

STONE POINT CAPITAL LLC  
STONE POINT CREDIT ADVISER LLC

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*Effective March 31, 2022*

This firm brochure ("Brochure") provides information about the qualifications and business practices of Stone Point Capital LLC and Stone Point Credit Adviser LLC (together, "Stone Point"). If you have any questions about the contents of this Brochure, please contact Jacqueline Giammarco, Chief Compliance Officer of Stone Point Capital, or Sandra Forman, Chief Compliance Officer of Stone Point Credit, at 203-862-2900 or [jgiammarco@stonepoint.com](mailto:jgiammarco@stonepoint.com) and [sforman@stonepoint.com](mailto:sforman@stonepoint.com), respectively. 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](http://www.adviserinfo.sec.gov).

**ITEM 2. MATERIAL CHANGES**

Stone Point filed its most recent Form ADV Part 2 on January 20, 2022. This annual amendment updates the description of the business practices of Stone Point and its affiliates.

We encourage all recipients to read this Brochure carefully and in its entirety. Stone Point routinely makes changes throughout its Brochure to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices.

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## ITEM 4. ADVISORY BUSINESS

### *General*

Each of Stone Point Capital LLC (*"Stone Point Capital"*) and Stone Point Credit Adviser LLC (*"Stone Point Credit"*) and together, *"Stone Point"* or the *"Firm"*) is a Delaware limited liability company and a registered 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 private pooled investment vehicles (the *"Main Funds"*) and to certain co-investment vehicles established in connection with and invested alongside the Main Funds (the *"Co-Investment Funds"*). The Main Funds include funds that pursue private equity strategies (the *"Trident Funds"*), which are advised by Stone Point Capital, and funds that primarily pursue credit opportunity strategies (the *"Opportunities Funds"*), which are advised by Stone Point Credit. In addition, Stone Point Credit manages Stone Point Credit Corporation (*"Stone Point BDC"*), a Delaware corporation that has elected to be regulated as a business development company (a *"BDC"*) under the Investment Company Act of 1940, as amended (the *"Investment Company Act"*). The Firm and its affiliates also form, sponsor, manage or advise other private funds and vehicles established for third-party institutional investors (*"Other Sponsored Funds"*; together with the Main Funds and the Co-Investment Funds, *"Private Funds"*; and together with Stone Point BDC, the *"Funds"*) or provides investment advice to other accounts or clients (*"Other Clients"*; together with the Funds, the *"Clients"*). Certain affiliates of the Firm serve as general partners (or equivalent) of the Private Funds (each a *"General Partner"* and collectively, the *"General Partners"*).

Stone Point Capital was established in 2005. Prior to the formation of Stone Point Capital, managing directors of the Firm worked together at MMC Capital, Inc., an investment adviser owned by Marsh & McLennan Companies, Inc. Stone Point Capital acquired substantially all of the assets, and hired substantially all of the employees, of MMC Capital, Inc. on May 31, 2005. Stone Point Credit was established in 2020. Stone Point Capital and Stone Point Credit are principally, either directly or indirectly, controlled by SPC Field Partners LLC (*"SPC Field"*), which is owned by Charles A. Davis, Stephen Friedman, James D. Carey, David J. Wermuth and Nicolas D. Zerbib, each a member of the Investment Committee of Stone Point Capital. James D. Carey, David J. Wermuth, Nicolas D. Zerbib, Scott J. Bronner and Eric L. Rosenzweig are members of the Investment Committee of Stone Point Credit. Messrs. Davis and Friedman are observers on the Stone Point Credit Investment Committee.

### *Fund Structure*

The Firm serves as investment manager of the Funds based on the investment objectives, policies and restrictions contained in the investment management agreement, 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 and, in the case of Stone Point BDC, its registration filings and periodic reports filed with the U.S. Securities and Exchange Commission (the *"SEC"*) (collectively, *"Governing Agreements"*).

Private Funds established primarily for investors not affiliated with the Firm (other than Other Sponsored Funds) are referred to as the *"Institutional Funds"* in this Brochure, and Private 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 Investment Advisers Act of 1940, as amended (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 Private 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 Private Funds in connection with the formation of the Private Funds in such Fund Group.

Other Sponsored Funds are established for third-party institutional investors and pursue customized investment objectives, policies and restrictions as set forth in the applicable Governing Agreements of the applicable Other Sponsored Fund.

All Private Funds are exempt from registration under 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 generally offered to investors that are accredited investors and qualified purchasers or knowledgeable employees of the Firm who meet the sophistication standard. Interests in Stone Point BDC are only offered to investors that are “*accredited investors*,” as defined in Regulation D of the Securities Act.

#### *Advisory Services*

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

The Trident Funds and certain Other Sponsored Funds primarily make private equity investments, and the Opportunities Funds and certain Other Sponsored 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.

Stone Point BDC seeks to generate current income and, to a lesser extent, capital appreciation by targeting investment opportunities with favorable risk-adjusted returns. Stone Point BDC seeks to invest primarily in senior secured or unsecured loans and, to a lesser extent, subordinated loans or mezzanine loans or equity-related securities including warrants, preferred stock and similar forms of senior equity, which may or may not be convertible into a portfolio company’s common equity.

Clients 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 Client are memorialized in the applicable Governing Agreements. As discussed more fully in Item 7,

the Firm is permitted to, and currently does, provide investment advice to certain Other Clients other than the Funds (excluding investment vehicles wholly owned by the Funds).

Refer to Item 10 regarding the Affiliated Broker-Dealer.

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

### *Investment Restrictions*

The terms upon which the Firm serves as investment manager or advisor of a Client are established at the time each Client relationship is established and are generally set out in the Governing Agreements entered into by the Firm. The Firm will tailor its advisory services to the specific investment objectives and strategies of a specific Client. These terms, which vary among each Client, could limit the investments the Firm can invest on behalf of the relevant Client based on security classes, concentration limits, leverage limits and/or other criteria. As a BDC, Stone Point BDC must also adhere to specific criteria set forth in the Investment Company Act, including leverage limits and the requirement to invest at least 70% of its assets in “qualifying assets.” It should be noted that the Firm does not tailor its advisory services to the individual investment objectives and strategies of investors of the Trident Funds, the Opportunities Funds or Stone Point BDC.

The rights, duties and obligations of 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, sponsor or Adviser of each Fund will, from time to time, 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 will have the effect of establishing rights under or supplementing the terms of the applicable Fund’s Governing 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 often include, without limitation, (i) reporting obligations of the Fund, (ii) transfers to affiliates, (iii) co-investment opportunities, (iv) confidentiality / publicity restrictions, (v) withdrawal events, (vi) consent rights to certain amendments to the applicable Fund’s Governing Agreement and indemnification arrangements, (vii) economic arrangements (including alternative fee or other compensation arrangements), and/or (viii) opting out of particular investments. If a side letter is entered into entitling an investor in a Private Fund to opt out of a particular investment or withdraw from such Fund, any election to opt out or withdraw by such investor will generally 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 could 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 their respective affiliates if 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, 2021, Stone Point Capital managed approximately \$44,331,876,277 of Client assets on a discretionary basis, and Stone Point Credit managed approximately \$3,516,362,256 of Client assets, of which \$3,004,073,970 is on a discretionary basis and \$512,288,286 is on a non-discretionary basis.

**ITEM 5. FEES AND COMPENSATION***Firm Compensation*Private Funds

As compensation for its services, the Firm typically receives management fees from Institutional Funds and Other Sponsored Funds (“*Management Fees*”); however, Affiliated Funds and certain Institutional Funds (including Co-Investment Funds established for co-investment in specific transactions) do not pay Management Fees. The Firm may receive management fees from certain Co-Investment Funds in the future. Management Fees may be deferred or 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 for Private Funds 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, the withholding of such amounts from proceeds otherwise distributable by such Fund, or the borrowing of such amounts under the Firm’s various subscription credit facilities. 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 period.

The Management Fee payable to the Firm may vary but current Institutional Funds and Other Sponsored Funds generally pay between 0.25% and 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 or Other Sponsored Fund by an unaffiliated limited partner, and the point in time in the life cycle of the relevant Funds.

Supervised persons of the Firm (and the Wafra 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 addition to Management Fees, the Firm also receives advisory, monitoring, origination, structuring and certain other transaction-related fees from portfolio companies of a Fund Group ("*Ancillary Fees*"). 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 will either be retained by the Firm or distributed to the investors in accordance with the applicable Funds' Governing Agreements. 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 by such co-investors including, but not limited to, administration, structuring, advisory or other services shall generally belong to the General Partner or such affiliate to the extent that they are not otherwise paid to the co-investors, and not be for the benefit of a Private Fund or offset against the Management Fee.

Refer to "Affiliated Broker-Dealer Fees" below for additional information regarding fees.

The Firm or its personnel also receive directors' fees from certain portfolio companies of the Funds. In connection with Trident VII, L.P., Trident VIII, L.P. and Trident IX, L.P. (and their co-investment vehicles) and the Opportunities Funds, the allocable portion of directors' fees from public and non-public portfolio companies is credited 100% against the Management Fee, net of unreimbursed expenses, and related exclusively to the performance of services in connection with the Fund's portfolio investment. In connection with certain 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, in the case of Operating Partners and Senior Advisors, if applicable. 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.

Notwithstanding the foregoing, any directors' fees, monitoring fees and other compensation received by any Operating Partners or Senior Advisors in respect of acting as a director or officer of, or providing other services to, a portfolio company will generally be retained by such persons and will not be for the benefit of a Fund or offset against the Management Fee.

The compensation paid by Other Clients (including, if applicable, Management Fees, Ancillary Fees, Carried Interest or other forms of compensation) is negotiated on a case-by-case basis.

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



Stone Point BDC

Pursuant to its investment advisory agreement with Stone Point Credit (the “*Investment Advisory Agreement*”), Stone Point BDC pays Stone Point Credit an asset-based Management Fee for management services in an amount equal to an annual rate of 1.30% of the average value of Stone Point BDC’s gross assets (excluding cash and cash equivalents) as of the most recently completed calendar quarter and the last day of the immediately preceding calendar quarter payable quarterly in arrears. Stone Point Credit also will be entitled to receive certain incentive fees commencing on the fourth anniversary of the initial drawdown date for Stone Point BDC, which is December 21, 2020, as discussed more fully in Item 6 below.

*Affiliated Broker-Dealer Fees*

SPC Capital Markets LLC, a broker-dealer registered with the SEC and a member of FINRA and Securities Investor Protector Corporation (SIPC) (“*Affiliated Broker-Dealer*”) and SPC Financing Company LLC (“*SPC Financing*” and together with the Affiliated Broker-Dealer, the “*SPC Financing Vehicles*”), each an affiliate of the Firm, may manage or otherwise participate in underwriting syndicates with respect to the equity or debt securities or other instruments of portfolio companies and other entities through or in which certain Clients invest, including in respect of securities or other instruments of such portfolio companies in which the Funds or Other Clients are (or are not) investing, or already have (or have not) invested. The Affiliated Broker-Dealer and/or SPC Financing, as appropriate, may also be involved in the public offering or private placement of such debt or equity securities or other instruments, and/or may provide capital markets advisory or other services to portfolio companies and other entities through or in which the Clients invest, or to a third party in a transaction in which the Clients may invest. Subject to applicable law, the SPC Financing Vehicles will receive fees and compensation, including underwriting fees, placement fees, syndication fees, transaction fees, commissions, underwriting discounts, interest payments and other compensation which may be payable in cash or equity or debt securities, in respect of the activities described herein. The SPC Financing Vehicles may also waive such fees and other compensation. While such fees and other compensation are believed by the Firm to be reasonable and are expected to be charged at market rates for the relevant activities, such fees and other compensation are generally determined through negotiations among the transacting parties. Such fees and compensation received by the Affiliated Broker-Dealer or SPC Financing for the foregoing activities will not be generally for the benefit of the Clients, and will not be offset against Management Fees, other than in accordance with the relevant Governing Agreements. Please see Item 10 for more information.

The Affiliated Broker-Dealer and SPC Financing are described in additional detail in Item 10 below.

*Minority Investors*

Stone Point Capital is owned 75.1% by SPC Field and, since December 31, 2012, 24.9% by an affiliate of Wafra Investment Advisory Group (the “*Wafra Investor*”). The Wafra Investor also has, on an indirect basis, its proportionate ownership interest in Stone Point Credit. Effective as of January 1, 2021, the aggregate ownership of Stone Point Credit by SPC Field and the Wafra Investor has been reduced to 80% with no change to their relative basis of ownership, and the balance of Stone Point Credit is now owned by new passive investors.

