

December 7, 2023

Re: Ross L. Stevens - Stone Ridge Holdings Group LP

Wendy S. White  
Senior Vice President & General Counsel  
University of Pennsylvania & Penn Medicine  
2929 Walnut Street, Suite 400  
Philadelphia, PA 19104-5099  
wendy.white@ogc.upenn.edu

Dear Ms. White:

We write on behalf of our client, Stone Ridge Holdings Group LP ("Stone Ridge"), regarding Stone Ridge units ("Units") (now valued at approximately \$100 million) donated by Ross L. Stevens (W'91) to the University of Pennsylvania (the "University") to fund the Stevens Center for Innovation in Finance.

As a holder of Stone Ridge Units, the University is bound by and must comply with the terms of Stone Ridge's limited partner agreement ("LP Agreement"). Under that Agreement, Stone Ridge has the ability, in its sole discretion, to retire the Units of a limited partner that has engaged in conduct constituting "Limited Partner Cause." (LP Agreement § 10.12.) The LP Agreement defines "Limited Partner Cause" broadly to include, as relevant here, violations (by the limited partner) of laws or rules applicable to Stone Ridge that are "materially injurious to [Stone Ridge's] business, reputation, character or standing." (*Id.* § 2.1.)

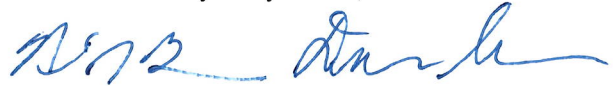
Among the rules applicable to Stone Ridge are its own anti-discrimination and anti-harassment policies and the laws of New York state that prohibit workplace discrimination and harassment. For example, Stone Ridge strictly prohibits all forms of discrimination and harassment based on, among other things, religion. This prohibition applies to physical conduct; verbal conduct (including taunting, jokes, threats, epithets, derogatory comments or slurs based on an individual's protected status); and visual and/or written conduct (including derogatory posters, photographs, calendars, cartoons, drawings, websites, emails, text messages or gestures based on an individual's protected status). These policies, among others, were enacted by Stone Ridge to ensure a safe and respectful environment for its employees.

Mr. Stevens and Stone Ridge are appalled by the University's stance on antisemitism on campus. Its permissive approach to hate speech calling for violence against Jews and laissez faire attitude toward harassment and discrimination against Jewish students would violate any policies or rules that prohibit harassment and discrimination based on religion, including those of Stone Ridge. President Magill's December 6, 2023 post on X admitted as much, when she belatedly acknowledged—only after her Congressional testimony went viral and demands for her termination amplified—that calls for genocide of the Jewish people constitute harassment and discrimination. In light of the foregoing, Stone Ridge has reason to believe that the University's actions (or lack thereof) constitute "Limited Partner Cause" under Section 10.12 of the LP Agreement, which gives Stone Ridge the ability, in its sole discretion, to retire the University's Units.

# Davis Polk

Mr. Stevens and Stone Ridge would welcome the opportunity to discuss this matter further and give the University a chance to remedy what Stone Ridge believes are likely violations of the LP Agreement if, and when, there is a new University President in place. Until then, there can be no meaningful discussion about remedying the University's ongoing failure to honor its obligations.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "Neil Barr", with a long horizontal flourish extending to the right.

Neil Barr  
Dana M. Seshens

cc: M. Elizabeth Magill, President, University of Pennsylvania  
Scott L. Bok, Chair of the Board of Trustees