

Part 2A of Form ADV: Firm Brochure

Item 1: Cover Page

**Stonetree Capital Advisors, LLC
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<http://www.stonetreemgt.com>

January 1, 2021

This *Brochure* provides information about the qualifications and business practices of Stonetree Capital Advisors, LLC. If you have any questions about the contents of this *Brochure*, please contact Patrick J. Casey, Managing Member and Chief Compliance Officer, at (847) 948-0755. The information in this *Brochure* has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Stonetree Capital Advisors, LLC is also available on the Internet at www.adviserinfo.sec.gov.

We oftentimes refer to ourselves as a “registered investment adviser.” This reference does not imply a certain level of skill or training.

Item 2: Material Changes

Since the last amendment to this brochure, we have not made material changes, only routine updating changes.

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Item 4: Advisory Business

Stonetree was formed in February 2011 as an Illinois limited liability company and was redomiciled to a Florida limited liability company in January 2013. We are an affiliated company to SPC Capital Management, LLC that was founded in 2000. We currently provide investment supervisory services to one private fund, Stonetree Capital Fund IV, LP (the “Private Fund”) and to a limited number of separate accounts. We are wholly owned by Stonetree Capital Management, LLC which is wholly owned by Patrick J. Casey who is the Managing Member. Mr. Casey is also a CFA and he has more than 30 years experience in the financial services industry.

Our investment advice is limited to the Private Fund and the separate accounts in connection with investments in a diversified group of private equity partnerships, concentrating on small and mid-sized funds. The Private Fund’s objective is to obtain superior investment returns by investing in a portfolio of venture capital, buyout, distressed debt, energy, power and special situation limited partnership funds. This investment focus provides both access to premier private equity funds and investment diversification within the private equity sector. Diversification is by size, type, investment focus and geography. The Private Fund is fully committed.

Investment restrictions and/or guidelines are described within the Confidential Private Placement Memorandum for the Private Fund.

The Private Fund is a fund of funds, which provides an investment vehicle for investors of all sizes to pool their financial resources to access desirable funds and to diversify their investment interests by investing in different types of private equity funds. Examples of the investments that will be made are venture capital, buyout, distressed debt and special situation funds. Please refer to the Private Fund’s Confidential Private Placement Memorandum for more detailed information on its investments.

The amount of client assets managed on a discretionary basis as of December 31, 2020 was \$51,831,000 for 2 accounts. We do not manage nondiscretionary assets for clients.

Item 5: Fees and Compensation

The Private Fund

We are the Investment Manager of the Private Fund, which is not required to be registered under the Investment Company Act of 1940. SCM-GP, LLC, a Florida limited liability company, is the General Partner to the Private Fund and is responsible for its daily operations. The Managing Member of the General Partner is Stonetree Capital Management, LLC. The Managing Member hired us to provide investment advisory services to the Private Fund for an annual management fee of 150 basis points on capital commitments of less than \$1 million and 100 basis points on capital commitments of \$1 million or more, payable quarterly in advance. After the 7th anniversary of the Private Fund, the fees will be reduced 10% per year in years 8 through 10 and will be based on the value of the assets held by the Private Fund (as determined by the

Investment Manager, in its discretion). These fees are not negotiable. The management fee is deducted from the Private Fund's bank account. If we are terminated as Investment Manager to the Private Fund, we would refund the amount of management fees to the Private Fund that were received but not earned.

The Private Fund will bear organizational and offering expenses, including printing, postage and other delivery charges, travel, legal, accounting, etc., up to \$350,000, but will not pay any finders' fees or brokers' fees. The Investment Manager may pay finders' fees where permitted by applicable law. The General Partner and the Investment Manager will pay all of their own ordinary administrative and overhead expenses incurred in managing the Private Fund, including salaries, benefits, and rent. The Private Fund will pay all other expenses attributable to its own activities, including but not limited to fees, costs and expenses related to investments in the underlying funds (including travel), custodians, third party consultants, outside counsel and outside accountants, insurance, indemnification expenses, and taxes, fees or other governmental or regulatory charges. Fees and expenses of the Private Fund are described within the Private Fund's Confidential Private Placement Memorandum.

