm's length negotiations. However, the Firm mitigates this conflict through disclosure, by following certain procedures and by seeking the approval of the Funds' Board of Advisors, if applicable, in accordance with the relevant partnership agreements. In addition, each portfolio company who has engaged Sound Point Capital follows its own set of procedures, and if

a Firm employee is also a director of that portfolio company, such employee recuses him/herself from decisions relating to the engagement of Sound Point Capital.

Certain members of the Firm collectively have a 38% interest in BH Management Services. BH Management Services has and may in the future provide services to a portfolio company of the Funds in the ordinary course of business. The Firm believes that the fees payable to BH Management Services are commercially reasonable and not less favorable than could be obtained in arm's length negotiations. However, the Firm mitigates this conflict through disclosure, by following certain procedures and by seeking the approval of the Funds' Board of Advisors, if applicable, in accordance with the relevant partnership agreements.

- ***Sound Point Capital.*** As noted above, certain members of the Firm have an economic interest in Sound Point Capital, a registered investment adviser which manages funds in the credit space. In addition, such members also have invested capital in certain of the funds managed by Sound Point Capital. Such members do not make investment decisions on behalf of Sound Point Capital or the funds managed by it. It is possible that a particular opportunity could be identified by a Fund and, separately, by Sound Point Capital. As a result, Sound Point Capital could participate in a transaction side by side with a Fund (such as an Opportunities Fund) or could compete with the Opportunities Fund for an opportunity. In any transaction involving both a Fund and Sound Point Capital, a Fund's rights could be different than those of Sound Point Capital and/or Sound Point Capital could be entitled to different or additional fees not otherwise offered to a Fund. In addition, Sound Point Capital and a Fund could exit the investment at different values or at different times.
- ***Material, Non-Public Information.*** Certain members of the Firm may serve on investment or similar governing committees of a Fund's portfolio companies. As a result thereof, the Firm may from time to time acquire confidential or material non-public information that they will not be able to use for the benefit of a Fund, which may lead to the Fund not being able to initiate a transaction that it otherwise might have initiated and not being able to sell an investment that it otherwise might have sold. Also, in connection with prior investments by Other Sponsored Funds, the Firm and/or fund portfolio companies may enter into confidentiality, exclusivity, non-competition or similar agreements that may limit the ability of the Fund to pursue an investment in one or more companies. In addition, as a result of existing investments and activities, the Firm and its investment team may from time to time acquire confidential information that they will not be able to use for the benefit of a Fund. Furthermore, by reason of their responsibilities in connection with their other activities in general, certain Firm personnel may acquire confidential or material nonpublic information or be restricted from initiating transactions in certain securities. In those instances, a Fund will not be free to act upon any such information. Due to these restrictions, a Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell a portfolio investment that it otherwise might have sold. Conversely, a Fund may not have access to material non-public information in the possession of Other Sponsored Funds which might be relevant to an investment decision to be made by a Fund, and a Fund may initiate a transaction or sell a portfolio investment which, if such information had been known to it, may not have been undertaken.
- ***Performance Allocation and Fees.*** The fact that the compensation of the General Partners is based on the performance of the Funds may create an incentive for the General Partners to cause the Funds to make investments that are more speculative than would be the case in the absence of performance-based compensation. However, this incentive may be tempered somewhat by the fact that losses will reduce the performance of the Funds and thus the compensation of the General Partners.

In addition, the Firm or affiliates thereof may receive origination fees, structuring fees, advisory fees, monitoring fees or other similar fees in connection with investments by a Fund, and such amounts may be retained by the Firm, its employees or the Fund's investment team or affiliates thereof or may be used to reimburse the Firm for expenses incurred in connection with the Fund's activities.