*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. 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. If an Operating Partner or Senior Advisor serves as a director at a portfolio company, that Operating Partner or Senior Advisor also is generally eligible to receive director fees 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 are permitted to 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 other applicable 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 often require extensive due diligence activities prior to investment, and the related expenses are often quite substantial. These expenses generally include, among others, costs, and expenses attributable to due diligence, structuring, organizing, acquiring, legal, filing, accounting, investment banking, travel and entertainment, consulting, research, brokerage, finder's fees, financing and other similar fees and expenses, and submission costs. Such expenses will generally be borne solely by the Main Funds or Stone Point BDC (except for amounts that are treated as manager expenses under the applicable Governing Agreements), and for the Private Funds, 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-investors.

*Allocation of Fees and Expenses*

Each Client bears offering and organizational expenses subject, in certain cases, to a maximum amount set forth in such Client'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;
- expenses incurred in connection with 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, Stone Point BDC and Other Sponsored Funds (including certain travel expenses);
- third-party advisor fees and out-of-pocket expenses incurred in connection with transactions evaluated on behalf of, but not consummated by, such Fund;
- legal, compliance, auditing, tax compliance, consulting, administrator, valuation (if applicable) 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, if any;
- expenses of reports to, meetings with, or compliance with respect to any limited partner or shareholder;
- insurance, bank fees, taxes and governmental charges applicable to such Fund;
- for the Trident Funds, 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 below) 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. The Firm or its Advisory Affiliates will, from time to time, provide certain Funds with accounting, reporting, data processing, legal, administrative, investment-level management and servicing, market research and other similar services that would otherwise be performed by third parties, and the cost of performing such services may be borne by the Funds, in accordance with and subject to the limitations set forth in the applicable Funds' Governing Agreements. 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 is 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. For the avoidance of doubt, the Firm is authorized to advance funds to a Client to permit such Client to meet its obligations and is authorized to pay (or be reimbursed for the payment of) expenses and other obligations of a Client by drawing capital commitments or using assets of such Client, including proceeds otherwise distributable to such Client or investors.

Travel, entertainment and related expenses include, without limitation, first class and/or business class airfare (and/or private charter, where appropriate), first class lodging, ground transportation, travel and

premium meals (including, as applicable, closing dinners and mementos, car service and meals (outside normal business hours), and social and entertainment events with investors, prospective investors, members of the Board of Advisors, portfolio company management, customers, clients, borrowers, brokers and service providers). Moreover, the Firm and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund which will not be subject to the Management Fee offset or otherwise shared with a Fund, its investors and/or the portfolio companies. Such benefits may include, among other things, participation at meals or events, or “miles” or “points” or other benefits of loyalty / status programs, airline travel or hotel stays where the costs of such event, meal or stay were incurred as Fund expenses or as portfolio company or third-party expenses. All such benefits and/or amounts, whether or not de minimis or difficult to value, will inure exclusively to the Firm and such personnel (and not the Fund, their investors and/or the portfolio companies) even though the cost of the underlying service is borne by the Funds and/or the portfolio companies. For the Trident Funds, certain expenses that are not Fund expenses may nevertheless be reimbursed by fee income prior to any offset of Management Fee.

From time to time, the Firm will be required to decide whether costs and expenses are to be borne by one Client, on the one hand, or the Firm, on the other, and/or how certain costs and expenses should be allocated between such Client and the parallel funds or between such Client, on the one hand, and a separate Client, 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 a different Fund. In these circumstances, such other 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. It is also possible that a Trident Fund could invest in a portfolio company that had been considered for an investment by a different Fund but was not pursued. In those circumstances, the Trident Fund could benefit from the Firm’s diligence and/or from costs borne by such other Fund, but the Trident Fund will not be required to reimburse such other Fund for expenses incurred in connection with such investment. The Firm will make such judgments regarding appropriate allocation notwithstanding their interest in the outcome, in accordance with the relevant Governing Agreements and the Firm’s expense allocation policy. Conflicts of interest are expected to arise in allocating any such fees and expenses between the Firm (or its affiliates) and the Clients.

Stone Point Credit serves as the administrator of Stone Point BDC (in such capacity, the “*Administrator*”). Subject to the supervision of Stone Point BDC’s Board of Directors (the “*Board of Directors*”), the Administrator provides the administrative services necessary for Stone Point BDC to operate and Stone Point BDC will utilize the Administrator’s office facilities, equipment and recordkeeping services. Stone Point BDC reimburses the Administrator for all reasonable costs and expenses incurred by the Administrator in providing these services, facilities and personnel, as provided by the administration agreement by and between Stone Point BDC and the Administrator (the “*Administration Agreement*”). No separate fee is paid in connection with the services provided under the Administration Agreement. In addition, the Administrator is permitted to delegate its duties under the Administration Agreement to affiliates or third parties, and Stone Point BDC reimburses the expenses of these parties incurred directly and/or paid by the Administrator on Stone Point BDC’s behalf. As a result of the arrangements set forth in the Administration Agreement, Stone

Point BDC is expected to bear all or a portion of the costs, fees and expenses for certain services provided by Stone Point Credit as Administrator, even though similar costs, fees, and expenses in respect of comparable services that are provided by Stone Point to Other Clients (including Private Funds) will in certain instances be borne by Stone Point rather than such Clients. Stone Point Credit can waive any amounts owed to it under the Administration Agreement, at its discretion. The Administrator has entered into a sub-administration agreement (the “*Sub-Administration Agreement*”) with U.S. Bank Global Fund Services (the “*Sub-Administrator*”) under which the Sub-Administrator provides various accounting and other administrative services with respect to Stone Point BDC. Stone Point BDC pays the Sub-Administrator fees for services Stone Point Credit determines are commercially reasonable in its sole discretion. Stone Point BDC also reimburses the Sub-Administrator for all reasonable expenses. To the extent that the Sub-Administrator outsources any of its functions, the Sub-Administrator pays any compensation associated with such functions. The cost of such compensation, and any other costs or expenses under the Sub-Administration Agreement, is in addition to the cost of any services borne by Stone Point BDC under the Administration Agreement. Additional information regarding the fees and expenses borne by Stone Point BDC is set forth in the Administration Agreement and Stone Point BDC’s Governing Agreements.

## ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

### *Private Funds*

As noted above, the Firm is compensated for the investment advisory services it provides to the Institutional Funds and Other Sponsored Funds through Management Fees and may also receive Ancillary Fees in connection with an investment. In addition, supervised persons of the Firm (and the Wafra Investor described above) typically are entitled to receive, often through a direct or indirect ownership interest in the General Partner of or in 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 will 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 creates an incentive for the Firm to invest a Client’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. Additionally, the Firm generally considers performance-based compensation to better align its interests with those of its investors.

### *Stone Point BDC*

As described more fully in Stone Point BDC’s Governing Agreements, beginning on the fourth anniversary of the date on which investors in Stone Point BDC were required to fund their initial drawdown (the “*BDC Incentive Commencement Date*”), Stone Point BDC will pay Stone Point Credit an incentive fee (“*Incentive Fee*”), generally consisting of (i) an income-based incentive fee equal to 15% of “pre-incentive fee net investment income” for the immediately preceding calendar quarter, subject to a quarterly preferred return

of 1.75% (i.e., 7% annualized) measured on a quarterly basis and a “catch-up” feature, and (ii) a capital gains-based incentive fee, which generally will be determined and payable following the BDC Incentive Commencement Date, in arrears, as of the end of each calendar year in an amount equal to 15% of realized capital gains, if any, determined on a cumulative basis from the BDC Incentive Commencement Date through the end of such calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis from the BDC Incentive Commencement Date through the end of such calendar year, less the aggregate amount of any previously paid capital gains incentive fees. “Pre-incentive fee net investment income” generally means interest income, dividend income and any other income accrued during the calendar quarter, minus operating expenses for the quarter, including the base management fee, expenses payable to the Administrator under the Administration Agreement, any interest expense and distributions paid on any issued and outstanding preferred stock, but excluding (x) the incentive fee and (y) any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

The Firm recognizes that some of the Clients have different terms in respect of the amount or timing of fees and performance allocations, including related to waterfall conditions and other terms, and that, accordingly, actual, or perceived conflicts of interest will arise in allocating opportunities to, between or among the Clients 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 Clients 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 Clients. The Governing Agreements typically address such matters in detail, including to what extent opportunities must be allocated to a particular Client, 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 or the Client, 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 Clients are the Trident Funds, the Opportunities Funds, the Other Sponsored Funds and Stone Point BDC. The Firm provides investment advice to the 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 and by a Stone Point BDC investor \$50,000 for an individual investor and \$250,000 for an institution, 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 for a Private Fund and Stone Point Credit for Stone Point BDC.

The Firm typically requires that each investor in a Private 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. Each investor in Stone Point BDC is required to be an “accredited investor” as defined in Regulation D under the Securities Act.



Pursuant to the investment management agreements between the Firm and the Funds and the applicable Governing 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 Governing Agreements, the Firm is permitted to, and does currently, provide investment advice to Other Clients. In particular, Stone Point Credit provides investment advice to certain investors pursuant to investment management agreements.

## **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. The Firm believes that focusing its activities on proactive deal sourcing produces higher quality investment opportunities. The Firm seeks investment opportunities in sectors of the financial services industry that it believes are attractive using a rigorous "top-down" and "bottom-up" process. Many of the investments made by the Trident Funds have originated because of this process. The Firm regularly evaluates and selects sectors on which to focus based on an investment thesis (top-down approach) and designates a team of investment professionals to identify leading companies and managers in these sectors (bottom-up approach). This process includes:

- Firm-wide discussions to prioritize the identified sub-sectors
- Dedicating small teams of investment professionals to study these sectors
- Interaction with industry experts and attendance at key industry conferences
- Proactive outbound calling efforts and meetings with management teams

Identifying an attractive opportunity through this targeted process can take many years, but it enables the Firm to source proprietary investment opportunities that are not part of a competitive auction process and to respond quickly when attractive opportunities emerge. Further, the experience, knowledge, reputation, contacts and track record of the Firm's investment team provide an advantage in recruiting established management teams. As a result of these relationships and proactive deal sourcing, Stone Point has successfully developed numerous proprietary opportunities over the Firm's history.

The Firm devotes substantial time and resources to the investment process for potential investment opportunities. Throughout the process, the applicable Investment Committee works closely with investment team members who have developed substantial subsector expertise during their tenure with the Firm. Although the amount of time spent and the exact nature of this work will vary from company to company,

the due diligence process generally involves an in-depth evaluation of the business model of each prospective portfolio company, the value proposition and profitability of products and service offerings, the knowledge and experience of the management team, the quality of historical operating performance and earnings, dynamics of the competitive environment, exposure to legacy risks and liabilities, requirements of the regulatory framework within which the company operates, cyclicity of the markets served by the company, and growth prospects of specific industry segments. In addition, the Firm recognizes that a responsible approach to investing which considers environmental, social and governance (ESG) issues is an important element of its investment strategy. Stone Point is committed to considering material ESG issues relevant to its investment strategy during its due diligence and in the monitoring of portfolio investments.

In the case of the Trident Funds, the Funds generally take control positions (and to a lesser extent, 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 and the Other Sponsored Funds (currently established by the Firm) 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 and such Other Sponsored 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.

Stone Point BDC's investment objective is to generate current income and, to a lesser extent, capital appreciation by targeting investment opportunities with favorable risk-adjusted returns. Stone Point BDC seeks to invest primarily in senior secured or unsecured loans and, to a lesser extent, subordinated loans, mezzanine loans and equity-related securities including warrants, preferred stock, and similar forms of senior equity, which may or may not be convertible into a portfolio company's common equity. Stone Point BDC generally is expected to invest, under normal market conditions, at least 75% of the value of its total assets (measured at the time of each such investment taking into account certain initial assumptions regarding the expected amount of total assets of Stone Point BDC once fully invested) in portfolio companies that are in the financial services, business services, software and technology or healthcare services sectors.



Stone Point BDC generally expects to invest in middle market companies with EBITDA between \$30 million and \$125 million annually, and/or annual revenue of \$75 million to \$1.5 billion. Notwithstanding the foregoing, Stone Point Credit may determine whether companies qualify as “middle market” in its sole discretion, primarily based on an analysis of the EBITDA of such companies, although other factors may be considered, and Stone Point BDC may from time to time invest in smaller or larger companies if an attractive opportunity presents itself, especially when there are dislocations in the capital markets, including the high yield and syndicated loan markets. Stone Point BDC’s target credit investments will typically have maturities between 3 and 6 years and generally range in size between \$20 million and \$100 million. The investment size will vary with the size of Stone Point BDC’s capital base.