The fee schedule for the separate accounts is as follows:

<u>Year</u>	<u>Annual Fee*</u>
1	0.50%
2	0.75%
3-7	1.00%
8	0.90%
9	0.80%
10+	0.70%

*Plus incentive fee of 5% of all distributions after the return of principal and investment management fees.

Our compensation (based on committed capital, after year 12 fees) will be based on the higher of cost or market.

The fee provided above is the annual fee charged by the Investment Manager of the applicable year of the Investment Management Agreement between Stonetree and the client, based on committed capital of the client in the Account. Fees will be paid 30 days after the beginning of each calendar quarter.

At such time as a managed account reaches \$100M in assets under management, a special reduced fee schedule may be devised on a client-by-client basis. Such fee schedule will be in writing and acknowledged and accepted by Stonetree and client.

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

The General Partner to the Private Fund or SPC Capital Management, LLC for the separate accounts may earn a performance fee of 5% of all gains once the limited partners receive all of their invested capital back including all management fees paid.

The side-by-side management of both the Private Fund and other accounts may raise potential conflicts of interest (for example, cross trades between the Private Fund and another account and allocation of aggregated trades among the Private Fund and other accounts). We have developed policies and procedures reasonably designed to mitigate these conflicts. In particular, we have adopted policies limiting the ability to effect cross trades and policies to ensure the fair allocation of securities purchased on an aggregated basis.

Item 7: Types of Clients

We provide investment supervisory services solely to the Private Fund and the separate accounts. The Private Fund is a “fund of funds” that relies on an exception to the registration requirements under the Investment Company Act of 1940 and is privately offered to certain qualified investors.

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

When we are selecting investments, we consider many new partnership offerings for investment. We rely on our existing relationships with general partners of partnerships to provide us access to their subsequent funds. We believe this has proven to be one of the strongest reasons for investing in a fund of funds. A substantial number of the established investment partnerships have been many times oversubscribed so they are not accepting new investor relationships. We also intend to be an opportunistic buyer of secondary private equity interests. These interests have historically been able to be purchased at a discount, providing the opportunity to earn higher returns within relatively shorter time frames. Our goal is to build a fully diversified portfolio of private equity funds beyond the means of all but the largest institutions.

The investment process we use in managing assets starts with identifying the most attractive private equity funds currently available. This includes reviewing both the fund’s private placement memorandum and the fund’s presentation book before deciding if the new fund has the potential for inclusion in the Private Fund. After passing the initial examination, we will schedule a meeting with the general partners of the proposed investment. Once satisfied, we will proceed with analyzing historical investment performance to insure investment skills are clearly demonstrated. After these steps, we then make a thorough check of references.

The risk factors an investor in the Private Fund considers are described within the Private Fund’s Confidential Private Offering Memorandum.

An investment in the Private Fund could result in a total loss of the capital of the investor. Each investor was asked to review the Private Fund’s Confidential Private Offering Memorandum prior to investing with regard to the risks of investing.

The same investment procedures are followed for management of the separate accounts, and investors in a separate account are subject to the same type of risks as of the Private Fund. The significant risks include the following:

Market Risk. A rise in protectionist trade policies, slowing global economic growth, risks associated with pandemic and epidemic diseases, the risk of trade disputes, and the possibility of changes to some international trade agreements, could affect the economies of many nations, including the United States, in ways that cannot be foreseen at the present time and may negatively impact markets.

The COVID-19 pandemic has resulted in travel restrictions, closed international borders, enhanced health screenings, strains on the delivery of healthcare services, quarantines, cancellations, disruptions to supply chains, and lower consumer demand, as well as general concern and uncertainty. The impact of the COVID-19 pandemic, as well as other infectious disease outbreaks that may arise in the future, could adversely affect local, state, national, and global economies, individual companies, industries, and capital markets in unforeseeable ways. Public health crises and related impacts caused by the COVID-19 pandemic may exacerbate preexisting political, social, and economic risks. The duration of the COVID-19 pandemic and its adverse effects cannot be determined with certainty.