- **Service Providers.** Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents) to the Funds or their portfolio companies may also provide goods or services to or have business, personal, political, financial or other relationships with Stone Point. Such advisors and service providers may be investors in the Funds, affiliates of the Firm, sources of investment opportunities or co-investors or counterparties therewith. These relationships may influence the Firm in deciding whether to select or recommend such a service provider to perform services for the Funds or a portfolio company (the cost of which will generally be borne directly or indirectly by the applicable Fund or such portfolio company, as applicable). In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements for services provided to the Firm or its respective affiliates as compared to services provided to such Fund and its portfolio companies, which will result in more favorable rates or arrangements than those payable by such Fund or such portfolio companies.

In addition, the portfolio companies of the Funds may transact business with (or otherwise provide services and/or products to) one another. Those same portfolio companies may also transact business with the Firm or the Firm's Funds, employees or affiliates. Such arrangements will generally be negotiated and executed at arm's length, but certain factors may lead a portfolio company to pay higher fees in connection with the services and/or products provided as compared to other similar providers. Those factors include, without limitation, the complexity of the services and/or products being provided, the reputation of the portfolio company in providing such services and/or products, and the ability of the portfolio to meet specified time, budget or other constraints. Furthermore, The Firm and/or the portfolio companies of the Funds may enter into agreements collectively with vendors which provide products and services to the Firm and/or the portfolio companies, generally in an effort to reduce costs and expenses. The Firm may act as a host for the negotiation process associated with such agreements. Notwithstanding the foregoing, the Firm acts solely as a liaison in connection with the evaluation of, and has no control over the entering into, definitive agreements by such portfolio companies. Any definitive agreements shall be executed solely by and between the applicable portfolio company and applicable counterparty, and such portfolio company (and not the Firm, except where the Firm is acting in its own capacity) shall be solely responsible for its obligations thereunder.

- **Advisors and Consultants.** The Firm may work with or alongside one or more consultants, advisors (including senior advisors and CEOs) and/or operating partners who are retained by Stone Point on a consultancy or retainer or other basis, to provide services to a Fund. The functions undertaken by such persons with respect to a Fund will not be exclusive and such persons may perform similar functions and duties for other organizations which may give rise to conflicts of interest. Such persons may also be appointed to the board of directors of companies and have other business interests which give rise to conflicts of interest with the interests of a Fund or a portfolio company of a Fund. Investors should note that such persons may retain compensation that will not offset the Management Fee payable to the Firm, including that: (a) such persons are permitted to retain all directors' fees, monitoring fees and other compensation received by them in respect of acting as a director or officer of, or providing other services to, a portfolio company and such amounts shall not be credited against the Management Fee; (b) certain of such persons may be paid a deal fee, a consultancy fee or other compensation where they are involved in a specific project relating to the Fund, which fee will be paid either by the Fund or, if applicable, the relevant portfolio company; and (c) such persons may be invited to invest in or alongside the Fund in investments, as part of a participation scheme or otherwise, and will be entitled to retain all of the proceeds generated from such investments.
- **Valuation Matters.** The fair value of Fund investments will be determined by the General Partner in accordance with the relevant partnership agreement. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of such investments will be determined by the General Partner in accordance with procedures set forth in the applicable partnership agreement and in the Firm's Valuation Policy. In certain cases, Firm investment team members will also sit on governance committees (including for example, valuation committees)

at the portfolio company level. This may present a potential conflict of interest, since the Firm may have a financial interest in seeking higher valuations for investments. We believe, however, that the portfolio companies have policies and procedures in place in connection with valuations that help mitigate these potential conflicts. The valuation of investments may affect the amount and timing of the General Partner's Carried Interest and, under certain circumstances, the amount of Management Fees payable to the Firm. The valuation of investments may also affect the ability of the Firm to raise a successor fund to a Fund. As a result, there may be circumstances where the General Partner is incentivized to determine valuations that are higher than the actual fair value of investments.

