

FORM ADV
PART 2A

FIRM BROCHURE

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This brochure provides information about the qualifications and business practices of Omega Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at 212-495-5200. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Omega Advisors, Inc. also is available on the SEC’s website at www.adviserinfo.sec.gov.

Registration as an investment advisor with the SEC or by any state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

The following are the material changes since the last annual update of this Brochure, which was dated March 26, 2013:

- Omega has ceased to be affiliated with PS Management, Inc. and no longer shares any resources with PS Management, Inc. The Brochure has been updated to remove references to Omega's affiliation to PS Management, Inc., and to describe non-discretionary, consultation services that Omega may from time to time provide to PS Management, Inc.
- Omega now provides advisory services to a credit fund with a strategy significantly different to that of other clients of Omega. It also provides services on a sub-advisory basis to registered investment companies. Disclosure throughout the Brochure has been updated to reflect the services provided to these types of client. In particular, enhanced disclosure has been added to Item 4 to reflect that Omega pursues different strategies and advises different types of client and Item 8 has been significantly revised to include the different strategies and risks associated with the credit strategy, as well as Omega's traditional investment program.
- Omega has enhanced its risk disclosure in Item 6 related to performance-based compensation.
- The disclosure in Item 11 in relation to the Code of Ethics has been enhanced to reflect Omega's revised policies and procedures relating to the recommendation of securities and personal interests of Omega and its employees.
- Item 12 has been revised to more clearly reflect that (i) Omega does not engage in any proprietary trading, and (ii) allocations of investments among clients are generally made on a *pro rata* basis and there are limited scenarios in which there will be an exception to this position.

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Item 4 Advisory Business

A. Description of your advisory firm, including how long you have been in business and principal owner(s)

Omega Advisors, Inc. (“Omega” or the “Firm”) was founded by Leon Cooperman in 1991. After 25 years of service, Mr. Cooperman retired from his positions as a General Partner of Goldman, Sachs & Co. and as Chairman and Chief Executive Officer of Goldman Sachs Asset Management in order to organize Omega Advisors, Inc. Omega Advisors, Inc. is 100% owned by Mr. Cooperman and is under the management and control of Mr. Cooperman.

Omega’s principal investment strategy is long/short equity, generally with a long side bias. Omega specializes in value investing, driven by deep fundamental research. Omega’s principal focus is on U.S. equity securities, with more limited investments in equity securities of developed European countries and Japan. In addition, the Firm makes limited investments in fixed income securities of the U.S. and developed European countries and Japan, as well as in currencies and commodities. Futures and other derivatives are used in an effort to both maximize returns and reduce risk.

Omega further diversified its strategy by launching a new credit fund (the “Credit Fund”) in June 2013 (in a master-feeder fund structure) that seeks to generate current income and attractive risk-adjusted returns by investing in a variety of structured products and credit instruments (with expected volatility generally below that of the equity markets).

B. Types of Advisory Services

Omega currently provides discretionary investment advice and management services to (i) institutional clients such as pension plans, and (ii) privately placed investment funds (“private funds”) which may be organized as domestic or foreign limited partnerships, foreign corporations or foreign limited liability companies. These private funds are sometimes known as “hedge funds”.

Omega currently manages several separately managed accounts and nine private funds. Investments for institutional clients, whose assets are held in the managed accounts, are managed in accordance with each client’s investment objectives, strategies, restrictions, and guidelines. Omega also provides services on a sub-advisory basis to registered investment companies.

The nine private funds consist of four Delaware limited partnerships, one Cayman Islands exempted limited partnership, one Cayman Islands limited liability company and one master-feeder fund structure consisting of a Cayman Islands exempted limited partnership as the master fund with a Cayman Islands limited liability company and a Delaware limited partnership acting as feeder funds. Omega Associates, LLC (“Omega Associates”), an affiliate of Omega and a Delaware limited liability company, serves as

the general partner of the limited partnerships. The Cayman Islands companies each have a board of directors.

Seven of the private funds are managed in accordance with each of their own investment objectives, strategies, restrictions, and guidelines and are not tailored to the particular needs of any investor in the private fund (“underlying investors”). Information about each such private fund’s investment objectives, strategies, restrictions and guidelines is more fully described in the offering documents for each fund. Since Omega does not provide individualized advice to underlying investors in such private funds, such investors should consider whether a particular private fund meets their investment objectives and risk tolerance prior to investing in the fund. One of the private funds is a “special purpose” fund with only one limited partner. In the case of this fund, the investor’s investment objectives and restrictions were taken into account when the fund was formed. Another of the private funds serves as a vehicle for Mr. Cooperman’s charitable activities, with only two limited partners, both of which are affiliated with Mr. Cooperman.

