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## **Freepoint Commodities and Merchant Capital Solutions Form Strategic Alliance**

### **Seek to Provide Corporate Financing Solutions in the Energy and Commodities Sector**

STAMFORD, Conn. and NEW YORK, Dec. 4, 2014 /PRNewswire/ -- Freepoint Commodities LLC ("Freepoint"), a leading physical commodities and merchant finance firm capitalized by its management, employees and funds managed by Stone Point Capital ("Stone Point"), and MCS Capital Markets LLC ("MCS"), a broker dealer and capital solutions provider capitalized by affiliates of Stone Point, KKR & Co. L.P. (NYSE: KKR) and CPPIB Credit Investments Inc., a wholly-owned subsidiary of Canada Pension Plan Investment Board ("CPPIB"), announced today that they have entered into a strategic alliance through which the firms intend to pursue opportunities to provide debt and equity financing solutions for clients in the energy and commodities sector. This strategic alliance mobilizes Freepoint's deep expertise in the physical commodity markets and MCS' demonstrated access to multiple forms of capital. Since its inception in January of 2013, MCS has completed approximately 50 transactions involving aggregate capital of more than \$30 billion.

"We are pleased to partner with MCS, a firm we know well given our common affiliation with Stone Point, and hold in high regard. We believe that there are numerous underserved areas in energy and commodities that we can target by combining our focus with MCS' structuring and distribution expertise as well as its access to flexible capital. Moreover, we believe that this relationship will allow us to provide a greater level of service to our clients," said Freepoint CEO David A. Messer.

"We are excited by this strategic arrangement between Freepoint and MCS. We believe that the firms' skill sets are highly complementary and will drive increased business activity," said Chuck Davis, CEO of Stone Point.

"The executive team at Freepoint has a longstanding track record. We look forward to working with Freepoint to provide tailored solutions to our clients in this dynamic and capital intensive sector," added Craig Farr, Head of Credit and Capital Markets at KKR and a Board Member of MCS.

#### **About Freepoint**

Founded in 2011, Freepoint is based in Stamford, CT with more than 250 employees worldwide. Freepoint is a merchant of physical commodities and a financier of upper and mid-stream commodity-producing assets. Freepoint also provides physical supply services and related structured solutions for counterparties. Private equity funds managed by Stone Point Capital, together with Freepoint management and senior employees, have provided Freepoint with committed equity capital. For further information about Freepoint, see [www.freepoint.com](http://www.freepoint.com).

#### **About MCS**

MCS is a merchant banking enterprise that provides a full range of principal and agency-based capital markets services to mid-market and sponsor-backed companies. The company offers debt and equity underwriting, syndication and advisory solutions to its clients across the capital structure. The company also makes certain principal investments to support client capital raising needs. MCS is a joint venture between the Canada Pension Plan Investment Board, Stone Point (through its Trident V fund) and KKR Capital Markets Holdings (together with its affiliates, "KKR"). It conducts securities activities through MCS Capital Markets LLC, its broker-dealer subsidiary. For further information about MCS, see [www.merchcap.com](http://www.merchcap.com).

#### **About Stone Point**

Stone Point Capital LLC is a financial services-focused private equity firm based in Greenwich, CT. The firm has raised six private equity funds - the Trident Funds - with aggregate committed capital of approximately \$13 billion. In addition to the capital invested by the Trident Funds, Stone Point has secured approximately \$7 billion of equity co-investments since 2001. Stone Point targets investments in the global financial services industry, including investments in companies that provide outsourced services to financial institutions, banks and depository institutions, asset management firms, insurance and reinsurance companies, insurance distribution and other insurance-related businesses, specialty lending and other credit opportunities, mortgage services companies and employee benefits and healthcare companies. For further information about Stone Point, see [www.stonepoint.com](http://www.stonepoint.com).

#### **About CPPIB Credit Investments Inc.**

CPPIB Credit Investments Inc. is a multi-faceted global credit investment program wholly owned by the CPP Investment Board.

With investments in the Americas, Europe and Asia, the team is focused on providing debt financing across the entire capital structure including term loans, high-yield bonds, mezzanine lending and other solutions for corporations.

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 18 million Canadian contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, New York and Sao Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At September 30, 2014, the CPP Fund totaled C\$234 billion. For more information, please visit [www.cppib.ca](http://www.cppib.ca).

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