- **Co-Investments.** The Firm may offer co-investment opportunities pursuant to the terms of the relevant partnership agreement, is not expected to offer co-investment with respect to all of a Fund's investments and may allocate any such opportunities among interested parties in its sole discretion, including for example (and without limitation), on the basis of the size of investor commitments to funds managed by the Firm, vehicles and accounts as well as a broad range of other considerations, including commercial considerations for the applicable portfolio investment, an investor's stated desire to participate in co-investments, the Firm's determination of the appropriateness of offering a co-investment opportunity, an investor's ability to execute such offer and the approval of transaction counterparties. There can be no assurances with respect to the amount of any co-investment opportunity that will be made available in connection with a Fund, and nothing in the Governing Agreements or this Brochure constitutes a guarantee, prediction or projection of the availability of future co-investment opportunities. Investing in the Funds does not entitle any limited partner to allocations of co-investment opportunities and such opportunities may, and typically will, be offered to some and not other limited partners or to third parties who are not investors in the Funds. In addition, an investor may be offered fewer co-investment opportunities than investors with the same or smaller capital commitments in funds managed by the Firm, and some investors may receive no such offers while other investors with capital commitments of the same or lower amount may receive substantial offers for such opportunities. The Funds may provide interim financing for the purpose of bridging a potential co-investment (but only to the extent that the Funds would have been permitted to make such investment). Limited partners are not required to participate in co-investments offered by the Firm. The Firm notes that, subject to restrictions in the applicable partnership agreements, affiliates of the Firm may co-invest with the Fund. The performance of co-investments is not aggregated with that of the Funds, including for purposes of determining the General Partner's Carried Interest or Management Fees under the applicable partnership agreements. Past performance is not necessarily indicative of future results and the actual number of co-investment opportunities made available to limited partners may be significantly higher or lower than those made available in connection with other funds managed by the Firm. The Firm may or may not charge Management Fees, one-time funding fees and/or Carried Interest in respect of co-investments, as it determines in its sole discretion, subject to the terms of any applicable agreements with investors. For the avoidance of doubt, any fees paid to the General Partner or an affiliate in connection with (and proportionate to the amount of) a co-investment, including, but not limited to, origination, syndication, agency, administration, structuring, advisory or other services may belong to the General Partner or such affiliate (and, in some circumstances, may be shared with other third parties, including co-investors) and shall not be for the benefit of the Funds or offset against the Management Fee. The allocation of any co-investment opportunities may directly or indirectly benefit the Firm as a result of, among other things, the receipt of any such fees or Carried Interest, capital commitments to the Funds and capital commitments to other funds managed by the Firm. Unlike co-investment vehicles that co-invest in all Fund investments (such as the co-investment vehicle for professionals of the Firm), co-investors in one or more specific investments will not necessarily be required to share in broken-deal expenses that are paid by the Funds, either with respect to a co-investment opportunity that is not consummated or with respect to other potential investments that may be offered to the Funds. The Firm has had a historical practice, with respect to Trident Fund investments, of, whenever obtaining sponsor warrants for participating in co-investment opportunities, allocating such warrants to funds managed by the Firm. The Firm expects to continue this practice, but there is no guarantee such sponsor warrants will become available to the Funds.

Item 9. Disciplinary Information

Neither the Firm nor any of its supervised persons have been subject to any legal or disciplinary events that would be material to its business or to an investor or prospective investor's evaluation of the Firm or the integrity of its professionals.

Item 10. Other Financial Industry Activities and Affiliations

Except as described below, neither the Firm nor any of its "management persons" have relationships or arrangements with related persons who are financial industry participants that are material to the Firm's business or that create a material conflict of interest with the Funds or their investors.

General

The General Partners are affiliated with the Firm by common ownership. In addition, the Firm is affiliated with certain other operating businesses as a result of personal investments – see "*Personal Investment Activities*" above. Should conflicts of interest arise in the context of these relationships, they will be addressed in accordance with the Compliance Manual, described in further detail in Item 11 below, and in the Governing Agreements of the Funds, as applicable.