#### *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***. Such summary does not purport to be a complete list or explanation of the risks involved in 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 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 of a Private Fund 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.
- ***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 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 and/or 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 non-U.S. jurisdictions, the costs of compliance may be borne by such Fund.

As registered investment advisers under the Advisers Act, Stone Point Capital and Stone Point Credit are 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 SEC has particularly scrutinized the private equity industry, including private credit and BDC sponsors, including conducting several examinations and bringing several enforcement actions particularly focused on private equity, private credit and BDC sponsors. Considering 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. Any further increases in the regulatory burdens applicable to private investment funds or BDCs 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.

Additionally, 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.

Finally, the SEC has indicated that it intends to seek to enact changes to numerous areas of law and regulations that would impact the business of Stone Point and the Funds. In particular, the SEC has signaled an increased emphasis on investment adviser and private fund regulation and has proposed several new rules that, if adopted, would impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Any such changes are expected to materially impact Stone Point and its affiliates, the Funds and/or their investments, as well as increasing their expenses. Significant time and resources may be required to comply with new regulations, which potentially will detract from the time and resources dedicated to the Funds.

- ***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 and credit 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.
- ***Absence of Regulatory Oversight.*** While the Private 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, Private Fund investors 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 of the Private Funds, and Stone Point Credit as the investment adviser to Stone Point BDC, 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.
- ***Business and Market Risks.*** A Client's investments could involve a high degree of business and financial risk, which could result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in competitive environment, changes in national or international economic and market conditions

and changes in laws, regulations, trade barriers, commodity prices and controls, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks, security operations, infectious disease outbreaks, epidemics and pandemics. The possibility of partial or total loss of capital will exist.

- ***Inflation Risks.*** If a portfolio company is unable to increase its revenue in times of higher inflation, its profitability would be adversely affected. Typically, as inflation rises, a portfolio company will earn more revenue but also will incur higher expenses; as inflation declines, a portfolio company might be unable to reduce expenses in line with any resulting reduction in revenue. A rise in real interest rates would likely result in higher financing costs for portfolio companies and could therefore result in a reduction in the amount of cash available for distribution to investors or the value of the portfolio company.
- ***Cyclicalities.*** 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. By way of example, the financial performance of credit-related investments, which includes both regulated institutions, such as depositories, as well as specialty finance and asset management investments, are susceptible to the cyclicalities associated with the sector. Although an individual credit platform's financial performance depends in part upon its own specific business characteristics, there are macroeconomic factors that could result in more benign or severe investment environments. The Firm expects the Funds to continue to experience the effects of this cyclicalities.
- ***Economic and Political Environment.*** Various sectors of the global financial markets have been experiencing an extended period of adverse conditions. Market uncertainty has increased dramatically, particularly in the U.S. and Europe, and adverse market conditions have expanded worldwide. These conditions have resulted in disruption of the global credit markets, periods of reduced liquidity, greater volatility, general widening of credit spreads, an acute contraction in the availability of credit and a lack of price transparency. These volatile and often difficult global credit market conditions have episodically adversely affected the market values of equity, fixed-income and other financial instruments and this volatility could continue and conditions could even deteriorate further. Some of the largest banks and companies across many sectors of the economy in the U.S. and Europe have declared bankruptcy, entered insolvency, administration, or similar proceedings, been nationalized by government authorities and/or agreed to merge with or be acquired by other banks or companies that had been considered their peers. The long-term impact of these events is uncertain but could continue to have a material effect on general economic conditions, consumer and business confidence and market liquidity. On the political front, the Firm is consistently wary of changes that could result in market volatility; areas of heightened focus include the war involving Russia and Ukraine, 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 because 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.

Many of the portfolio companies in which the Funds invest may be susceptible to economic slowdowns or recessions. Therefore, non-performing assets may increase, and the value of the Funds' portfolio may decrease during these periods as the Funds are required to record the investments at their current fair value. Economic slowdowns or recessions could lead to financial losses in the Funds' portfolio and a decrease in revenues, net income, and assets. Unfavorable economic conditions also could increase portfolio companies' funding costs, limit portfolio companies' access to the capital markets or result in a decision by lenders not to extend credit to such portfolio company. These events could prevent the Funds from increasing investments and harm its operating results.

In addition, in February 2022, Russia launched a large-scale invasion of Ukraine. The extent and duration of Russian military action in the Ukraine, resulting economic sanctions and resulting future market disruptions, including declines in stock markets in Russia and elsewhere, decline in the value of the ruble against the U.S. dollar, or the rise in the price of oil, are impossible to predict, but could be significant. Any disruptions caused by the invasion of Ukraine or other actions (including cyberattacks and espionage) or disruptions resulting from actual or threatened responses to the invasion of Ukraine or other actions could cause disruptions to companies and markets globally, including our portfolio companies that have offices or locations in Europe or that have substantial business relationships with European or Russian companies or customers. Any such disruptions could affect portfolio companies' operations and, as a result, could have a material adverse effect on the Funds' business, financial condition, and results of operations.

- ***Coronavirus and Public Health Emergencies.*** The coronavirus ("COVID-19") outbreak continues to be a major global health crisis. The outbreak of COVID-19 has resulted in numerous deaths, adversely

impacted global commercial activity, contributed to significant volatility in certain equity, debt, derivatives, and commodities markets. The extent and duration of such negative impact, to the private equity industry and global markets as a whole, is as yet unknown. The global ramifications of the outbreak continue to evolve, and many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Many businesses have taken similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, created significant disruption in the global public and private markets, supply chains and economic activity and are especially impactful on transportation, hospitality, tourism, entertainment, and other industries. Moreover, with the continued spread of COVID-19 and variations, could lead governments and businesses to take or re-impose aggressive measures to help slow its spread. For this reason, among others, the potential impacts, of COVID-19, including a global, regional, or other economic recession (which recessions some financial experts opine have already arrived), remain uncertain and difficult to assess. The extent of COVID-19's impact will depend on many factors, including for example: the severity and duration of the pandemic (including the impact of new COVID strains); the pandemic's continued impact on the U.S. and global economies; the timing, scope and effectiveness of additional governmental responses to the pandemic; the timing and speed of economic recovery; the availability and effectiveness of new treatments and the continued roll outs of COVID-19 vaccines, including booster vaccines.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could negatively impact the Funds and their portfolio companies and could meaningfully affect a Fund's ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on a Fund's and its portfolio companies' operational and financial performance will depend on many factors, including but not limited to the duration and scope of such public health emergency, the extent of any related travel advisories and voluntary or mandatory government restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, the extent of government support and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may negatively impact the value and performance of a Fund's portfolio companies, a Fund's ability to source, manage and divest investments (including but not limited to circumstances where potential transactions are already signed but not closed) and a Fund's ability to achieve its investment objectives, all of which could result in significant losses to a Fund. Any such disruptions may continue for an extended period. In addition, the operations of a Fund, its portfolio companies, and the Firm may be significantly impacted, or even temporarily or permanently halted (as is already the case with certain businesses within the Funds' portfolio), as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of



any such entity or the personnel of any such entity's key service providers. The impact to businesses in such circumstances has been and is expected to continue to be substantial.

In connection with the impacts of the current pandemic and any future such public health crisis, the Funds are expected to incur heightened legal expenses which could similarly have an adverse impact to a Fund's returns. For example, but not by limitation, a Fund or its portfolio companies may be subject to heightened litigation and its resulting costs, which costs may be significant and are expected to be borne by the appropriate Fund. There is a greater risk that limited partners or shareholders could have difficulty funding capital calls. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to a Fund or its portfolio companies in the form of economic harm, data loss or other negative outcomes.

Since the outset of the pandemic, the global financial markets have experienced considerable volatility, and economic and financial market conditions have significantly deteriorated as compared to the year ended December 31, 2019. The assets under management disclosed in the Firm's Form ADV Part 1 and in Item 4 above, each as of December 31, 2021, may not fully take into account these subsequent events, which the Firm expects will have an adverse effect on the investment performance of the Funds. The Firm values investments by reference to one or more inputs and methodologies, including, to the extent applicable, public and private market quotations for the investment, public and private market quotations for assets the value of which can serve as a reference to the value of the investment, discounted cash flow analysis, valuations at multiples of specific financial measurements (e.g., EBITDA) based on multiples at which comparable companies trade, and estimates of the fair value of the assets and liabilities on an entity's balance sheet. As an example of how these inputs could impact the investment performance of the Funds and the assets under management of the Firm, to the extent that the Firm determines the value of an investment in whole or in part by reference to public market valuations, the Firm expects these investment values to be negatively impacted by recent market events and the assets under management of the Firm to be reduced accordingly.

- ***Force Majeure and Climate Change.*** Portfolio investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations until they are able to remedy the force majeure event. These risks could, among other effects, adversely impact the cash flows available from a portfolio company, cause personal injury or loss of life, damage property, or instigate disruptions of service. In addition, the cost to a borrower of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business

activity generally, or in any of the countries in which the Funds or Other Clients may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to the Funds or Other Clients, including if the investment in such portfolio companies is canceled, unwound, or acquired (which could be without adequate compensation).

- **Systems Risk; Cyber Security Breaches and Identity Theft.** Investment advisers, including the Firm, rely extensively on computer programs and systems (and could rely on new systems and technology in the future) for various purposes, including trading, clearing, and settling transactions, evaluating certain investments, monitoring their portfolios and net capital, and generating risk management and other reports that are critical to oversight of a Fund's activities. Certain of the Funds' and the Firm's operations will be dependent upon systems operated by third parties, including prime brokers, administrators, market counterparties and their sub-custodians and other service providers, though the Firm could perform certain of these functions internally in reliance on their own systems (the cost of which could be borne by the Funds). The Funds' service providers could also depend on information technology systems that could or could not be controlled by them and, notwithstanding the diligence that the Fund could perform on its service providers, the Fund could not be able to verify the risks or reliability of such information technology systems.

Funds, the Firm, their affiliates and their service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs, and data from both intentional cyber-attacks and hacking by other computer users, as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. 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. The Firm 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 Fund investors (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. The use of internet or cloud-based programs, technologies and data storage applications generally heighten certain of these risks, and the risks of attack are heightened in remote work environments.



- **Data Protection Risk.** The Funds and/or Stone Point's processing of personal data associated with their representatives, investors, service provider representatives and others, including the use of third-party processors and cloud-based services to, among other things, store and maintain personal data, imposes legal and regulatory risks. Legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop. Certain activities of the Funds, Stone Point and/or their affiliates, for example, could be subject to the California Consumer Privacy Act ("CCPA"), the Cayman Islands Data Protection Law ("DPL") and/or data protection laws in other states and/or countries that could take effect in the near future. While the Funds, Stone Point and their affiliates intend to comply with their privacy and data protection obligations under the CCPA, the DPL and other applicable laws, they could be unable to accurately anticipate the ways in which regulators and courts will apply or interpret the law. The failure of the Funds, Stone Point and/or affiliates indirectly providing services to the Funds to comply with privacy and data protection laws could result in negative publicity and could subject the Funds, Stone Point and/or affiliates to significant costs associated with litigation, settlements, regulatory action, judgments, liabilities, or penalties. If privacy or data protection laws are implemented, interpreted, or applied in a manner inconsistent with the Firm's expectations, its business practices could change in a manner that adversely impacts the Funds. Moreover, if the Funds, Stone Point and/or affiliates suffer a security breach impacting personal data, there could be obligations to notify government authorities, stakeholders and affected data subjects, which could divert the Funds' and/or Stone Point's time and effort and entail substantial expense.
- **Sanctions Laws.** Economic sanction laws in the United States and other jurisdictions prohibit Stone Point and the Funds from transacting with certain countries, individuals, and companies. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") administers and enforces laws, Executive Orders and regulations establishing U.S. economic and trade sanctions, which prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities, and individuals. These types of trade sanctions significantly restrict or completely prohibit certain investment activities in regions outside the United States, and if a Fund or Other Client or its portfolio companies were to violate any such laws or regulations, it could face significant legal and monetary penalties. Some of these regulations provide that penalties can be imposed on Stone Point, a Fund and Other Clients for the conduct of a portfolio company, even if such person has not violated any regulation.
- **FOIA/Public Disclosure.** As a result of the U.S. Freedom of Information Act ("FOIA"), any governmental public records access law, any state or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement, the Firm, investors in the Funds or any of their respective affiliates may be required to disclose information relating to a Fund, or their affiliates, and/or any entity in which an investment is made, which disclosure could, for example, affect such Fund's competitive advantage in finding attractive investment opportunities. In addition, the identity of and certain information regarding investors in the Funds, such as public pension plans and listed investment vehicles may be subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years and that trend may continue. To the extent that disclosure of confidential information relating to the Funds, or their portfolio investments results from interests being held by public investors, the Funds may be adversely affected.