Omega may also be asked to provide occasional consultation services to PS Management, Inc., the manager of Pine Street Associates, L.P., a former fund-of-funds affiliate, as to manager selection for that fund. Any such consultations are not expected to be extensive and will be on a non-discretionary basis, and any compensation paid to Omega for such services will be set forth in the limited partnership agreement of Pine Street Associates, L.P.

C. Individual Needs of Clients

Please refer to the response to Item 4.B. above.

D. Wrap Fees

Omega does not participate in wrap fee programs.

E. Assets Under Management

Omega has discretionary authority over all the assets it manages on behalf of its institutional clients and private funds. As of January 31, 2014, Omega managed approximately \$12,654,500,000.

Item 5 Fees and Compensation

A. Compensation for Advisory Services

Omega generally charges a fee consisting of (1) an annual “management fee” based upon the average assets under management in the client’s account or the underlying investor’s capital account with the partnership or shareholding in the company, as appropriate; and (2) an annual “performance allocation/fee” that is calculated based upon a percentage of

the net capital appreciation of the client's account or the underlying investor's capital account or shareholding with the relevant private fund at the end of each fiscal year. With respect to separately managed accounts and the offshore private funds structured as companies, these fees are paid directly to Omega. In the case of the domestic private funds structured as partnerships, the fees are paid to Omega Advisors, Inc. and performance allocations are made through Omega Associates, LLC (general partner of each private fund structured as a limited partnership). The private fund that serves as a vehicle for Mr. Cooperman's charitable activities does not charge any fees.

Omega's current fee schedule is generally as follows:

- Management Fee: 1% - 1.5%, annually
- Performance Allocation/Fee: 15% - 20%, as described below

Fees may be negotiable, and some clients (as well as underlying private fund investors) may pay more or less than others for the same management services, depending, for example, on account inception date, number of related investment accounts or total assets under management by Omega. With respect to performance fees and allocations, any loss in an account is carried forward so that no performance fee is charged to an account unless the losses have been recouped, subject to certain adjustments (*e.g.*, a high water mark or hurdle rate provision).

B. Payment of Fees

With specific client authorization, Omega may automatically deduct management fees and performance fees from some separately managed accounts by billing the client's custodian directly. The custodian for such client will send quarterly statements showing all transactions in the account, including fees paid to Omega, directly to such client with a copy to Omega.

Each of the private funds retains a third party administrator that is responsible for authorizing the payment of management fees and performance fees to Omega.

C. Other Fees and Expenses

Omega's clients bear expenses other than advisory fees, such as investment expenses (*e.g.*, brokerage commissions, interest on margin accounts and other indebtedness, borrowing charges on securities sold short, bank charges, custodial fees, clearing and settlement charges, interest expense), administrative expenses including but not limited to fees to the administrator and the board of directors (if applicable), corporate licensing fees, research-related expenses, government charges, taxes and duties, legal expenses, accounting, auditing and tax preparation expenses, regulatory filing fees, fees and expenses related to risk services (such as RiskMetrics), bank service fees, and withholding and transfer fees. Please see the response to Item 12 for additional information about brokerage expenses.

D. Advanced Fees

For separately managed accounts, management fees are refunded on a *pro rata* basis when the investment advisory agreement for the separately managed account is terminated prior to the end of a billing period. For separately managed accounts, performance fees are charged on a *pro rata* basis as though the termination date were the end of the performance period.

For private funds, unless otherwise indicated in the fund's offering documents, the management fee is paid quarterly in advance from each underlying investor's capital account based on the assets in such capital account at the beginning of the quarter. Performance fees, if payable, are generally charged or reallocated from each underlying investor's capital accounts annually. In some cases, performance fees may be accrued monthly and paid annually. Certain of the private funds are subject to an initial lock-up period of up to three years and in some cases, the performance fee in respect of a fund is billed upon the expiration of the lock-up period and annually thereafter, whereas in respect of others it is billed at the end of the relevant accounting period, notwithstanding any applicable lock-up period.

E. Compensation for Sales of Securities

Not applicable. No supervised person receives compensation for the sale of securities or other investment products.

Item 6 Performance-based Compensation

Please see response to Item 5.A above. With respect to performance fees, any loss in a separately managed account is carried forward so that no performance fee is charged to an account unless the losses have been recouped, subject to certain adjustments (*i.e.*, a high water mark provision). With respect to one of the private funds, a performance fee is charged to underlying investor's capital account only if gains in the account exceed a particular rate (*i.e.*, a hurdle rate provision).