Please also note, however, that the Funds generally invest in the global financial services industry, which includes all financial institutions as well as their customers, suppliers, service providers and counterparties. As a result, the Funds (including the Affiliated Funds) may, from time to time, own investments in one or more of the following types of companies and businesses: (i) broker-dealer, municipal securities dealer, or government securities dealer or broker; (ii) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund); (iii) other investment adviser or financial planner; (iv) futures commission merchant, commodity pool operator or commodity trading advisor; (v) banking or thrift institution; (vi) accountant or accounting firm; (vii) lawyer or law firm; (viii) insurance company or agency; (ix) pension consultant; (x) real estate broker or dealer; and (xi) sponsor or syndicator of limited partnerships. Also, the Funds on occasion make investments in asset management businesses that offer investment products to clients. In certain cases, the Funds will invest in the investment products offered by such asset management businesses in addition to, or in connection with, their investment in the asset management business itself. As noted above, the Firm believes that these investments do not create a material conflict of interest with clients and do not result in a relationship or arrangement by the Firm or any of its management persons with any related person that is material to the Firm's advisory business or to the clients of the Firm. In addition, the Firm does not believe that any such investment by the Funds creates a material conflict of interest given that (x) the Firm and its principals do not receive any compensation from the portfolio company for the placement of the investment by the Funds and (y) the employees of the Firm co-invest, *pro rata*, in any such investment through their commitments to the Affiliated Fund that invests in, or co-invests with, the applicable Institutional Fund.

The Firm employees execute confidentiality agreements acknowledging that, other than in connection with his or her responsibilities as an employee of the Firm, he or she is not permitted to share information with a third party about the Firm, the Funds or the Funds' portfolio companies.

Other Transactions with Prospective and Actual Investors

The Firm and its affiliates from time to time engage in transactions with prospective and actual investors that provide economic and business benefits to such investors and the Firm and its affiliates. Such transactions may be entered into prior to or coincident with an investor's admission to a Fund or during the term of their investment. The nature of such transactions can be diverse and may involve the Funds, other funds managed by the Firm and their respective portfolio companies. Examples include the ability to co-invest alongside funds managed by the Firm, recommendations to underwriters for allocations in initial public offerings, a broad range of commercial transactions in the ordinary course of business with such

investors and portfolio companies, and the purchase or disposition of interests to or from portfolio companies.

**Item 11. Codes of Ethics, Participation or Interest
in Client Transactions and Personal Trading**

Code of Ethics

The Firm has adopted a Code of Ethics (the “Code”) designed to meet the requirements of Rule 204A-1 of the Advisers Act and to ensure that the Firm fulfills its role as a fiduciary to the Funds.

The Code requires supervised persons of the Firm to act in the best interests of the Funds, act in good faith and in an ethical manner, avoid conflicts of interests with the Funds to the extent reasonably possible and identify and manage conflicts of interest to the extent that they arise. Supervised persons of the Firm are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or another appropriate party of any actual or suspected violations of law by the Firm or its employees or affiliates. Generally, each employee of the Firm is designated a supervised person of the Firm. Based on an assessment, the Firm also designated certain non-employee consultants, including senior advisors and operating partners, as supervised person of the Firm. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of the Firm’s supervised persons. The Code requires that supervised persons pre-clear certain public and private personal securities transactions, report all securities transactions on at least a quarterly basis and provide the Firm with a summary of securities holdings on at least an annual basis. The Firm’s Compliance Manual also addresses outside activities of supervised persons, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items and the pre-clearance and reporting of political contributions.

In addition, the Firm’s Compliance Manual includes provisions relating to the handling of confidential information, a prohibition on insider trading, a prohibition on disseminating market rumors, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, restrictions and reporting obligations relating to making political contributions, and anti-money laundering and sanctions policies, among other matters. The Firm’s Chief Compliance Officer is responsible for obtaining annual certifications from all supervised persons that they have acted in accordance with the policies and procedures set forth in the Compliance Manual during the previous calendar year.

All supervised persons receive periodic training as necessary regarding the Firm’s personal securities trading policies and related matters. In addition, supervised persons must annually confirm that they have read and understand the Firm’s Compliance Manual, including the personal securities trading policy.

Upon request, the Firm will provide a copy of the Code to any Fund or investor in any Fund or to any prospective client or prospective investor in any Fund.

Participation or Interest in Client Transactions

Certain conflicts that may be encountered in the course of the Firm’s activities for or on behalf of the Funds are described in Items 5, 8 and 10 above and reference is made thereto.