- ***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.
- ***Side Letters.*** As discussed above, Stone Point and/or its affiliates reserve the right to enter into side letters with investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, information rights, specialized reporting, rights to serve on the Fund's advisory board, affiliate transfer rights, confidentiality protections and disclosure rights, excuse rights, modified fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of Stone Point's compensation), as well as economic procedural and other terms.

Stone Point is likely to have its own economic and/or other business incentives to provide certain terms to certain investors (e.g., based on commitment amount to a Fund or the timing thereof, the ability of a limited partner to provide sourcing or other services to Stone Point, its affiliates and personnel or the Funds), or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Stone Point, its affiliates and personnel, or the Funds. Further, side letters may also relate to strategic relationships under which an investor agrees to make commitments to multiple Funds. Except where required by Governing Agreements, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, Stone Point, the relevant General Partner, or any of their affiliates if certain investors have received additional and/or different rights and/or terms as a result of such side letters. Side letters subject Stone Point to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory board results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. As a consequence of one or more investors being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, the aggregate returns realized by participating or non-participating investors could be adversely affected in a material manner by the unfavorable performance of particular investments. Although Stone Point believes it to be unlikely, excuse rights requested or received by one or more investors (or such regulatory, tax or other factors applicable to such investors) representing a substantial percentage of a Fund have the potential to create significant variations in limited partner investment returns, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. A limited partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Agreements; conversely, a limitation on one or more investors' voting rights generally will increase the voting rights percentage of other investors in the relevant Fund. Further, investors with different domiciles or tax categorizations could receive different investment returns or amounts of

tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicle, “blocker” or other structures used to facilitate their investments in, through or below a Fund.

- ***Interpretation of Governing Agreements and Legal Requirements.*** The governing and related documents of each Fund or Other Client are detailed agreements that establish complex arrangements among the Firm, the investors, the Fund or Other Client, and other entities and individuals. Questions will arise from time to time under these agreements regarding the parties’ rights and obligations in certain situations, some of which the parties may not have considered while drafting and executing these agreements. In these instances, the applicable provisions of the agreements, if any, may be broad, general, ambiguous, or conflicting, and may permit more than one reasonable interpretation. At times, there may not be provisions directly applicable to the situation at hand. While the Firm will construe the relevant agreements (including any “hedge clauses” discussed below) in good faith and in a manner consistent with its legal obligations, the interpretations it adopts may not necessarily be, and need not be, the most favorable interpretations for the Funds or Other Clients or their investors.

The Governing Agreements generally contain provisions (sometimes referred to as “hedge clauses”) that provide that the Firm and its agents have no responsibility or liability for any loss incurred by the Fund or any investor arising in connection with their activities on behalf of, or their association with, the Fund provided that such exculpation will not apply where such person committed certain bad acts (including fraud, willful misfeasance, or gross negligence). Hedge clauses are limited by, among other things, Section 206 of the Advisers Act, which the SEC has interpreted to impose certain duties on investment advisers that are not waivable.

- ***Restrictions on Transfer and Withdrawal.*** Interests in the Funds have not been registered under Securities Act or any other applicable securities laws, except for Stone Point BDC, which has elected to be regulated as a BDC under the Investment Company Act. There is no public market for interests in any Private Fund, and none is expected to develop. In addition, the interests are not transferable except with the consent of a General Partner (or, in the case of Stone Point BDC, the consent of Stone Point Credit), which may be withheld in its sole discretion, and are subject to the terms and conditions of the applicable Governing Agreements. Limited partners and shareholders generally may not withdraw capital from the Funds. Limited partners and shareholders 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.

While Stone Point BDC may undertake to register its common stock in the future, its common stock may never be registered and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, while Stone Point BDC may seek to undertake an exchange listing in the future, any such determination will depend on future circumstances and factors to be considered by its Board of Directors. There can be no assurance that an exchange listing will take place or that a public trading market for Stone Point BDC’s common stock will develop, or if one develops, that such trading market can be sustained.

- **Recycling; Reinvestment.** Investment proceeds received by the Funds and Other Clients during their respective investment periods can, depending on the terms of the relevant Governing Agreements, be retained in whole or in part by the Funds or Other Clients, or restored to investors' unused capital commitments and subsequently recalled, for future investments. In addition, the amount of capital contributions from investors used to pay a Fund or Other Client expenses subsequently distributed to investors will, with respect to certain Funds or Other Clients, be restored to the investors' unused capital commitments and become available to be recalled for future use. In addition, with respect to certain Funds and Other Clients, certain contributions will not reduce unused capital commitments. Accordingly, an investor in a Fund or Other Client can be required to make capital contributions more than its capital commitment and, to the extent such recalled or retained amounts are reinvested in investments, such investor will remain subject to investment risks and other risks associated with such investments.
- **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. 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 Private 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.** If a limited partner or shareholder fails to fund any portion of its commitment when due, such limited partner or shareholder may forfeit a portion of its interest in a Fund and may be subject to other default provisions under the applicable Governing Agreements. Other limited partners or shareholders may also face acceleration of the payment of their commitments in the event of a default by another limited partner or shareholder.
- **Involuntary Sale of Interest.** Pursuant to the various Governing Agreements, the General Partner of a Private Fund may, upon written request, cause a Fund investor to sell its interest in such Fund if the General Partner determines, in its sole discretion, that the continued participation of such Fund investor 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.
- **Board Participation.** Firm employees will serve as directors of some portfolio companies and, as such, may have duties to persons other than a Fund or Other Client, including other stockholders of such portfolio companies. Although holding board positions may be important to the Fund's or Other Client's investment strategy and may improve the Firm's management ability, board positions could impair the Firm's ability to sell the relevant securities and/or loans when and upon the terms it wants, and may subject the Firm, the Funds and Other Clients to claims they would otherwise not be subject to as an investor, including claims of breach of duty of loyalty, corporate waste, securities claims and other director-related claims.
- **Indemnification Obligations.** Each Private Fund will indemnify its General Partner (if applicable), the Firm, the Investment Committees, members of the Board of Advisors (and in the case of the Stone Point BDC, the Board of Directors) and the General Partner's (if applicable) 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 or stockholders, other than in respect of any of the foregoing arising out of gross negligence, fraud, willful misfeasance, material breach of the applicable Governing Agreements, 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 a Private Fund's assets are insufficient, the General Partner may recall distributions previously made to the limited partners, subject to certain limitations in the applicable Governing Agreements.

Stone Point Credit will not assume any responsibility to indemnify Stone Point BDC other than to render the services described in the Investment Advisory Agreement, and it will not be responsible for any action of the Board of Directors in declining to follow Stone Point Credit's advice or recommendations. Pursuant to the Investment Advisory Agreement, Stone Point Credit and its directors, officers, shareholders, members, agents, representatives, employees, controlling persons, and any other person or entity affiliated with, or acting on behalf of Stone Point Credit will not be liable to Stone Point BDC for their acts under the Investment Advisory Agreement, absent willful misfeasance, bad faith, gross negligence, or reckless disregard in the performance of their duties. Stone Point BDC will also agree to indemnify, defend and protect Stone Point Credit and its directors, officers, shareholders, members, agents, representatives, employees, controlling persons and any other person or entity affiliated with, or acting on behalf of Stone Point Credit with respect to all damages, liabilities, costs and expenses resulting from acts of Stone Point Credit not arising out of willful misfeasance, bad faith, gross negligence or reckless disregard in the performance of their duties. These protections may lead Stone Point Credit to act in a riskier manner when acting on Stone Point BDC's behalf than it would when acting for its own account.

- ***Possibility of Fraud and Other Misconduct of Employees and Service Providers.*** Misconduct by employees, service providers and/or their respective affiliates could cause significant losses. Misconduct could include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by Clients, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of Clients, and non-compliance with applicable laws or regulations (including in the workplace via inappropriate or unlawful behavior or actions directed to other employees) and the concealing of any of the foregoing. Such activities could result in reputational damage, litigation, business disruption and/or financial losses to Clients. Stone Point has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that Stone Point will be able to identify or prevent such misconduct.
- ***Defined Benefit Pension Liabilities.*** Recent court decisions have 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.

- ***CFIUS and National Security Clearance Considerations.*** Certain investments are expected be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States (“CFIUS”), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty, and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund’s performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. limited partners comprise a substantial percentage of a Private Fund. Under the Governing Agreements, the relevant General Partner generally is authorized, although not required, to excuse or otherwise limit non-U.S. limited partners’ ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow a Private Fund to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

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 enough 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.
- ***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.

- ***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 several 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.

- ***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 Governing Agreements.

While Stone Point BDC generally expects to invest in middle market companies with EBITDA between \$30 million and \$125 million annually, and/or annual revenue of \$75 million to \$1.5 billion, Stone Point Credit may determine whether companies qualify as “middle market” in its sole discretion, primarily based on an analysis of the EBITDA of such companies, although other factors may be considered, and Stone Point BDC may from time to time invest in smaller or larger companies if an attractive opportunity presents itself, especially when there are dislocations in the capital markets, including the high yield and syndicated loan markets.

There can be no assurance that the Firm will be successful in implementing any particular aspect of the Opportunities Fund’s or Stone Point BDC’s investment strategy or that it will be able to effectively achieve the Opportunities Fund’s or Stone Point BDC’s trading or investment activities. Furthermore, the Opportunities Fund’s or Stone Point BDC’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 Opportunities Fund’s or Stone Point BDC’s investment program.

- **ESG Considerations.** Each of Stone Point Capital and Stone Point Credit maintains a separate Responsible Investment Policy and seeks to integrate certain ESG diligence into its investment process in accordance with the relevant policy and subject to its fiduciary duty and any applicable legal, regulatory, or contractual requirements. There is no guarantee that Stone Point will be able to successfully implement its ESG policy or to identify ESG risks and/or opportunities while achieving its investment strategy. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Stone Point, or any judgment exercised by Stone Point, will reflect the beliefs or values of any particular investor. There are also significant differences in interpretations of what positive ESG characteristics mean by region, industry, and topic. Stone Point’s interpretations and decisions are expected to differ from others’ views and could also evolve over time. In addition, in evaluating an investment, Stone Point expects to depend upon information and data provided by several sources, including the relevant target companies and/or various reporting sources which could be incomplete, inaccurate, or unavailable, and which could cause Stone Point to incorrectly assess a company’s ESG practices and/or related risks and opportunities. Stone Point does not intend independently to verify all ESG information reported by target companies or third parties. Further, considering ESG qualities when evaluating an investment could result in the selection or exclusion of certain investments based on Stone Point’s view of certain ESG-related and other factors and could cause the relevant Funds not to make an investment that they would have made or to make a management decision with respect to an investment differently than they would have made in the absence of the ESG policies, which could negatively impact Stone Point’s performance.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and Stone Point’s adoption and adherence to various such principles, frameworks, methodologies, and tools is expected



to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement, and disclosure of ESG factors. Stone Point's ESG policies could become subject to additional regulation in the future, and Stone Point cannot guarantee that its current approach will meet future regulatory requirements.

- ***Integrated Business Model.*** Stone Point and its affiliates rely on Stone Point's investment professionals' active participation in, and experience with, capital and credit markets to gain understanding of transaction sourcing, investing, operating and exit opportunities. Stone Point's private equity and credit businesses are operated on an integrated investment platform with no information barriers.
- ***Co-investment with Third Parties.*** The Funds 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 able 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.** From time to time, a Fund will incur leverage in connection with its operations, collateralized by its assets and/or capital commitments. The use of leverage by such Fund will have important consequences to the investors, 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 investors; (e) the amount and timing of contributions and distributions to the investors may be affected in a manner that may have potentially adverse consequences to the investors; and (f) result in lower multiples of cost (but enhanced IRRs – see below). 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 will likely be increased due to the illiquidity of its investments generally. A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the limited partners or stockholders or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant General Partner's or the Firm's ability to consent to the transfer of a limited partner's interest in a Private Fund or impose concentration or other limits on a Fund's investments, and/or financial or other covenants, that could affect the implementation of the Fund's investment strategy. A Fund and any other parallel investment entities, alternative investment vehicles and/or co-investment vehicles 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 investors of a Fund or and/or investors of any other parallel investment entities, alternative investment vehicles and/or co-investment vehicles 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 investors and/or investors of any other parallel investment entities, alternative investment vehicles and/or co-investment vehicles up to the remaining amount of their respective unfunded capital commitments. Finally, the use of leverage may limit the investors' ability to use their interests as collateral for other indebtedness.