The payment of performance fees may create an incentive for Omega to make investments that are riskier or more speculative than would be the case if Omega were paid only a fixed management fee. It may also create an incentive for Omega to favor clients that pay higher incentive fees, and are therefore potentially more lucrative, when allocating investment opportunities. In addition, since performance fees are calculated on a basis that includes realized and unrealized appreciation of the assets and liabilities of the relevant account, such compensation may be greater than if it was based solely on realized gains. Further, the payments of performance fees may result in substantially higher payments than alternative compensatory arrangements with other managers. Omega manages assets on behalf of some clients with only an asset-based management fee and on behalf of other clients with a combination of an asset-based management fee and a performance fee.

It is Omega's policy that no client for which Omega has investment decision responsibility shall receive preferential treatment over any other client. In allocating securities among client accounts with a substantially similar investment strategy, it is Omega's policy that all such accounts should be treated fairly and equitably over time and that, to the extent possible, all accounts with a substantially similar investment strategy should receive equivalent treatment.

Management fees and performance fees both depend on the value of the clients' investments. Omega and/or Omega Associates, LLC, as general partner of a private fund, may value investments in certain circumstances. As a result, Omega and/or Omega Associates, LLC may benefit by receiving a management fee or performance fee that is increased by the impact, if any, of such valuation. Even where a security is accurately valued, the client may not ultimately realize the value upon which performance fee was charged upon its ultimate sale due to subsequent market movements.

Item 7 Types of Clients

Please see the response to Item 4.B. above. Omega provides investment advisory services to institutional clients, which may include pension and profit sharing plans, trusts, estates, charitable organizations or other types of corporations or business entities and private funds. Omega also provides services on a sub-advisory basis to registered investment companies. In each case, these services are provided in accordance with each client's investment objective, strategies, restrictions and guidelines. Omega generally will not manage accounts of less than \$50,000,000 although it reserves the right to accept accounts of lesser amounts.

Underlying investors in the private funds may include high net worth individuals and a variety of institutional investors (*e.g.*, trusts, employee benefit plans, endowments, foundations, corporations and other types of entities, including private funds of funds) meeting the terms of the exceptions and exemptions under which each private fund operates and wishing to invest in accordance with the private fund's investment objective, strategies and restrictions. Omega's private funds generally require a minimum investment of \$1 million, but may accept lesser amounts.

In no event should this Brochure be considered to be an offer of interests in any of the private funds or relied on in determining to invest in any of the private funds. It is also not an offer of, or agreement to provide, advisory services directly to any recipient of the Brochure. Rather, this Brochure is designed solely to provide information about Omega for the purpose of compliance with certain obligations under the Advisers Act and, as such, responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided (i) to potential clients desiring separate account management or (ii) in the offering documents for any of the private funds.

To the extent that there is any conflict between any discussion in this Brochure regarding separate account management and the documents (including the investment advisory agreement) provided to clients desiring separate account management, the documents provided to such clients shall govern. In addition, to the extent that there is any conflict

between any discussion in this Brochure regarding the private funds and similar or related discussions in offering documents for the private funds, the offering documents for the private funds shall govern.

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

A. Describe the methods of analysis and investment strategies

Omega's principal investment strategy is long/short equity, generally with a long side bias. Omega is a value investor, driven by deep fundamental research. Its principal focus is on U.S. equity securities, with more limited investments in equity securities of developed European countries and Japan. In addition, the Firm makes limited investments in fixed income securities of issuers of the U.S. and developed European countries and Japan, as well as in currencies and commodities. See below for further details of Omega's credit strategy, which is implemented through the Credit Fund.

Omega's investment time horizon for any portfolio company is generally 12 months. Omega's main focus is investing in large-mid and large capitalization North American equities. About 10% to 20% of capital may, from time to time, be invested in international stocks of developed countries in Europe and Japan. In addition, Omega has a more limited "macro" exposure, which includes futures and other derivative positions in interest rates, currencies and commodities.

In conjunction with its macroeconomic and market analysis, Omega pursues a rigorous, "bottom-up" approach to stock selection, with particular emphasis on the critical distinction between a company's business value and its market value.

- Business value reflects the price an informed buyer would pay for control of a corporation; market value reflects the price the marginal investor would pay for a minority position.
- Business value is an imprecise concept that can only be estimated with painstaking and exhaustive fundamental analysis; market value is a precise figure that is published daily in the financial press.
- Business value, though imprecise, is generally more stable and changes only gradually over time; market value, though precise, may be volatile and may change dramatically in a single day.
- Business value is not affected by market value; market value should eventually reflect business value, but often deviates from it by a wide margin. Business value is determined by a company's economic prospects; market value is determined by the economics of the marketplace (supply and demand).