Reliance on Underlying Fund Management. When investing in the underlying funds, an investor does not have an active role in the day-to-day management of the underlying funds. Moreover, the investor does not have the opportunity to evaluate the specific investments made by any underlying fund. Accordingly, the investor's returns will primarily depend on the performance of the managers and investment professionals of the underlying funds and could be substantially adversely affected by the unfavorable performance of such underlying fund managers and investment professionals.

Financial and Business Risk. An investor's investments in underlying funds will generally involve a significant degree of financial and/or business risk. Companies or funds in which underlying funds invest may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. Such investments may face intense competition, changing business or economic conditions or other developments that may adversely affect their performance. Business risks may be more significant in smaller investments or those companies that are early stage or embarking on a build-up or operating turnaround strategy. If for any of these reasons an investment by an underlying fund is unable to generate sufficient cash flow to meet principal or interest payments on its indebtedness or make regular dividend payments, the value of the investor's investment could be significantly reduced or even eliminated.

Unspecified Investments. Underlying funds may not yet have identified or acquired investments. Investors, therefore, will be relying on the ability of the investment professionals and managers of the underlying funds to identify and acquire investments. Because such investments may occur over time, the investor faces the risks of adverse changes in the venture capital and private equity markets, changes in interest rates and other potentially adverse changes in economic conditions.

Item 9: Disciplinary Information

The Firm has no disciplinary information to report about itself or its supervised persons.

Item 10: Other Financial Industry Activities and Affiliations

We receive all of our revenues from investment management fees from the Private Fund and the separate accounts. See Item 5, Fees and Compensation, for a description of the advisory fees paid by the Private Fund.

Please also refer to Item 7, Types of Clients.

The General Partner, the Investment Manager and their affiliates will not be required to devote full-time to the business of the Private Fund. They will engage in other business activities and may make investments for their own account.

In addition, the General Partner, the Investment Manager and their affiliates may organize other funds and have other clients with investment objectives similar to those of the Private Fund. They may have a conflict of interest as to the allocation of different investment opportunities among themselves, various funds and other clients. To date no such conflict has occurred.

Mr. Casey is also the sole owner of Stonetree Capital Management, LLC, the sole owner of Stonetree. He is also the sole owner of SPC Capital Management, LLC.

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

We have adopted a Code of Ethics (“Code”) and policy on Insider Trading (the “Policy”) that:

- Prohibit certain purchase and sale transactions by our officers and employees;
- Prohibit the acceptance of other than *de minimis* gifts by our officers and employees;
- Limit our officers from service on the boards of publicly traded companies;
- Require that our officers and employees periodically disclose their securities holdings and transactions; and
- Allow the imposition of sanctions upon our officers and employees that violate the Code and/or the Policy.

Our complete Code is available to Private Fund investors and our clients upon written request.

We may invest for own account and/or for related accounts in the same securities that are invested in by our clients. The Code prohibits, with certain exceptions, persons subject to the Code from purchasing or selling securities if they know at the time of such purchase or sale that the security is being considered for purchase or sale by a client or is being purchased or sold by a

client. In cases where transactions for us and our clients (or related accounts) occur in the same security and on the same day at different prices, the better prices will be assigned to the client transactions.

Our managing member, officers and employees may not benefit personally or trade for their own accounts on the basis of material non-public information.

Item 12: Brokerage Practices

The Private Fund is a fund of funds so we do not enter brokerage transactions on behalf of the Private Fund except as seller of publicly held shares distributed by the underlying partnerships of the Private Fund. Such shares are deposited in a brokerage account under the name of the Private Fund and typically the broker is the lead underwriter.