In connection therewith, credit facilities may be secured by an assignment of the investors' unfunded capital commitments or the Fund's portfolio investments and assets. Investors 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 investors to fund their commitments. The applicable Governing Agreements and the subscription agreements may provide a lender with the right to receive detailed due diligence and credit related information regarding the investors. The General Partners and/or Stone Point reserves the right, in their sole discretion, to waive these requirements for certain investors, which may have an adverse effect on the Fund's ability to obtain such credit facility or terms thereof.

- **Use of Subscription Line Facilities.** Certain Funds obtain subscription line facilities to facilitate investments (including on a temporary basis), support ongoing operations and activities of Funds and their respective portfolio investments and/or investments, enable Funds to pay Management Fees or

other fees, expenses, and liabilities and for any other purpose for which the Funds can call capital from their respective investors. Subscription line facilities will typically be entered into on a cross-collateralized basis with the parallel funds and alternative investment vehicles comprising a Fund Group and, in certain instances, with portfolio investments and co-investment vehicles. Such entities will typically be held jointly and severally liable for the full amount of the obligations arising out of such subscription line facility. If a Fund obtains a subscription line facility, it is expected that the Fund's capital needs (including both interim and potentially permanent capital needs) will in most instances be satisfied through borrowings by the Fund under the subscription line facility, and, less so, by drawdowns of capital contributions by the Fund. As a result, capital calls are expected to be conducted in larger amounts on a less frequent basis to, among other things, repay borrowings and related interest expenses due under such subscription line facilities.

Where a Fund uses borrowings under a subscription line facility in advance or in lieu of receiving capital contributions from investors to repay any such borrowings and related interest expenses, the use of such facility will result in a higher or lower reported internal rate of return than if the facility had not been utilized and instead capital contributions from investors had been contributed at the inception of an investment. This will present conflicts of interest. For example, the interest rate on any borrowings is likely to be less than the rate of the preferred return due to the investors under their partnership agreements. Because the preferred return of Funds typically will not accrue on such borrowings, but rather only accrues on capital contributions when made, the use of such subscription line facilities could reduce or eliminate the preferred return received by the investors and accelerate or increase distributions of carried interest to the General Partner for Private Funds. This will provide the General Partner or the Firm with an economic incentive to fund investments through such facilities in lieu of capital contributions. In addition, Management Fees can be paid to Stone Point using such borrowings even if capital contributions have not been made to the applicable Funds by its investors, and the proceeds of such borrowings will inform the calculation of adjusted cost, or any other metric used to determine the cost basis of an investment for purposes of calculating and paying Management Fees. Moreover, the fees, costs, and expenses of any such facilities will generally be allocated among a Fund and any parallel funds or other vehicles pro-rata or on such other basis that is determined by the General Partner or the Firm to be more equitable under the circumstances, which will increase the expenses borne by the applicable limited partners and would be expected to reduce net cash on cash returns.

- ***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 based on 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 and/or the Firm'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.
- ***Use of Expert Networks and Data Analytics.*** In connection with the evaluation of potential investment opportunities, Stone Point could engage expert networks and/or make use of data

analytics, including data provided by third-party vendors. Stone Point seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented policies and procedures to mitigate the risk that the use of expert networks (in the case of Stone Point Credit) or data analytics could result in the receipt of confidential information by investment professionals. However, because the Firm's business operates on an integrated platform without information barriers, if such controls fail and an investment professional obtains material nonpublic information, the Firm could be restricted in acquiring or disposing of investments on behalf of the Funds, which could impact the returns generated for the Funds.

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

- ***Investments by the Trident Funds.*** The securities in which the Trident 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 Trident 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 Trident Funds may make only a limited number of investments, and since the Trident 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 Trident Funds. The types of securities in which the Trident Funds invest, and the material risks associated therewith are described in greater detail in the private placement memoranda and the Governing Agreements of the Trident Funds.
- ***Purchase of "New Issues."*** The returns to the investors in the Funds on their investments in the Funds may differ depending upon whether they are deemed by the General Partner of each Fund and/or the Firm 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 and/or the Firm, 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.
- ***Investments in Publicly Traded Companies.*** The Funds' investment portfolio may contain securities or instruments issued by publicly held companies. Such investments may subject the Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities or instruments at certain times, increased likelihood of shareholder litigation against such companies' board members and increased costs associated with each of the aforementioned risks. Moreover, the Funds may not have the same access to information in connection with investments in public securities, either when investing in a potential investment or after making an investment, as compared to privately negotiated investments. Furthermore, the

Funds may be limited in its ability to make investments, and to sell existing investments, in public securities because Stone Point may be deemed to have material, non- public information regarding the issuers of those securities or because of other internal policies.

- **Foreign Investments.** The Funds will accept subscriptions and will maintain books and records in U.S. 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.
- **Risks of Investing in a Credit Vehicle.** In addition to the foregoing risks, investing in the Opportunities Fund, Stone Point BDC or an Other Sponsored Fund with a similar mandate 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', Stone Point BDC's and such Other Sponsored Funds' strategies and the material risks related thereto appear in the private placement memoranda and/or the Governing Agreements of the Opportunities Funds, Stone Point BDC and the Other Sponsored Funds, as applicable.



The Opportunities Funds, Stone Point BDC and the Other Sponsored Funds currently established by the Firm have a very broad mandate with respect to the type and nature of securities in which they invest. While some of the loans in which the Opportunities Funds, Stone Point BDC and such Other Sponsored Funds will invest may be secured, the Opportunities Funds, Stone Point BDC and/or the Other Sponsored Funds may also invest in debt or preferred equity securities that are either unsecured and subordinated to substantial amounts of senior indebtedness, or a significant portion of which may be unsecured. In such instances, the ability of the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds to influence a portfolio company's affairs, especially during periods of financial distress or following an insolvency is likely to be substantially less than that of senior creditors. For example, under terms of subordination agreements, senior creditors are typically able to block the acceleration of the debt or other exercises by the Fund of its rights as a creditor. Accordingly, the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds may not be able to take the steps necessary to protect its investments in a timely manner or at all. In addition, the debt securities in which the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds will invest may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency.

- **Credit Risk.** One of the fundamental risks associated with investments by the Opportunities Fund, Stone Point BDC and the Other Sponsored Funds is credit risk, which is the risk that an issuer will be unable to make principal and interest payments on its outstanding debt obligations when due. The return to investors would be adversely impacted if an issuer of debt in which the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds invest becomes unable to make such payments when due. Although such Funds may make investments that are believed to be secured by specific collateral, the value of which may initially exceed the principal amount of such investments or the fair value of such investments, there can be no assurance that the liquidation of any such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments with respect to such investment, or that such collateral could be readily liquidated. The Opportunities Funds, Stone Point BDC and the Other Sponsored Funds may also invest in leveraged loans, high yield securities, marketable and non-marketable preferred equity securities, and other unsecured investments, each of which involves a higher degree of risk than senior secured loans. Furthermore, the Opportunities Funds', Stone Point BDC's or such Other Sponsored Funds' right to payment and its security interest, if any, may be subordinated to the payment rights and security interests of a senior lender, to the extent applicable. Certain of these investments may have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. In addition, loans may provide for payments-in-kind, which have a similar effect of deferring current cash payments. In such cases, a portfolio company's ability to repay the principal of an investment may depend on a liquidity event or the long-term success of the company, the occurrence of which is uncertain.

With respect to the Opportunities Funds', Stone Point BDC's and the Other Sponsored Funds' investments in any number of credit products, if the borrower or issuer breaches any of the covenants or restrictions under the credit agreement that governs loans of such issuer or borrower, it could result in a default under the applicable indebtedness as well as the indebtedness held by the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds. Such default may allow the

creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. This could result in an impairment or loss of the Opportunities Funds', Stone Point BDC's or the Other Sponsored Funds' investment or a pre-payment (in whole or in part) of the Opportunities Funds', Stone Point BDC's or the Other Sponsored Funds' investment.

Similarly, while the Opportunities Funds, Stone Point BDC and/or the Other Sponsored Funds will generally target investing in companies it believes are of high quality, these companies could still present a high degree of business and credit risk. Companies in which such Funds invest could deteriorate because of, among other factors, an adverse development in their business, a change in the competitive environment or the continuation or worsening of the current (or any future) economic and financial market downturns and dislocations. As a result, companies that such Funds expected to be stable or improve 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 maintain their competitive position, or may otherwise have a weak financial condition or experience financial distress. In addition, exogenous factors such as fluctuations of the equity markets also could result in warrants and other equity securities or instruments owned by the Opportunities Funds, Stone Point BDC or the Other Sponsored Funds becoming worthless.

- **Risks Related to Investments in Loans.** The Opportunities Funds, Stone Point BDC and Other Sponsored Funds may invest in loans, either through primary issuances or in secondary transactions, including potentially on a synthetic basis. The value of such loans may be detrimentally affected to the extent a borrower defaults on its obligations. There can be no assurance that the value assigned by such Funds to collateralize an underlying loan can be realized upon liquidation, nor can there be any assurance that any such collateral will retain its value. Furthermore, circumstances could arise (such as in the bankruptcy of a borrower) that could cause such Funds' security interest in the loan's collateral to be invalidated. Also, much of the collateral will be subject to restrictions on transfer intended to satisfy securities regulations, which will limit the number of potential purchasers if such Funds intend to liquidate such collateral. The amount realizable with respect to a loan may be detrimentally affected if a guarantor, if any, fails to meet its obligations under a guarantee. Finally, there may be a monetary, as well as a time cost involved in collecting on defaulted loans and, if applicable, taking possession of various types of collateral.
- **LIBOR.** LIBOR, the London Interbank Offered Rate, is the basic rate of interest used in lending transactions between banks on the London interbank market and has been widely used as a reference for setting the interest rate on loans globally. Stone Point and its affiliates generally expect to use an alternative reference rate as the reference rate in term loans they extend to portfolio companies such that the interest due to them pursuant to a term loan extended to a portfolio company is calculated using the alternative reference rate. The terms of such debt investments generally include minimum interest rate floors which are calculated based on the applicable alternative reference rate.

On March 5, 2021, the United Kingdom's Financial Conduct Authority announced that all LIBOR settings will either cease to be provided by any administrator or no longer be representative (i) immediately after December 31, 2021 for all four non-U.S. dollar ("USD") LIBORs (British Pound, Euro, Swiss Franc and Japanese Yen) and for one-week and two-month USD LIBOR settings and (ii)



immediately after June 30, 2023 for the remaining USD LIBOR settings. In addition, in connection with supervisory guidance from U.S. regulators, some U.S. regulated entities will cease to enter into most new LIBOR contracts after January 1, 2022. Central banks and regulators in a number of major jurisdictions (for example, United States, United Kingdom, European Union, Switzerland, and Japan) have convened working groups to find, and implement the transition to, suitable replacements for LIBOR. To identify a successor rate for USD LIBOR, the Alternative Reference Rates Committee (“ARRC”), a U.S.-based group convened by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York, was formed. The ARRC has identified the Secured Overnight Financing Rate (“SOFR”), or other rates derived from SOFR, as its preferred alternative rate for USD LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by U.S. Treasury securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. At this time, it is not possible to predict the effect of any such changes, any establishment of alternative reference rates or other reforms to LIBOR or any other alternative reference rates that may be enacted in the United States, United Kingdom or elsewhere.

The elimination of LIBOR, the adoption of one or more alternative reference rates such as SOFR or any other changes or reforms to the determination or supervision of LIBOR or any of these alternative reference rates could have an adverse impact on the market for or value of any securities, loans, and other financial obligations or extensions of credit held by or due to applicable Funds linked to any such reference rate or on Funds’ overall financial condition or results of operations. In addition, the Funds may need to renegotiate any credit agreements extending beyond 2021 with portfolio companies that utilize LIBOR as a factor in determining the interest rate that may be in place at such time, to replace LIBOR with an alternative reference rate, which may have an adverse effect on the Fund’s overall financial condition or results of operations. Following the replacement of LIBOR or as a result of using any alternative reference rate, some, or all of a Fund’s credit agreements in place at such time may bear interest at a lower interest rate than would have otherwise been in effect had use of LIBOR continued, which could have an adverse impact on such Fund’s results of operations. Moreover, a Fund may need to renegotiate certain terms of its credit facilities in place at such time. If a Fund is unable to do so, amounts drawn under such Fund’s credit facilities may bear interest at a higher rate, which would increase the cost of such Fund’s borrowings and, in turn, affect such Fund’s results of operations.