In estimating a company's business value, Omega follows an eclectic style that draws on various valuation methodologies, since no single method can provide the "right" answer in all cases. For example, Omega might focus on asset values (proven reserves) to

evaluate an oil company, discounted cash flows (dividends) to evaluate an electric utility, or earnings potential (product pipeline) to evaluate a drug company. Some of the key factors it considers in its analyses include:

- **Management.** Is management committed to enhancing shareholder value? Is it willing to consider share repurchases when prices fall below fair value? Is it capable of realizing the business potential of the enterprise? What percentage of outstanding shares is held by management?
- **Earnings power and cash flow generation.** What is the company's surplus cash flow position? What are the economics of and the prospects for the company's main lines of business? What is the level and trend in corporate profitability? What is the company's market position and cost structure? Can the company maintain or expand its profit margins? Are there any unusual investment opportunities available to the company?
- **Asset Values.** In what condition are the company's assets and what would it cost to replace them? Does the company have any "hidden" assets (such as patents, brand names, or franchises) which are not readily apparent in the financial statements? What is the market value of the company's real estate holdings?
- **Risks.** What is the strength of the company's financial position? Can it readily meet its fixed obligations in a bad year? Can it tap the equity and debt markets if needed? How dependent is the company on a single product, customer or supplier? Are labor relations good? Is the technology stable? Is the company vulnerable to competition from lower cost imports?

Once business values have been estimated, they are compared to market prices in order to arrive at an informed investment decision. After comparing business value to market price, a purchase or sale decision can result from any one of three relationships:

- Market price is significantly below business value;
- Market price is at or near business value, but business value is appreciating rapidly; or
- Market price is at or near current business value, but asset utilization and business value would improve markedly under different management.

Omega does not limit itself to a value approach to investing. In addition to analyzing business values, factors such as mergers, acquisitions and values under a liquidation or reorganization scenario may be considered in selecting portfolio securities.

- Omega forecasts the investment environment. The forecast is based on an assessment of the "Stock Market Balance Sheet", i.e., the assets and liabilities of the market and the economy. Factors considered include economic activity,

inflation, monetary policy, health of the consumer and corporate sector, valuation, the effects of the twin deficits, etc. This market forecast helps determine our risk exposure.

- Omega also focuses on asset allocation: the relative attractiveness of stocks versus bonds and other asset classes.
- Omega is an investor in undervalued equity securities, rather than a trader.
- Omega takes short positions in overvalued securities (coupled with an identifiable catalyst) and markets, for both gains and hedging objectives.

Omega's approach seeks to identify negative, as well as positive, trends at the macroeconomic level and overvalued, as well as undervalued, securities. As a result, Omega may take both long and short positions. When deemed appropriate, it may make investments in bonds and other fixed income securities, repurchase and reverse repurchase agreements, futures and forward contracts, derivative instruments (including swaps), currencies and money market instruments. Omega may engage in risk, fixed income and convertible arbitrage.

The use of leverage has not been, and is not expected to be, a significant source of the Firm's returns.

The Credit Fund's principal investment objective is to generate current income and attractive risk-adjusted returns by investing in a variety of structured products and credit instruments (with expected volatility generally below that of the equity markets) in both the primary and secondary markets. Investments may include CLOs, CDOs, commercial mortgage-backed securities, single-name credit, credit indices, tranches, specialty finance companies (including business development companies, real estate investment trusts and other structured products and equities).

Omega believes that structured products currently offer compelling risk/reward characteristics. As banks, the traditional purchasers of these instruments, continue to de-lever, Omega believes that outsized returns exist for market participants able to analyze these securities. As an experienced investor in a variety of structured products, Omega believes that it is able to opportunistically deploy capital across a wide variety of instruments in order to generate value.

Omega focuses on determining not only the highest yielding assets for the Credit Fund, but those assets with the most compelling risk/reward characteristics. More specifically, it considers relevant investment opportunities in a framework that emphasizes lending against cash flow. The Credit Fund benefits from Omega's macroeconomic research expertise, asset allocation skills and deep knowledge of company/economic fundamentals as well as its experience in structured product investing and strong relationships in the marketplace to access a broad opportunity set of structured product investments.

B. Explain the material risks involved for each significant strategy or method of analysis

All investments risk the loss of capital. Omega believes that its investment program and research techniques are designed to moderate the risk of loss of capital through the careful selection of securities and other financial instruments. Omega makes no guarantee or representation is made that the investment program for any individual client or private fund will be successful and investment results may vary substantially over time. Past performance is no guarantee of future results and a loss of principal may occur. Omega's investment programs are suitable only for sophisticated investors for whom such an investment does not constitute a complete investment program and who fully understand and are willing to assume the risks involved, including the risk of loss of an investor's capital.