The Funds typically do not engage in short-term trading of public securities. However, from time to time the Funds may invest in public companies and certain investments in private companies may become public. The Code includes provisions that prohibit supervised persons of the Firm from buying or selling securities that to his or her knowledge (i) the Firm is buying or selling for the Funds (until such buying or selling is completed or canceled) and (ii) securities that the Firm is actively considering on behalf of the Funds.

From time to time, certain related persons to the Firm, including its employees, may invest in securities of a company in which a Fund has a pre-existing investment. Any such investment would be made in accordance with the Firm's personal securities trading policy, as set forth in the Code, to ensure potential conflicts of interest are managed accordingly.

Although the Code (and the Governing Agreements) generally prohibits supervised persons of the Firm from investing in or holding securities of a Fund portfolio company outside of the Fund, such investments may be permitted in certain circumstances, including, for example, (i) indirectly through investments in Affiliated Funds managed by the Firm in accordance with the Governing Agreements of the Funds, (ii) with the permission of a Fund's Board of Advisors in connection with investment products offered by portfolio companies as described below or (iii) in connection with service by an employee of the Firm as a director or employee of a portfolio company.

In addition, the Governing Agreements of the Funds address in detail certain other reasonably anticipated potential conflicts. For example, the Governing Agreements generally:

- preclude the Firm or an affiliate of a general partner of the Funds from providing services to a Fund or a portfolio company unless such fees or other compensation payable to such affiliate are commercially reasonable and not less favorable than could be obtained in arm's length negotiations with third parties for similar services and, in certain cases, the Board of Advisors consent to the engagement;
- preclude the Funds from entering into contracts and transactions with the Firm or an affiliate of a general partner of the Funds unless such contract or transaction is commercially reasonable and not less favorable than could be obtained in arm's length negotiations with unrelated third parties for similar services and, in certain cases, the Board of Advisors consents to the contract or transaction;
- preclude the Firm, or its related persons, from recommending to the Funds, or buying or selling for Fund accounts, securities in which the Firm or a related person has a material financial interest unless such recommendation is approved by the Board of Advisors.

Please note that the Affiliated Funds are established to permit related persons of the Firm and certain other individuals to invest in, or to co-invest with, the Institutional Funds and, through the Affiliated Funds, related persons of the Fund do indirectly participate in the acquisition and disposition of securities at the same time and generally on the same terms as the associated Institutional Fund.

The Funds on occasion make investments in asset management businesses that offer investment products to clients. In certain cases, the Funds will invest in the investment products offered by such asset management businesses in addition to, or in connection with, its investment in the asset management business itself. Certain related persons of the Firm, including employees, may elect to invest in the investment products offered by such asset management businesses but typically would not invest in the asset management business itself, other than indirectly through the Affiliated Funds as described above. In cases where a Fund is also invested in the investment products offered by such asset management business, the Firm will seek permission from the relevant Fund's Board of Advisors to allow employees to invest in such investment products.

In addition, investors in the Funds may have conflicting investment, tax and other interests with respect to their investments in the Funds, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts of interest may arise in connection with decisions made by the Firm and its affiliates regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Firm and its affiliates generally will consider the investment and tax objectives of a Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

Allocation of Investment Opportunities Policy

Investment opportunities are allocated based on the provisions of the applicable Fund documents. If the relevant Fund document does not address the manner in which an investment opportunity should be allocated, the Firm will allocate the opportunity between or among Funds in good faith, according to the allocation of investment opportunities policy included in the Firm's Compliance Manual.