- ***Investments in Privately Held Companies.*** The Funds will invest in and acquire a significant percentage of their portfolio company investments from, privately held companies in directly negotiated transactions. Substantially all of these investments are subject to legal and other restrictions on resale or are otherwise less liquid than exchange-listed securities or other securities for which there is an active trading market. The Funds typically would be unable to exit these investments unless and until the portfolio company has a liquidity event such as a sale, refinancing, or initial public offering.

The illiquidity of the Funds’ investments may make it difficult or impossible for a Fund to sell such investments if the need arises. In addition, if a Fund is required to liquidate all or a portion of its portfolio quickly, the Fund could realize significantly less than the value at which the Fund has

previously recorded its investments, which could have a material adverse effect on the Fund's business, financial condition, and results of operations.

Moreover, investments purchased by the Funds that are liquid at the time of purchase could subsequently become illiquid due to events relating to the issuer, market events, economic conditions, or investor perceptions.

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 and Other Clients, 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. Also, in connection with prior investments by other Funds or Other Clients, Stone Point and/or their portfolio companies may enter into confidentiality, exclusivity, non-competition or similar agreements that may limit the ability of a Fund to pursue an investment in one or more companies. In addition, as a result of existing investments and activities, Stone Point 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.
- ***Other Sponsored Funds.*** The Firm is permitted to organize other investment funds with principal investment objectives different from those of the Trident Funds, the Opportunities Funds and Stone Point BDC. The Firm would expect to provide that any investment opportunity that falls within the investment guidelines of a Fund will generally be allocated to, and evaluated for, a Fund and not any such other investment funds, except in circumstances permitted by the Governing Agreements of a Fund and subject to a determination by members of the senior management team. Subject to the receipt of any required approvals, which may include approval by the Board of Advisors of a Fund, it is possible that another Fund (including a successor investment fund to a Fund) may make an investment in a portfolio company of a Fund. In such cases, the terms of the investment by such other Fund, including the instrument purchased or its price, may be different from the terms of the investment by a Fund. As discussed in Item 11, the Opportunities Fund may not invest in issuers in which any of the Trident Funds has made an equity investment and to the extent that the Firm 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. In addition, Stone Point will consider for Trident Funds equity investment opportunities that arise in companies in which the Opportunities Fund has an existing investment. While this would not be expected to apply to follow-on investment opportunities offered to credit investors such as the Opportunities Fund, other appropriate investment opportunities will be considered. If the treatment of the Opportunities Fund is arm's length and generally in accordance with the established rights of its security (such as a take out of the Opportunities Fund's interest in accordance with terms in a non-distressed situation), a Trident Fund may seek to address the conflict of interest through a fairness opinion or participation on substantially the same economic terms as one or more unaffiliated third parties. For situations

where the conflict of interest is deemed by Stone Point to involve more complexity, such as a distressed company, Stone Point may in its sole discretion consult with the Board of Advisors of such Trident Fund.

Similarly, it is possible that a Fund will purchase or sell a portfolio company or other securities from or to another Fund or portfolio companies or other entities, directly or indirectly, controlled by another Fund. With respect to such transactions, the Firm will face a conflict of interest concerning the price and other terms of the transactions. In such circumstances, the Firm will seek the appropriate consent, which could include approval by the Board of Advisors of a Fund, in accordance with the applicable Governing Agreements and any applicable law, including Section 206 of the Advisers Act.

Stone Point BDC is prohibited under the Investment Company Act from participating in certain transactions with its affiliates without the prior approval of the directors who are not interested persons and, in some cases, the prior approval of the SEC. Stone Point BDC has sought an exemptive order from the SEC (the “Order”) in order to co-invest alongside other funds/vehicles managed by Stone Point Credit or its affiliates, or alongside Stone Point Credit or its affiliates in a principal capacity, in a manner consistent with Stone Point BDC’s investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. Consistent with Orders previously granted by the SEC, Stone Point BDC expects the Order to provide that, in connection with any co-investment transaction, Stone Point BDC will receive its pro rata share of any transaction fees, based on its relative share of the amount invested or committed, as applicable, in the transaction. Stone Point Credit’s investment allocation policy seeks to ensure equitable allocation of investment opportunities between Stone Point BDC, other Funds and affiliates of Stone Point Credit. As a result of the exemptive relief, there could be significant overlap in Stone Point BDC’s investment portfolio and the investment portfolio of other Funds managed by Stone Point Credit or by the Affiliated Broker Dealer or SPC Financing that could avail themselves of the exemptive relief.

In situations when co-investment by Stone Point BDC and other Funds is not permitted under the Investment Company Act and related rules, existing or future staff guidance, or the terms and conditions of any exemptive relief granted to Stone Point BDC by the SEC, Stone Point Credit and/or its affiliates will need to decide which Fund or Funds will proceed with the investment.

- **Personal Investment Activities.** Among other personal investments (including real property and start-up venture opportunities), certain members of the Firm have established one or more partnerships to hold certain personal investments made on their behalf, including investments in investment management firms and other operating companies that target opportunities in commercial real estate in the United States (Ivy Real Estate), debt securities and other credit instruments (Sound Point Capital), multi-family apartment buildings in the United States (BH Management Services), operation management, design, engineering and construction of data centers (Ascent) and (d) life sciences (Soleus).

In connection with Sound Point Capital, in which certain members of the Firm have a 34.5% interest, James 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.

With respect to Ivy Real Estate, in which certain members of the Firm have a 24.9% interest in certain general partner entities, Mr. Friedman serves as a member of the investment committee, but has no day-to-day management responsibilities. Certain members of the Firm collectively have a 35.1% interest in BH Management Services. In connection with Soleus Capital Management, certain members of the Firm collectively have a 17.9% interest in the 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 Governing Agreements and will not materially impact the commitment of any such members to a Fund and its portfolio companies.

In the case of Sound Point Capital and BH Management, these firms have and will likely in the future provide investment management services to portfolio companies of the Trident Funds in the ordinary course of business. The Trident Funds' partnership agreements permit an affiliate of the Firm to provide services to a portfolio company of the Trident Funds if certain parameters are met including the Firm believes the fees to be commercially reasonable and not less favorable than could be obtained in arm's length negotiations. The Firm intends to manage the engagement of Sound Point, BH Management and any other affiliated firm by portfolio companies in the future through disclosure, a determination by the Firm that the fees are commercially reasonable and, to the extent required under the applicable Trident Fund partnership agreement, by seeking the approval of the Trident Funds' Board of Advisors. In addition, any portfolio company of a Trident Fund who engages such affiliated firm will follow its own set of procedures, and if the Firm employee is also a director of that portfolio company, such employee would recuse him/herself from decisions relating to the engagement of such affiliated firm.

In addition, 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 has sought permission from the relevant Fund's Board of Advisors to allow employees to invest in such investment products.

In addition, Firm personnel reserve the right to manage their own personal investments, whether through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. Personal investments by Firm personnel include investments in industries that overlap with the Funds' mandates but are not otherwise suitable for the Funds or its portfolio companies due to size and/or early stage of investment, anticipated operating losses and general risk profile. It is possible that one or more of such investments over time become profitable and the Funds will not have been able to participate in such investment. In addition, these companies may provide services to portfolio companies of the Funds and such services will not necessarily be on an arms' length basis. To the extent an advisory opportunity is received that is unsuitable for a Fund, in Stone

Point's sole discretion, Stone Point and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity.

- **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 the Firm and, separately, by Sound Point Capital. In addition, the Firm and Sound Point Capital might decide to evaluate the same transaction (subject to confidentiality obligations). As a result, Sound Point Capital could participate in a transaction side by side with a Fund or could compete with a 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.
- **Directors of Portfolio Companies and Material, Non-Public Information.** Certain members of the Firm will, from time to time, serve on boards, investment, or similar governing committees of portfolio companies of a Fund including those that engage in asset management. In general, such director or similar positions are often important to the Funds' investment strategies and could have the effect of enhancing the ability of the Firm and its affiliates to manage investments. However, the Firm and its affiliates 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 a 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 Funds, the Firm and/or such other Funds' portfolio companies may enter into confidentiality, exclusivity, non-competition or similar agreements that may limit the ability of a 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 of the 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 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. In addition, because of the potential conflicting fiduciary duties that investment professionals owe to a portfolio investment, on one hand, and that the Firm owes to the Funds, on the other hand, such positions could place the investment professionals in a position where they must make a decision that is either not in the best interests of the Funds or not in the best interests of the other owners of the portfolio investment. Should an investment professional make a decision that is not in the best interests of the shareholders of a portfolio investment, such decision could subject the Firm and any

applicable Fund to claims that they would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities claims and other director-related claims.

- **Information Barriers.** Stone Point currently operates without information barriers that other firms implement to separate persons who make investment decisions from others who could possess material non-public information that could influence such decisions. To manage possible risks arising from Stone Point's decision not to implement such barriers, Stone Point maintains policies and procedures, as described in Item 11, and provides training to supervised persons with respect to conflicts of interest and how such conflicts are resolved under Stone Point's policies and procedures. If any employee obtains material non-public information, the Firm will be restricted in acquiring or disposing investments on behalf of the Funds, which could impact the returns generated for Funds. If Stone Point Capital acquires confidential or material non-public information, Stone Point Credit will be restricted in acquiring or disposing investments on behalf of their clients (and vice-a-versa). Notwithstanding the maintenance of policies and procedures, it is possible that the internal controls relating to the management of material non-public information could fail and result in a Fund, or one of Stone Point's investment professionals, buying or selling a security while the Firm is in possession of material non-public information. Inadvertent trading while the Firm is in possession of material non-public information could have adverse effects on the reputation of Stone Point, resulting in the imposition of regulatory or financial sanctions, and consequently, negatively impact Stone Point's ability to perform investment management services on behalf of Clients. In addition, while Stone Point currently operates without information barriers, Stone Point could be required by certain regulations, or decide that it is advisable, to establish information barriers. In such event, Stone Point's ability to operate as an integrated platform could change, which would limit Stone Point to manage Clients' investments in the way it currently manages investments.
- **Minority Investor.** At the end of 2012, Stone Point Capital sold a passive, minority stake in Stone Point Capital, representing less than 25% of the carry and net management company interest in the Trident Funds, to the Wafra Investor. The Wafra Investor also has on an indirect basis its proportionate ownership interest in Stone Point Credit. Effective as of January 1, 2021, the aggregate ownership of Stone Point Credit by SPC Field and the Wafra Investor has been reduced to 80% with no change to their relative basis of ownership, and the balance of Stone Point Credit is now owned by new passive investors. The Wafra Investor's interest in Stone Point Credit, represents approximately 20% of the carry and net management company interest in the Opportunities Funds, the BDC and Other Sponsored Funds managed by Stone Point Credit. Although the Wafra Investor does not have the right to participate in the investment process or the day-to-day management of the Firm or the Funds, it will have financial or other interests that could conflict with the interests of the Funds and its limited partners or shareholders. In addition, the Wafra Investor is permitted to invest in the same companies either at the same time, subject to regulatory requirements, or at different times, and is permitted to compete for investments directly and through other interests it holds. In addition, the Wafra Investor does not pay fees on all or a portion of its commitment in certain of the Funds. Any clawback obligation attributable to the Carried Interest allocated to the Wafra Investor will be the responsibility of the Wafra Investor and may be guaranteed by the Firm.



- ***Affiliated Broker-Dealer and SPC Financing.*** The relationship the Firm has with the SPC Financing Vehicles will, in certain cases, give rise to a potential conflict of interest between the SPC Financing Vehicles and clients (including the Funds or Other Clients) that have an interest in any portfolio companies or investment vehicles with respect to which the SPC Financing Vehicles provide services. In particular, the SPC Financing Vehicles may be seen as incentivized to seek to influence the decision by a portfolio company's management to retain the Affiliated Broker-Dealer or SPC Financing, or to borrow from or otherwise transact with the Affiliated Broker-Dealer or SPC Financing, instead of other unaffiliated broker-dealers or other service providers or counterparties that are more appropriate or offer better terms. Subject to applicable law (including, with respect to Stone Point BDC, the Investment Company Act), the SPC Financing Vehicles will receive fees and compensation, including underwriting fees, placement fees, syndication fees, transaction fees, commissions, underwriting discounts, interest payments and other compensation which may be payable in cash or equity or debt securities, in respect of the activities described herein. Please see Item 5 for additional information. The fee potential inherent in a particular investment or transaction could be viewed as an incentive for the Firm to seek to refer, allocate or recommend an investment or transaction to certain Funds or Other Clients.