Omega's investment programs may utilize such investment techniques and practices as option transactions, limited diversification, margin transactions, short sales, leverage, futures contracts, forward agreements and structured finance instruments. These investment techniques and practices may, in certain circumstances, increase any positive or negative impact on the performance of separately managed accounts or the private funds. For example, the use of leverage or other aggressive investment techniques or practices may (i) involve a substantial degree of risk, (ii) increase the volatility of a client's performance and (iii) involve the risk of investment loss, including the loss of the entire amount that is invested.

Certain investment positions of Omega may be illiquid. Where appropriate, positions in that are illiquid and do not actively trade will be valued at fair value. There is no guarantee that such valuation will represent the value that will be realized on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. Omega may not be able to readily dispose of such non-publicly traded securities, and in some cases, may be contractually prohibited from disposing of such securities for a specified period of time.

Omega may enter into swap agreements. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the portfolio. The most significant factor in the performance of swap agreements is the change in the individual equity values, specific interest rate, currency or other factors that determine the amounts of payments due to and from the account.

Omega's use of derivatives and other complex instruments is subject to special risks including but not limited to counter party risk, embedded interest and future regulatory consequences. The stability and liquidity of repurchase agreements, swap transactions, forward transitions and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transactions. Omega will monitor on an ongoing basis the creditworthiness of firms with which it will enter into such transactions. With respect to the prime broker, while both the U.S. Bankruptcy Code and

the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a failure, insolvency or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of client assets, the client would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

In addition, Omega may engage in risk arbitrage transactions and troubled company investing, which are subject to special risks that can adversely affect the performance of separately managed accounts or the private funds. Omega may invest in securities of companies which it believes are undervalued in the sense that, although they are not the subject of an announced tender offer, merger or acquisition transaction, Omega believes they are potential candidates for such transaction. In such a case, if the anticipated transaction does not in fact occur, Omega may sell the securities at a loss. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by U.S. state and Federal laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the Bankruptcy Court's power to disallow, reduce, subordinate or disenfranchise particular claims.

Price movements of securities and other instruments in which assets of clients may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

The success of Omega's investment programs is significantly dependent upon the expertise of Mr. Leon Cooperman. Subjective decisions made by Mr. Cooperman may cause the performance of the separately managed accounts or the private funds to incur losses or to miss profit opportunities. In addition, securities and other instruments that Omega believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame that Omega anticipates. In such event, the separately managed accounts or the private funds may incur losses. The success of the Credit Fund is significantly dependent upon the expertise of Mr. Sam Martini and Mr. Eric Schneider. Subjective decisions made by Messrs. Martini and Schneider may cause the performance of the Credit Fund to incur losses or to miss profit opportunities.

Omega has broad discretion to invest in a variety of securities and other instruments in different asset classes. Any decision in selecting securities and other instruments or allocating investments to a particular asset class may prove to be incorrect and losses may occur.

C. If you recommend primarily a type of security, explain the risks involved

Please also see the response to Item 8.B above. Omega may invest in bonds or other fixed income securities, including, without limitation, commercial paper and "higher

yielding” (and, therefore, higher risk) debt securities, both government-issued and privately-issued fixed income securities, when Omega believes that such securities offer opportunities for capital growth. Such securities may be below “investment grade” and face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer’s inability to meet timely interest and principal payments. The market values of certain of these lower rated debt securities (i) tend to reflect individual corporate developments to a greater extent than do higher rated securities (which react primarily to fluctuations in the general level of interest rates) and (ii) tend to be more sensitive to economic conditions (and, if non-U.S.-issued, to actual or perceived geo-political risk factors and developments) than higher rated securities. Companies that issue such lower rated debt securities often are highly leveraged and may not have available to them more traditional methods of financing. It is likely that an economic downturn or other significant financial circumstance could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

With respect to the Credit Fund, Omega may invest in structured finance instruments such as equipment trust certificates, collateralized mortgage obligations, CDOs, collateralized bond obligations, CLOs or similar instruments. Moreover, investing in structured finance instruments may entail a variety of unique risks. Certain classes of such securities may be subordinated to the right of payment of another class. Subordinated structured investments typically have higher yields and present greater risks than unsubordinated structured investments. Among other risks, structured finance instruments may be subject to prepayment risk. In addition, the performance of a structured finance instrument will be affected by a variety of factors, including its priority in the capital structure of the issuer thereof, the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer of the securitized assets. Moreover, a rapid change in the rate of defaults may have a material adverse effect on the yield to maturity. While a credit rating downgrade of structured finance instruments may cause the fund to incur losses, it is also possible that the fund may incur losses on its investments in financial instruments regardless of their ratings by ratings agencies.