Any questions as to mandates are resolved by the Firm's senior management team. When making investment allocation determinations, the senior management team will consider the factors that it determines in good faith to be relevant, which may include one or more of the following: (i) the size, nature, risk profile and type of investment opportunity; (ii) multiple clients have investment objectives that overlap to greater and lesser degrees; (iii) the investment objectives of a particular client may change over time; (iv) the ultimate character of an investment opportunity (*i.e.*, its risk/reward profile) may not become clear until a great deal of diligence and analysis has been completed by the investment team pursuing such investment; (v) principles of diversification of assets, including, without limitation, in respect of geography, investment size and sector; (vi) the investment guidelines and limitations of each Fund; (vii) cash availability, including cash that becomes available through leverage; (viii) the magnitude of the investment; (ix) a determination by Stone Point that the opportunity is inappropriate, in whole or in part, for one or more of the Funds; (x) proximity of a Fund to the end of its specified term (including whether the Fund is in its liquidation period); (xi) applicable transfer or assignment provisions; (xxx) applicable law; and (xiii) such other factors as may be appropriate under the circumstances.

Notwithstanding the foregoing, all or any portion of an investment opportunity that falls within the investment guidelines of the Trident Funds will generally be allocated to the Trident Funds and not to an Opportunities Fund, except in certain limited circumstances set forth in the Governing Agreements of the Trident Funds and Stone Point does not currently intend for the Opportunities Fund to invest in issuers in which any of the Trident Funds has made an equity investment and to the extent that Stone Point desires to cause the Opportunities Fund to participate in any such investments, Stone Point will seek the appropriate consent in accordance with the applicable Governing Agreements.

The Firm may raise co-investment funds or establish co-investment vehicles to participate in portfolio investments on a side-by-side basis with a Fund in accordance with the Fund's Governing Agreements. Further, a Fund may pursue an opportunity jointly with another private equity fund or fund sponsor in appropriate circumstances, which may include, for example, the size, nature, location, prior investment experience or other relevant factors relating to the target company, the potential partner, the process or the opportunity. In addition, "strategic investors" may be permitted to co-invest alongside a Fund to the extent not inconsistent with the Fund's Governing Agreements. The Firm may, in its sole discretion,

provide co-investment opportunities to some (but not necessarily all) investors in a Fund and/or third parties. In circumstances where an entire investment could be made by a Fund, the Firm may still allocate a portion of such investment to one or more co-investment vehicles or other co-investors in accordance with the Governing Agreement of the applicable Fund and the Firm's co-investment policy set forth in the Firm's Compliance Manual. The allocation of any co-investment opportunities may or may not be in proportion to the commitments of the coinvestors (if any) and may involve different terms and fee structures. As such, a Fund may receive a smaller allocation in a particular investment than it otherwise might have received if the Firm had not provided the third-party with the co-investment opportunity. Moreover, it is possible that certain terms and fee structures offered to co-investors may be more (or less) favorable to the Firm than those offered to investors in a Fund, which may incentivize the Firm to make more (or less) of such co-investment opportunities available.

The Firm has full discretion in determining to whom and in what relative amounts to allocate coinvestment opportunities. See "Co-Investments" above.

Item 12. Brokerage Practices

The Firm primarily focuses on making investments in private securities; thus, the Firm does not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments.

However, the SEC has indicated that among the specific obligations that flow from an investment adviser's fiduciary duty is the requirement to seek the best execution of Fund securities transactions where the adviser is in a position to direct those transactions.

Best Execution

To the limited extent that the Firm transacts in public securities or other non-private equity investments (e.g., currency hedging), it selects brokers and counterparties based upon the broker's or counterparty's ability to provide best execution for the Funds (i.e., the best net price considering all relevant factors). In this regard, the Firm will consider a variety of factors including but not limited to the broker-dealer's or counterparty's (i) ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of the order and difficulty of execution; (iii) financial strength, integrity and stability of the broker-dealer or counterparty; (iv) competitiveness of commission rates in comparison with other broker-dealers; and (v) research products/services provided by a broker-dealer. Although the Firm generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

Trade Errors

While the Funds commonly invest in private transactions that are not executed on an exchange, exchange trades are expected to be implemented from time to time. In each case, the Firm seeks best execution; however, trade errors are possible and may result in losses to the Funds. Such losses may be caused by the Funds' brokers, counterparties, other third parties or by the Firm, or by a combination of brokers, counterparties, or other third parties and the Firm.