In certain circumstances, including without limitation, where a portfolio company becomes distressed and the participants in the relevant offering have a valid claim against the underwriter, the participating Funds or Other Clients will have a conflict in determining whether to seek recourse or sue the Affiliated Broker-Dealer and/or SPC Financing. Please see Item 10 for additional information.

The SPC Financing Vehicles are also permitted to provide advisory, financing, and capital markets services to third parties that are not portfolio companies, including third parties that are competitors of portfolio companies, or that are service providers, suppliers, customers, or other counterparties and may act as placement agent in respect of investment funds that are sponsored and managed by other third-party investment managers, including funds that may compete with the Funds. The Affiliated Broker-Dealer may also act as placement agent in respect of investment funds that are sponsored and managed by third parties and receive consideration for such services. The SPC Financing Vehicles' actions may become adverse to the interests of the Funds, the Other Clients or portfolio companies, including the possibility of the Firm being motivated to cause the Funds to agree to terms with a third-party with respect to which the SPC Financing Vehicles are providing services that are less favorable to the applicable portfolio company and/or Funds than might have been obtained from another third-party that did not have access to such services, which may adversely impact such Funds. The Firm would not be obligated to decline these engagements.

In providing such services to, or with respect to, funds or companies, the Affiliated Broker-Dealer or SPC Financing will not take into consideration the interests of the Funds. In addition, the Affiliated Broker-Dealer or SPC Financing may also be engaged to provide advisory, financing, or other capital markets services to third parties in connection with transactions that may also be appropriate for the Funds. In some cases, these services offered to third parties in connection with a transaction may be provided concurrently with services being provided in a similar manner to a Fund even if the Fund has a competing interest with the third party. The SPC Financing Vehicles providing services to third parties, including to competitor companies, may come into possession of information that they are

prohibited from acting on (including on behalf of a Fund or Other Client) or disclosing to the Firm as a result of applicable confidentiality requirements or other applicable law, even though such action or disclosure may be in the best interest of a Fund or Other Client. The Firm addresses the protection of confidential information in its Compliance Manual and its Dual-Hatted Employee Policy and Procedures.

Many supervised persons who provide services to the Funds or Other Clients on behalf of the Firm are also involved in the business and operations of the Affiliated Broker-Dealer and SPC Financing. Such supervised persons face conflicts of interest in dedicating time and resources to Clients of the Firm and clients of the Affiliated Broker-Dealer/SPC Financing, and in connection of the conflicts of interest described above. Such supervised persons will be guided by the Firm's Dual-Hatted Employee Policy and Procedures and will devote such time as shall be reasonably necessary to conduct the business affairs of the Funds or Other Clients in an appropriate manner.

- **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 the Firm. Such advisors and service providers could be investors in the Funds, affiliates of the Firm, sources of investment opportunities or co-investors or counterparties therewith. These relationships have the potential to 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, could 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 could 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 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 will, from time to time, 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, and has no control over the entering into, of 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 will from time-to-time work with or alongside one or more consultants, advisors (including senior advisors and CEOs) and/or operating partners who are retained by the Firm 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 will, in certain cases, give rise to conflicts of interest. Operating partners are expected from time to time to include former employees of Stone Point or certain portfolio companies, and in some circumstances former operating partners are expected to become Stone Point employees or employees of portfolio companies. Consequently, the determination of whether individuals are operating partners is expected to vary and/or be revisited from time to time. 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 and expense reimbursements 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 are expected to 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 a Private Fund's investments or of interest received in exchange for any investments will be determined by the General Partner in accordance with the Governing Agreements. 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 the policies and procedures of the Firm. In the case of credit investments, the General Partner has engaged third-party valuation firms to value certain of such credit investments.

Valuations of Stone Point BDC's investments will be approved by the Board of Directors at the end of each calendar quarter. In instances where there is no readily available market value, Stone Point BDC's investments will be valued at fair value with the input of Stone Point Credit's valuation committee and an external, independent valuation firm that is retained by Stone Point BDC to review Stone Point BDC's investments. Investments for which market quotations are readily available may be priced by independent pricing services.

The valuation of investments will affect the amount and timing of the General Partner's Carried Interest (or, in the case of Stone Point BDC, the Incentive Fee payable to Stone Point Credit) 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 will be circumstances where the General Partner and/or Stone Point Credit is incentivized to determine valuations that are higher than the actual fair value of Fund investments.

- **Diverse Membership.** The Fund investors are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such Fund investors will, from time to time, have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests of individual Fund investors could relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of portfolio investments, the purchase by a Fund of assets from a portfolio company where certain Fund investors did not participate in the investment in such portfolio company, and the timing of disposition of investments. Such structuring of investments and other factors will result in different returns being realized by different Fund investors. As a consequence, conflicts of interest will arise in connection with decisions made by the General Partner or the Firm, as applicable, including in respect of the nature or structuring of investments, that are more beneficial for one Fund investor than for another Fund investor, especially in respect of Fund investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the General Partner, or the Firm, as applicable, will consider the investment and tax objectives of a Fund and its investors as a whole, rather than the investment, tax or other objectives of any Fund investor individually.
- **Public Disclosure.** Some of the Interests may be held by Fund investors that are subject to public disclosure requirements, such as public pension plans and listed investment vehicles. The amount of information about their investments that is required to be disclosed has increased in recent years, and that trend may continue. While the General Partner or the Firm may, in seeking to prevent any such potential disclosure, withhold all or any part of the information otherwise to be provided to certain or all Fund investors, such information may not be withheld in many circumstances. To the extent that disclosure of confidential information relating to a Fund, or its investments results from interests being held by such Fund investors, a Fund may be adversely affected.
- **Co-Investments.** The Firm is permitted to offer co-investment opportunities pursuant to the terms of the Governing Agreements, but the Firm does not expect 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 Fund investor to allocations of co-investment opportunities and such opportunities may, and typically will, be offered to some and not other Fund investors or to third parties who are not investors in the Funds. Accordingly, Stone Point reserves the right to permit operating partners, vendors, or service providers to co-invest alongside the Funds. In addition, certain investors are

expected to be offered fewer co-investment opportunities than other investors with the same or smaller capital commitments in funds managed by the Firm, and some investors will receive no such offers while other investors with capital commitments of the same or lower amount receive substantial offers for such opportunities. The Funds may provide interim financing or warehouse such investment temporarily 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). If a Fund is not successful in syndicating such co-investment, in whole or in part, a Fund may consequently hold a greater concentration and have more exposure in the related investment than initially was intended, which could make a Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. Moreover, an investment by a Fund that is not syndicated to co-investors as originally anticipated could significantly reduce a Fund's overall investment returns. Fund investors are not required to participate in co-investments offered by the Firm. The Firm notes that, subject to restrictions in the Governing Agreements, affiliates of the Firm are permitted to co-invest with a Private Fund. The performance of co-investments is not aggregated with that of a Fund, including for purposes of determining the General Partner's Carried Interest or Management Fees under the Governing Agreements. Past performance is not necessarily indicative of future results and the actual number of co-investment opportunities made available to Fund investors could be significantly higher or lower than those made available in connection with other funds managed by the Firm. The Firm often will 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. The allocation of any co-investment opportunities could directly or indirectly benefit the Firm as a result of, among other things, the receipt of any such fees or Carried Interest and capital commitments to the Funds. In addition, any such co-investment arrangement generally occurs shortly after a Private Fund's completion of an investment to avoid any changes in valuation of the investment, but in certain instances it could be well after the Private Fund's initial purchase. Where appropriate, and in Stone Point's sole discretion, Stone Point reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Private Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Private Fund.

Unlike co-investment vehicles that co-invest in all Fund investments (such as the co-investment vehicle for professionals of the Firm), co-investors (including certain Other Sponsored Funds and Other Clients) 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 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.

- **Board of Advisors.** With respect to certain Private Funds, the General Partner will establish, or has established, a Board of Advisors, consisting of representatives of investors. A conflict of interest will exist because some, but not all, investors are permitted to designate a member to the Board of

Advisors. Except where the Governing Agreement specifically requires that a matter be brought to the Board of Advisors, the General Partner has sole discretion to decide whether to present any potential conflict to the Board of Advisors. If the General Partner consults with the Board of Advisors as to certain potential conflicts of interest, it could be disadvantageous to the investors, including those investors who do not have a representative on the Board of Advisors.

The Governing Agreements of certain Private Funds provide that to the fullest extent permitted by law, none of the members of the Board of Advisors, nor the Fund investors on behalf of whom such members act as representatives, if applicable, shall be liable to any other investor or a Fund for any reason (other than fraud, bad faith or willful misfeasance on the part of such member) or owe any duties (fiduciary or otherwise) to any other Fund investor in respect of the activities of the Board of Advisors. Furthermore, members of the Board of Advisors could have various business and other relationships with the Firm and its partners, employees, and affiliates (and may be investors in, and/or serve on similar committees of the Funds) or may have an ownership interest in, be involved in the acquisition of, or otherwise have economic interests relating to existing or potential portfolio companies. The presence of these other relationships may influence their decisions as members of such committee.

The General Partner of each Private Fund will, from time to time (as described in the Governing Agreements) be required to present certain matters (including certain material conflicts of interest) to the Board of Advisors for review. Except where the Governing Agreements explicitly requires the Board of Advisors to approve a matter, an obligation to present a matter to the Board of Advisors for review will not require that the General Partner obtain the consent of the Board of Advisors prior to taking an action or refraining from taking an action.

- ***Other Transactions with Prospective and Actual Investors.*** Prospective investors should note that 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 include benefits relating to the Funds and their portfolio companies. Examples include the ability to co-invest alongside the Funds, 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. In addition, the Firm is permitted to acquire interests as a limited partner, investor, or shareholder in a Fund from existing Fund investors without offering such secondary opportunities to the other Fund investors. In such event, the Firm will have oral and written information concerning the portfolio companies that may be non-public and may be deemed material to a decision to sell a limited partner interest or shares, including any information regarding the business, operations, property, financial and other condition, and creditworthiness of the portfolio companies, which may not be disclosed to the selling Fund investor prior to such acquisition.



**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 Clients or the Fund investors.

*General*

The General Partners of the Private Funds are affiliated with the Firm by common ownership. In addition, the Firm is affiliated with certain other operating businesses because 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 Clients, as applicable.

Please also note, however, that the Funds generally invest in the global financial services industry, which includes all financial institutions, business services, software and technology and healthcare services as well as their customers, suppliers, service providers and counterparties. As a result, the Funds (including the Affiliated Funds) could, 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 ("*Fund-Owned Asset Management Affiliates*"). 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.

In certain circumstances, Clients, other than the Fund that has invested in the Fund-Owned Asset Management Affiliate, invest in investment products offered by such Fund-Owned Asset Management Affiliate. In such circumstances, there will be a conflict of interest to the extent the Firm (and its employees)

have indirect economic incentives to promote the products of the Fund-Owned Asset Management Affiliates and such Client would not benefit alongside the Firm. In these circumstances, any such investments by Clients in products offered by Fund-Owned Asset Management Affiliates would be made in accordance with the disclosure and constituent documents of such Clients.

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 are permitted to 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 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.

#### *Affiliated Broker-Dealer Scope of Activities*

The Firm is an affiliate of SPC Capital Markets LLC, a Delaware limited liability company, which is registered as a broker-dealer with the SEC and a member of FINRA and SIPC. The Affiliated Broker-Dealer is authorized to engage in the following activities: (i) broker or dealer selling corporate debt securities, (ii) firm commitment underwriter, (iii) real estate syndicator, (iv) investment advisory services (incidental to its role as broker-dealer), including acting as financial advisor to issuers of securities, and participants in mergers, acquisitions, sales, and dispositions of companies, and (v) private placements of securities.

The Affiliated Broker-Dealer may, among other assignments, arrange, structure, and/or place equity and debt securities to be issued by portfolio companies owned by the Funds on a best efforts or firm commitment basis. These placements may from time to time include structuring of offerings, and placement of securities in public offerings of securities issued by portfolio companies of the Funds. The Affiliated Broker-Dealer may also place units of investment funds and managed accounts advised by asset managers that are owned by the Funds.