Many structured finance instruments are highly complex and may be sensitive to changes in interest rates, prepayment rates or both. There is no guarantee that a liquid market will exist for any structured finance instrument that the Credit Fund may wish to sell. Structured finance instruments generally are limited or non-recourse obligations payable solely from underlying assets or collateral securities or the proceeds thereof. Consequently, holders of structured finance instruments must rely solely on distributions on the underlying assets or collateral securities or proceeds thereof for payment in respect of the structured finance instruments. The underlying assets are subject to, among other things, credit risks, liquidity risks, interest rate risks, market risks, operations risks,

structural risks and legal risks and may fluctuate with the financial conditions of the underlying issuers and borrowers. In the event that issuers of the underlying collateral securities or borrowers on the underlying assets default on their obligations, or distributions on the underlying assets or collateral securities are insufficient to make payments in respect of the structured finance instruments, no other assets will be available for the payment of the deficiency. There is no guarantee that liquidation of underlying assets and collateral securities will be sufficient to repay investors for their investment in such structured finance instruments.

Item 9 Disciplinary Information

Not applicable. There are no legal or disciplinary events that would be material to any client or prospective client's evaluation of Omega's advisory business or the integrity of Omega's management.

Item 10 Other Financial Industry Activities and Affiliations

A. Broker-dealer

Neither Omega nor any management persons are registered or pending registration as a broker-dealer or registered representative of a broker-dealer.

B. FCM, CPO, CTA or AP

Omega is registered as a commodity trading advisor ("CTA") and commodity pool operator ("CPO"). Leon Cooperman, Joseph Scanlon (Director of Investor Relations) and Evan Cohen (Associate Director of Investor Relations) are each registered with the National Futures Association as an associated person of Omega.

Omega Associates is a CPO and acts in such capacity with respect to Omega's private funds (except four of the private funds (including the funds in the master-feeder structure) for which it operates under a current exemption from registration (CFTC Rule 4.13(A)(3) because the investors meet certain eligibility requirements). Each of Leon Cooperman, Edward Levy (the Chief Financial Officer (CFO) of Omega), Steven Einhorn (the Vice Chairman of Omega), Joseph Scanlon and Evan Cohen is registered as an associated person of Omega Associates. The private fund used as a vehicle for Mr. Cooperman's charitable activities does not participate in futures and accordingly, does not require an exemption.

Omega and Omega Associates may share research, advice and other resources, including office space and administrative services.

C. Relationships with related persons in various categories

As disclosed above, Omega Associates serves as the general partner of seven of Omega's private funds and Omega may solicit potential investors for four of such private funds. The "special purpose" and the "charitable vehicle" private funds are not open to other

investors. In the master-feeder structure, the feeder funds are the only investors in the master fund.

Fees paid to Omega with respect to the Omega private funds are described in response to Item 5 above.

D. Selection of other advisers for your clients and receipt of compensation

Not applicable. Omega does not select advisers for its clients or receive compensation for doing so.

Item 11 Code of Ethics

A. Describe Code of Ethics

The Code of Ethics (“Code”) was adopted by Omega to govern, among other things, personal transactions by employees and to ensure that the interests of employees do not conflict with the interests of clients, including Omega’s private funds and their underlying investors. The Code prohibits Omega employees from participating in abusive trading practices, such as trading to induce others to purchase or sell securities or other instruments in violation of the securities laws. The Code also prohibits employees from trading certain securities or other instruments in any personal securities account absent the prior approval of Omega’s CEO, Vice Chairman or a Co-Head of Research or other designated employees as well as from Compliance. Each time that an employee recommends the purchase or sale of any security or other instrument on behalf of an Omega client, such employee must at that time affirmatively disclose to Omega’s investment committee any position (long or short) that such employee maintains in such security or other instrument.

All employees must instruct their brokers to send to Omega through a third party portfolio monitoring service copies of all brokerage confirmations relating to all personal securities transactions in which they have a beneficial ownership interest. A copy of the Code is available to any client or prospective client upon request.

The Code also contains policies and procedures relating to the use of expert networks and research consultants reasonably designed to protect Omega against obtaining material nonpublic information.

B. Recommend securities to clients in which you have a material interest

Omega acts as investment manager to numerous client accounts (including the private funds). As discussed above, Omega and its affiliates share personnel and resources. Omega may give advice and take action with respect to any client account (including the private funds) or Omega employees can take action with respect to their accounts that may differ from action taken by Omega on behalf of other accounts. Omega is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling

any security or other instrument that its employees may buy or sell for their own accounts or for any other account Omega manages. In addition, Omega employees are not obligated to refrain from investing in securities or other instruments held in client accounts Omega manages except to the extent that such investments violate the Code. Additionally, Omega employees may invest in private funds which, in turn, may invest in securities or other instruments Omega in which invests on behalf of client accounts.