The Firm has adopted a policy with respect to trade errors in which the Firm generally endeavors to detect trade errors and either prevent them or correct them in an expeditious manner, but there can be no assurance that such efforts will always be undertaken or will be successful. A "trade error" is generally considered to include an error that (i) prevents trade execution instructions given by the Firm on behalf of a

Fund from being effectuated in substantially the manner intended by the Firm or (ii) results in the execution of a trade on behalf of a Fund that was not intended for that Fund. A trade error generally does not include (i) any error that results from an issue with systems or other electronic communications, (ii) any error made by third parties (e.g., brokers), (iii) any good faith error of judgment in making an investment decision, (iv) any trade that was properly executed, but improperly documented (e.g., ticket rewrites), (v) errors identified and corrected before settlement, or (vii) errors resulting from unavailability of (or disruptions in) electronic services or other force majeure events.

Any trade errors will be the responsibility of the applicable Fund, unless the Firm has acted in a manner, in effectuating any such trade, that constituted bad faith or fraud, willful misconduct or gross negligence. Losses and gains from trade errors will be reviewed on a 'net' basis, taking into account, among other factors, all income attributable to the trade that is the subject of the trade error, similar trades, or trades within a specified period, provided that the resolution is equitable to the Fund over time.

If an error caused by a third party (such as a broker or counterparty) results in a loss to a Fund, the Firm will take reasonable steps to attempt to recover any costs or damages incurred directly due to the action or inaction of the third party responsible, but is not liable for losses caused by third parties and shall be under no obligation (but may determine) to reimburse the Fund directly.

Research and Other Soft Dollar Benefits

In practice, the Firm does not utilize soft dollar arrangements in connection with brokerage transactions; however, the Firm may, from time to time, have access to research provided by broker-dealers used for transactions. The Firm does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services (although these brokers generally will not separately disclose their costs in providing such research).

The Firm will not consider, in selecting or recommending broker-dealers, whether the Firm or any related person receives client referrals from a broker-dealer or third party.

Aggregation of Client Trades

As noted above, each Institutional Fund typically co-invests in, and divests of, each investment made by such Institutional Fund in parallel with one or more related Funds, including Affiliated Funds, that comprise a Fund Group. The co-investment arrangement among the members of each such Fund Group generally is established pursuant to the Governing Agreements of the applicable Funds in connection with the formation of the Funds in such Fund Group. Each Fund in a Fund Group generally participates in each investment made by such Fund Group, *pro rata*, on the basis of committed capital, and in each divestiture made by such Fund Group, *pro rata*, on the basis of the investment held. Costs incurred in connection with each investment generally are allocated to the Funds in each Fund Group, *pro rata*, on the basis of the amount invested in such investment.

As a general matter, aside from a Fund Group that is established to co-invest together as described in the immediately preceding paragraph, the purchase and sale of securities for client accounts are not aggregated given that, subject to certain limited exceptions, the Firm typically has, at any particular point in time, only one Fund Group that is making investments in new companies. In the limited circumstances where two or more Fund Groups own or acquire interests in the same company, the Firm would evaluate on a case-by-case basis whether aggregating the purchase and sale of securities for the various Fund Groups is appropriate under the circumstances.

Item 13. Review of Accounts

The Firm currently utilizes a process of discussing investment ideas, implementing investment decisions and reviewing existing investments through regular meetings of the members of the investment committee of the Firm as well as all investment professionals of the Firm.

The investment committee is comprised of senior professionals of the Firm and has primary responsibility for reviewing all investments and making decisions on whether to acquire or dispose of investments of the Funds. Each investment committee member holds a title of Chief Executive Officer, Chairman, General Counsel and/or Senior Principal.

Meetings of the investment committee and all investment professionals are typically held weekly or more frequently, as needed, to review client investments and financial plans as well as prospective investment opportunities for the Funds. Various qualitative factors are considered in connection with each new and existing investment and, depending on the particular situation, may include, among others, one or more of the following factors: financial performance and quality of the business; projected investment return and exit alternatives; experience, depth and competence of the management team; financial and operating strength of the company; opportunities for growth and/or acquisitions; competitive position of the company in its markets; availability of financing and liquidity; and various compliance and regulatory considerations.