Item 13: Review of Accounts

Patrick J. Casey will periodically review the investment portfolio of the Private Fund to ensure that all investments remain within the parameters set forth in the Private Placement Memorandum for the Private Fund.

The Private Fund's financial statements are audited annually by an independent accounting firm. We produce quarterly reports that are provided to each investor in the Private Fund.

Each investor of the Private Fund is provided an annual report including a copy of the Private Fund's audited financial statements within 120 days of the end of each year. In addition, each investor is provided a report of the Private Fund's net asset value and the value of the investor's capital account as of the end of each quarter and the performance of the Private Fund as of the end of each calendar quarter.

Mr. Casey periodically reviews the investment portfolios of the separate accounts to ensure all investments remain within the parameters set forth in their Investment Management Agreements. Each separate account receives quarterly market value updates including a quarterly update of the owner's capital account valuation.

Item 14: Client Referrals and Other Compensation

We do not have any arrangements where we are paid cash by, or receive an economic benefit from, a non-client in connection with giving advice to clients, nor do we directly or indirectly compensate any persons for a client referral.

Item 15: Custody

We do not maintain physical custody of client assets. However, as the Investment Manager of the Private Fund, we are considered to have "constructive" custody of the Private Fund's assets.

Investors in the Private Fund receive statements directly from the Private Fund, and should review those statements carefully. Wells Fargo Bank reported independently on the Private Fund's cash balances and RSM US LLP annually audits the financial statements of the Private Fund and such statements are distributed to the investors in the Private Fund. Quarterly reports to investors are unaudited.

Please also refer to Item 13, Review of Accounts.

The assets of the separate accounts that we manage are maintained in the name of the client by a "qualified custodian" such as a bank or registered broker-dealer.

Item 16: Investment Discretion

We have discretionary authority to manage the assets of the Private Fund. See Item 4, Advisory Business. Our authority to exercise investment discretion is agreed upon in advance by the General Partner to the Private Fund as described in the Confidential Private Placement Memorandum.

We have been given discretionary authority from our clients to manage the separate accounts as prescribed under the Investment Management Agreement entered into by us and the client.

Item 17: Voting Client Securities

We do not vote proxies on behalf of our clients.

Item 18: Financial Information

There are no financial issues that are likely to impair our ability to meet our contractual commitments to our client.

Part 2B of Form ADV: Brochure Supplement

Brochure Supplement – Patrick J. Casey

Item 1. Cover Page

**Patrick J. Casey
Stonetree Capital Advisors, LLC
4865 Hunters Way
Boca Raton, FL 33434**

January 1, 2021

This supplement provides information about Patrick J. Casey that supplements the brochure of Stonetree Capital Advisors, LLC. You should have received a copy of that brochure. Please contact Mr. Casey at (847) 948-0755 if you did not receive this brochure or if you have any questions about the contents of this supplement.

Item 2. Educational Background and Business Experience

Name: Patrick J. Casey

Year of Birth: 1948

Formal Education after High School:

Bachelor of Science in Finance, Southern Illinois University – 1970

MBA in Accounting, DePaul University – 1974

Chartered Financial Analyst

Business Background for Preceding Five Years:

Prior to forming Stonetree Capital Advisors, LLC (“Stonetree”), Mr. Casey was a founder and Managing Member at SPC Capital Management, LLC (“SPC”). Prior to that, he was Vice President and Treasurer of The Signature Group and Chief Pension Officer of Montgomery Ward & Co.

Item 3. Disciplinary Information

There is no disciplinary information to report at this time.

Item 4. Other Business Activities

Mr. Casey is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Stonetree related companies.

Item 5. Additional Compensation

Mr. Casey does not receive economic benefits from any person or entity other than Stonetree or its related companies in connection with the provision of investment advice to clients.

Item 6. Supervision

Patrick J. Casey is the Managing Member of Stonetree. He reviews the investment activity of the Private Fund and the separate accounts to ensure compliance with Investment Policies.