The Affiliated Broker-Dealer may act as a firm commitment underwriter (co-manager only) in public and private offerings of securities issued by portfolio companies of the Funds. When the Affiliated Broker-Dealer serves as underwriter with respect to the securities of a portfolio company of a Fund, such Fund may be subject to a "lock-up" period following the offering under applicable regulations or agreements during which time its ability to sell any securities that it continues to hold is restricted. This restriction may prevent a Fund from disposing of such securities at an opportune time. In circumstances where a portfolio company becomes distressed and the participants in the relevant offering have a valid claim against the underwriter, it is possible that the Funds would have a conflict in determining whether to sue the Affiliated Broker-Dealer. In circumstances where a non-affiliate broker-dealer has underwritten an offering, the issuer of which becomes

distressed, the Funds may also have a conflict in determining whether to bring a claim based on concerns regarding the Firm's relationship with the broker-dealer. To the extent permitted in the Governing Agreements, certain Funds may make investments from time to time in transactions where the Affiliated Broker-Dealer is acting as agent, broker, principal, arranger or syndicate manager or member on the other side of the transaction or for other parties in the transaction, only to the extent that the Firm believes in good faith that the terms of such transactions, taken as a whole, are appropriate for such Funds and are otherwise in accordance with applicable law. The Firm may be required under the Governing Agreements to obtain the consent of the Board of Advisors to enter into certain of a Fund's potential investments and the failure of the Board of Advisors to grant such consent would prevent such Fund from consummating such investments, which could adversely affect such Fund.

The Affiliated Broker-Dealer will not trade on a proprietary basis or save for acting as a firm-commitment co-managing underwriter, engage in other principal contractual commitments. To the extent any transaction may be viewed as a principal transaction, the Affiliated Broker-Dealer will either not affect such transaction or will comply with the requirements of Section 206(3) of the Advisers Act.

The Affiliated Broker-Dealer may, because of such activities as described herein, from time to time hold positions in instruments or securities and/or loans issued by portfolio companies, including, for example, when SPC Field commits to fund the shortfall amount, if any, resulting from the incomplete syndication by the Affiliated Broker-Dealer of a portfolio co-investment opportunity. Under such circumstances, SPC Field may commit to provide capital support for the syndication on a short-term basis (i.e., to provide certainty that there will be sufficient capital to complete the proposed transaction) or fund a different instrument or security in the portfolio company to facilitate the syndication.

The Affiliated Broker-Dealer and SPC Financing are applicants to the Order for exemptive relief that Stone Point BDC is seeking from the SEC, as described in further detail in Item 8 above. If the requested Order is granted, it is expected that any activities of the Affiliated Broker-Dealer or SPC Financing that would represent joint transactions subject to Section 57(a) of the Investment Company Act would be required to be conducted in accordance with the terms of the Order. In addition, each of Stone Point BDC and SPC Financing is an applicant to the Order.

## **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 also serves as the Code of Ethics for Stone Point BDC as required under Rule 17j-1 of the Investment Company Act.

The Code requires supervised persons of the Firm to always act in accordance with the Firm's fiduciary duty to the Firm's Clients. Each Supervised Person should (i) at all times place the interests of the Clients before his or her own interests, (ii) act with honesty and integrity with respect to the Clients and the Funds' investors, (iii) never take inappropriate advantage of his or her position for his or her personal benefit, (iv) make full and fair disclosure of all material facts, particularly where the Firm's or Supervised Person's interests may

conflict with the Clients', and (v) have a reasonable, independent basis for his or her investment advice. 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 designates certain non-employee consultants, including senior advisors and operating partners, as supervised persons 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 Compliance department 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 Client 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 Private 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 Private 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 Private 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.

Stone Point BDC is prohibited by the Investment Company Act from conducting certain transactions alongside its affiliates and affiliates of Stone Point without the prior approval of the independent directors of the Board of Directors of Stone Point BDC and, in some cases, the prior approval of the SEC. Stone Point BDC has submitted an application to the SEC for certain exemptive relief that, if granted by the SEC, would permit the it to co-invest alongside other Private Funds managed by Stone Point Credit or certain of its affiliates, if, among other things, a "required majority" (as defined in Section 57(o) of the Investment Company) of Stone Point BDC's independent directors make certain conclusions in connection with a co-investment transaction, including, but not limited to, that (1) the terms of the potential co-investment transaction, including the consideration to be paid, are reasonable and fair to Stone Point BDC and stockholders and do not involve overreaching in respect of Stone Point BDC or stockholders on the part of any person concerned, and (2) the potential co-investment transaction is consistent with the interests of stockholders and is consistent with Stone Point BDC's then-current investment objective and strategies. The Order provides that, in connection with any co-investment transaction, Stone Point BDC may participate in any such co-investment transaction on terms that are same to those applicable to the other Private Funds managed by, or certain entities

affiliated with, Stone Point Credit or certain of its affiliates. To the extent an investment by such other fund or entity, as applicable, in an applicable co-investment opportunity is based on favorable terms, Stone Point BDC will benefit from investing in such co-investment opportunity based on such favorable terms. In addition, the Order provides that, in connection with any such co-investment transaction, Stone Point BDC will receive its pro rata share of any transaction fees (including break-up, structuring, monitoring or commitment fees but excluding brokerage or underwriting compensation permitted by section 17(e) or 57(k) of the Investment Company Act), in respect of such co-investment transaction, based on the Stone Point BDC's relative share of the amount invested or committed, as applicable, in such transaction.

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 Private Fund's Board of Advisors to allow employees to invest in such investment products.

In addition, investors in the Funds will likely 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 are expected to 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*

Generally, an investment opportunity will be deemed to belong to active Funds (a fund is active if it is within its investment period) and will be allocated according to each Fund's investment guidelines, Governing Agreements, applicable law, and in a manner that is fair and equitable over time to each Fund (in accordance with the Firm's Compliance Manual).

The initial determination of whether an investment opportunity is appropriate for a Fund will generally be made by members of the applicable Investment Committee. The General Counsel and the applicable Chief Compliance Officer will be included in discussions with members of such Investment Committee during which investment opportunity allocations are actively considered. The Investment Committee will consider a variety of factors when determining whether, and in what amount, an investment opportunity is appropriate for a Fund. The Investment Committee will consider those factors that it determines in good faith to be relevant, which may include, among others, one or more of the following: (i) the size, nature, risk profile and type of the 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 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 opportunity; (ix) a determination by the Investment Committee that the investment opportunity is inappropriate, in whole or in part, for one or more of the Funds; (x) the expected holding period of the investment opportunity; (xi) proximity of a Fund to the end of its specified term (including whether the Fund is in its liquidation period); (xii) funding status of a Fund vis-à-vis its investment period; (xiii) the extent to which capital has been committed, called and/or returned to a Fund's investors, and the anticipated timing thereof; (xiv) applicable transfer or assignment provisions; (xv) relevant legal, regulatory or tax considerations; (xvi) relevant synergies at the portfolio level (including complementary product lines, technology, intellectual property or market share); (xvii) the avoidance of de minimis investments, de minimis allocation amounts, or odd lots; (xviii) client governing documents; (xix) whether a client is in a ramp-up period; (xx) market and/or issuer criteria and considerations; (xxi) conflicts of interests or potential conflicts of interests; and (xxi) 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. The Opportunities Fund may not 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. Stone Point BDC is generally prohibited by the Investment Company Act from investing in issuers in which any of the Trident Funds currently holds an equity investment.

Due to the potential for overlapping investments and other situations involving the Clients and, in certain cases, Stone Point, Stone Point may be required to address potential conflicts of interests involving the Clients. Subject to the provisions of the Governing Agreements of the affected Clients, on any matter involving a conflict of interest, Stone Point will be guided by its fiduciary duties to the Clients and will seek to resolve such conflict in good faith. In some cases, as provided in the Governing Agreements of an affected Client, conflicts must be escalated to a Fund's Board of Advisors, if applicable. Generally, however, Stone Point reserves the right (subject to applicable laws) to cause one affected Client to take such steps as may be necessary to minimize, ameliorate or eliminate the conflict, even if that would require such Client to (a) forego an investment opportunity or divest investments that, in the absence of such conflict, it would have made or continued to hold or (b) otherwise take action that may have the effect of benefiting Stone Point, any of its affiliates, or another Client. Stone Point will escalate conflicts to the senior management team or, if applicable and required or appropriate, a Fund's Board of Advisors or a Client's representative.

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. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and because co-invest opportunities generally appeal to Fund investors and third parties, Stone Point expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund. 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 co-investors (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. In general, and subject to the discussion below, the Firm has full discretion in determining to whom and in what relative amounts to allocate co-investment opportunities. See "Co- Investments" above.

In addition, Stone Point BDC and other Funds will be deemed to be controlled by, Stone Point Credit, and therefore affiliated with the Stone Point BDC for the purposes of Section 57 of the Investment Company Act. Stone Point BDC has applied to the SEC for the Order to permit Stone Point BDC, Stone Point Credit, and affiliated funds to participate in the negotiated investment opportunities that otherwise would be prohibited under Section 57(a)(4) of the Investment Company Act. Until the Order is granted, if an investment or disposition opportunity is appropriate for Stone Point BDC, on the one hand, and one or more other Funds, on the other hand, and any term other than price is negotiated, then Stone Point BDC will be prohibited from co-investing in transactions alongside other Funds. However, where Stone Point Credit determines, pursuant to the SEC guidance, that an investment is appropriate for Stone Point BDC and other Private Funds, a transaction may take place where the investment or disposition transaction involves negotiation of no material terms other than price. Upon the issuance of the Order, if an investment or disposition opportunity is appropriate for Stone Point BDC and one or more other Funds, and terms other than price are being negotiated, the only way that Stone Point BDC and one or more other Funds can participate together in the investment would be pursuant to the terms and conditions of the Order. Stone Point BDC Compliance Manual and related Affiliated Transaction Policy sets out the conditions which must be followed with respect to such transactions.

When an investment opportunity is determined to be unsuitable for any of the Funds, such investment may then be considered by Stone Point and its partners, subject to the applicable pre-clearance requirements contained elsewhere herein.

**ITEM 12. BROKERAGE PRACTICES**

The Funds primarily focus on making investments in private securities; thus, the Firm deals with financial intermediaries such as a broker-dealer on a limited basis, and commissions are therefore payable in connection with such investments in limited cases.

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 able to direct those transactions.

*Best Execution*

As a general matter, Stone Point invests in private transactions that are not executed on an exchange and does not utilize brokers. 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; (v) confidential nature of the transaction and risk of premature disclosure; and (vi) 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.

Refer to Item 10 regarding Affiliated Broker-Dealer.

*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 would 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*, based on 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*, based on the amount invested in such investment.

For the Trident Funds, 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 point in time, only one Fund Group of Trident Funds 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.

To the extent that Stone Point BDC co-invests alongside other Funds in the same issuer, whether in compliance with the terms of an Order (as described in Item 11 above) or otherwise, additional conditions generally will apply. Under the Order this is expected to include, among other things, that the terms, conditions, price, class of securities or instruments to be purchased, settlement date and registration rights be the same for Stone Point BDC and each other co-investing Fund.

Other Credit Private Funds may invest together pursuant to an allocation approved by the Firm's Allocation Committee (as described in Item 11 above).

### 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 each of Stone Point Capital and Stone Point Credit, as well as investment professionals of the Firm.

The Investment Committee for each of Stone Point Capital and Stone Point Credit 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 Managing Director.

Meetings of the applicable Investment Committee and 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. In the case of the Trident Funds, 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 and board committees.

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

Since March 2020, Firm employees began working full-time from home because of the COVID-19 pandemic. Firm meetings continued regularly via videoconference, and employees had the technology at home to work seamlessly and efficiently. Subject to a few weeks in December of 2021/January of 2022, since May 1, 2021, employees have returned to work in the Firm's Greenwich or New York office on a full-time basis, following specific return-to-office protocols, adhering to state and local guidelines.

**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. These arrangements generally are disclosed in the relevant Institutional Fund's Form D.

**ITEM 15. CUSTODY**

The Firm maintains assets and securities (other than with respect to certain privately offered securities) of the Private 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 Firm.

The Firm distributes independently audited financial statements of each Private Fund to its investors no later than 120 days after the end of such Fund's fiscal year (*i.e.*, generally by April 30).

For Stone Point BDC, Stone Point Credit relies on an exception available to "registered investment companies" under Rule 206(4)-2 of the Advisers Act, which mandates compliance with the custody requirements of the Investment Company Act, including utilizing banks or broker-dealers as custodians as prescribed by Section 17(f) of the Investment Company Act.

**ITEM 16. INVESTMENT DISCRETION**

The Firm and the General Partners accept discretionary authority to manage certain securities accounts on behalf of its Clients through investment advisory agreements with such Funds or through such Funds' Governing Agreements. 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 because 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 one of the Firm's Chief Compliance Officers.

#### **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 its Clients.

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