With respect to the Trident Funds, there is typically frequent contact with portfolio company management teams to discuss developments in the applicable business. The Firm generally acts as the control investor or lead minority investor with board representation in portfolio companies. Board seats are staffed with Firm investment team members and the results of board meetings frequently are summarized by team members and circulated to the broader investment team. Firm investment team members may also sit on various board committees.

As a general matter, investors in the Institutional Funds are provided with regular reports, including quarterly unaudited financial statements, annual audited financial statements and annual investment update letters.

Item 14. Client Referrals and Other Compensation

No one, other than the Institutional Funds, provides an economic benefit to the Firm for providing investment advice or other advisory services to the Funds. However, as noted above, the Firm may also receive Ancillary Fees from investments of a Fund Group.

From time to time, the Firm, the Advisory Affiliates and/or the Funds may compensate one or more placement agents for referrals of investors in the Institutional Funds. Such placement agents may also seek to do business with, and earn fees or commissions from, the Firm, affiliates of the Firm (including the Advisory Affiliates) and/or portfolio companies of the Funds.

Item 15. Custody

The Firm maintains assets and securities (other than with respect to certain privately-offered securities) of the Funds with qualified custodians, as defined in Rule 206(4)-2 of the Advisers Act (which includes U.S. registered broker-dealers), in a separate account for the Funds under the Funds' name, or in accounts that contain only funds and securities owned by the Funds under the Firm's name, as agent or trustee for the Fund or Funds. Custodians will generally be banks, trust companies or broker-dealers unaffiliated with the Manager.

The Firm distributes independently-audited financial statements of each Fund to its investors not later than 120 days after the end of such Fund's fiscal year (*i.e.*, generally by April 30).

Item 16. Investment Discretion

The Firm and the General Partners accept discretionary authority to manage securities accounts on behalf of the Funds through investment advisory agreements with such Funds. Generally, this discretionary authority has no limitations but is accepted subject to the investment guidelines and other terms and

conditions contained in the Governing Agreements of the Funds.

Item 17. Proxy Voting

The Firm has discretion to cast votes with respect to any proxy of a company in which a Fund holds an investment and, as such, has adopted proxy voting policies and procedures in accordance with Section 206(4)-6 of the Advisers Act. The policies, which are included in the Firm's Compliance Manual, address a broad range of issues and are generally consistent with the objective of maximizing long-term investment returns for the Funds. Each vote will be cast in the best interests of the relevant Fund and in accordance with specific policies and procedures. The Firm may also abstain from voting if, based on factors such as expense or difficulty of exercise, it determines the interests of the Fund are better served.

The Compliance Manual provides that if the Firm believes that a particular proposal presents a material conflict of interest, the Firm will determine how to vote that proposal taking into consideration various factors including the investment objectives and strategies of the relevant Fund and any procedures set forth in the Governing Agreements of the relevant Fund. In casting votes, the Firm believes that a material conflict of interest between a Fund and the Firm does not arise solely as a result of the Firm's involvement with the particular portfolio company (*i.e.*, a representative of the Firm serving as an officer or director of a particular portfolio company). The Firm will document the factors considered in determining how to vote a proposal that presents a material conflict of interest.

In certain limited situations, the Firm may determine that it is appropriate to request that the investors of a Fund vote directly on a matter in lieu of the Fund voting as the shareholder. In those cases, the Firm will generally coordinate the voting and make a recommendation on the matter to the investors of the relevant Fund. The Firm may determine to establish policies and procedures in connection with such voting.

Clients and investors in the Funds may request a copy of these policies or information regarding the historical voting record of any Fund in which such investor has made an investment by contacting the Firm's Chief Compliance Officer.

Item 18. Financial Information

The Firm has never been the subject of a bankruptcy petition and does not believe that there are any conditions that are reasonably likely to impair the Firm's ability to meet contractual commitments to clients.

* * *