As the managing member of Omega Associates, LLC, the general partner of the private funds that are structured as partnerships, Leon Cooperman participates in the Omega private funds' investments, *pro rata*, in accordance with his capital account and receives a portion of the annual allocation of 15% - 20% of the net capital appreciation of the underlying investors in such funds (i.e., the performance allocation) that is made to Omega Associates, LLC, subject to certain restrictions (e.g., the hurdle rate provision or high water mark).

As the sole shareholder of Omega, Mr. Cooperman receives a portion of the management and performance fees/allocation that Omega and Omega Associates, LLC receive from the private funds. Mr. Cooperman may in the future participate in a portion of the management fees or incentive allocations of other private funds, either directly or indirectly through Omega. Key personnel who are members of Omega Associates, LLC also participate in the performance allocations received by that entity from the private funds. To avoid any conflicts of interest, accounts of Omega personnel may invest only in accordance with the Code.

In addition, Omega operates a legacy deferred compensation pool, which is now closed, but pursuant to which deferred fees owing to Omega may be invested in an offshore private fund. The profits and losses from such investments are then allocated to the relevant Omega personnel by Omega Associates, LLC.

C. Invest in the same securities as you recommend to clients

Please see the response to Items 11.A and 11.B above. From time to time, employees of Omega or its affiliates may have interests in securities or other instruments owned by or recommended to clients. Omega may purchase or sell for its clients securities or other instruments of an issuer in which Omega employees also have a position or interest. If an employee wishes to purchase or sell a security or other instrument (other than exempt securities (as specified in the Code) or municipal securities) that Omega intends to purchase or sell for its clients, that security or other instrument may generally be purchased or sold by that employee, after a three-day period following the day on which the client order(s) have been fully executed.

If an employee has a personal interest in any security, he or she must disclose that interest to Omega's investment committee before recommending that security or before directing an investment decision with respect to that security. If the employee has the power to direct any transaction in any such security, investment personnel with no personal interest in such security must review such an investment decision.

As these situations may represent a potential conflict of interest, Omega has implemented procedures relating to personal securities transactions and insider trading that are designed to prevent actual conflicts of interest as well as conflicts among and between its affiliates. These are set out in the Code.

D. Recommend securities to clients at same time as buy/sell for your own account

Please see response to Item 11.C. above.

Item 12 Brokerage Practices

A. Factors in Selecting Brokers and Soft Dollars

Omega places all orders for the purchase or sale of securities with the primary objective of seeking to obtain the best combination of price and execution. Omega has a high standard of quality regarding execution services and deals only with brokers that can meet that standard.

The best net price, giving effect to brokerage commissions, spreads and other costs, normally is an important factor in Omega's selection of broker or dealers to execute or effect portfolio transactions for clients. However, a number of other judgmental factors are considered relevant. These factors include, but are not limited to: price; transactions costs; Omega's knowledge of the negotiated commission rates and spreads currently available; the nature of the security being traded; the size and type of the transaction; the nature and character of the markets for the security to be purchased or sold; the desired timing of the trade; the activity existing and expected in the market for the particular security; the nature and quality of research; access to personnel and to company management; confidentiality; the execution, clearance and settlement capabilities as well as the reputation and perceived soundness of the broker-dealer selected and others which are considered; the broker-dealer's capital introduction program; commitment to capital; access to deal flow; Omega's knowledge of actual or apparent operational problems of any broker-dealer; the broker-dealer's execution services rendered on a continuing basis and in other transactions; the reasonableness of spreads or commissions; custody services; access to markets and distribution networks; execution of soft dollar arrangements; and responsiveness of the broker-dealer.

1. Research and Soft Dollars

In allocating brokerage, Omega may take into consideration the receipt of research and brokerage services ("soft dollar items") in a manner consistent with (i) the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934 (the "Exchange Act") and (ii) the objective of seeking to achieve best execution in connection with each portfolio transaction. When appropriate and consistent with Omega's duty to seek to achieve best execution, Omega may direct brokerage transactions for client accounts to broker-dealers that provide

Omega with soft dollar items. The brokerage commissions used to acquire soft dollar items are referred to as “soft dollars.”

Broker-dealers typically provide a bundle of services including research and execution of transactions (*e.g.*, research ideas, investment strategies, special execution and block positioning capabilities, clearance, settlement and custodial services) to customers. The research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third-party (created by a third party but provided by broker-dealer). Broker-dealers generally do not charge separate fees for proprietary research or third party research or other brokerage services. Omega may use soft dollars to acquire research and brokerage services.

As noted above, Section 28(e) of the Exchange Act provides a “safe harbor” that allows advisers to pay for research and brokerage services with the commission dollars generated by transactions for client accounts. In determining whether a service or product qualifies as research or brokerage services, Omega evaluates whether the soft dollar item provides lawful and appropriate assistance to Omega in meeting its clients’ objectives or in carrying out its investment decision making responsibilities for client accounts. Receipt of soft dollar items benefit Omega in that Omega does not pay for the soft dollar items from its own resources. This creates a conflict of interest in that Omega has an incentive to select a broker-dealer based on receiving such soft dollar items rather than on the clients’ interest in receiving most favorable execution.

The receipt of research in exchange for soft dollars benefits Omega by allowing Omega, at no cost to it, (i) to supplement its own research and analysis activities, (ii) to receive the views and information of individuals and research staffs of other securities firms, and (iii) to gain access to persons having special expertise on certain companies, industries, areas of economy and market factors. Research products and services acquired with soft dollars may include research reports on the economy, market trends, particular industries, sectors, issuers and companies (including current and historical financial data), economic surveys and analyses, recommendations as to specific securities, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and analysis of corporate responsibility issues, and other products or services providing lawful and appropriate assistance to Omega in the performance of its investment decision-making responsibilities. Such research services are received primarily in the form of written reports, telephone contacts and personal meetings with security analysts.

The determination and evaluation of the reasonableness of the brokerage commissions paid in connection with portfolio transactions are based primarily on the professional opinions of the persons responsible for the placement and review of such transactions. These opinions are formed on the basis of, among other

things, the experience of these individuals in the securities industry and information available to them concerning the level of commissions being paid by other investors of comparable size and type. The commission rates paid by Omega are reviewed by Omega's traders on a regular basis.

Omega may select broker-dealers based on its assessment of each broker-dealer's ability to provide quality executions and their belief that the soft dollar items provided by such broker-dealer may benefit client accounts. It is not possible to place a dollar value on special executions, research services or other soft dollar items Omega receives from broker-dealers for effecting transactions for client accounts. Accordingly, broker-dealers selected by Omega may be paid commissions for effecting portfolio transactions for client accounts in excess of amounts other broker-dealers would have charged for effecting similar transactions if Omega determines in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or Omega's overall duty to discretionary client accounts.

Research obtained with soft dollars may not be utilized by Omega for the specific account that generated the soft dollars. Because Omega routinely batches client transactions, brokerage commissions attributable to one or more client accounts may be allocated to brokers who provide statistical data and other research used by Omega in managing the accounts of other clients, and *vice versa*. Omega does not usually attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research Omega receives benefits clients and assists Omega in fulfilling its overall duty to clients. To the extent any soft dollars generated by Omega accounts are used to benefit parties other than Omega or the Omega accounts, such other parties must reimburse the client accounts for the use of such soft dollars.

Omega will not enter into any agreement or understanding with any broker-dealer that would obligate Omega to direct a specific amount of brokerage transactions or commissions to any broker-dealer in return for soft dollar items. While the continued provision of soft dollar items to Omega is not conditioned on Omega directing any particular level of transactions to these brokerage firms, such soft dollar items are provided without separate charge in consideration of Omega's use of such brokerage firms to execute transactions for clients' accounts. However, certain broker-dealers may state in advance the amount of brokerage commissions they require for certain soft dollar items and the applicable cash equivalent.

Omega may use soft dollars to pay for any specific service or for any portion of its "mixed use" items (e.g., products or services that provide both research and non-research benefits). When Omega acquires a particular product or service, they may use available soft dollar credits and pay cash to make up any difference. Further, if the product or service obtained by Omega is a mixed use item, Omega may use soft dollars for the research portion and pay cash for the non-research

portion. Although the allocation between soft dollars and cash is not always capable of precise calculation, Omega will make a good faith effort to make a reasonable allocate with respect to such items. Records of any such allocations and payments will be prepared and maintained by Omega.

2. Brokerage for Client Referrals

From time to time, prime brokers and other executing brokers (and/or their capital introduction departments or affiliates) with whom Omega conducts brokerage and other business may introduce potential investors to the private funds managed by Omega. Additionally, funds of funds and/or proprietary capital managed by affiliates of such prime brokers and executing brokers may invest in funds managed by Omega or may establish separately managed accounts advised by Omega. Potential conflicts of interest may arise from Omega's relationships with such brokers. Omega will evaluate each such relationship and will consider any conflicts of interest arising from each such relationship, in order to seek to ensure that (i) Omega obtains the best combination of price and execution for client transactions and (ii) Omega will not favor any such brokers over other equally competent brokers that otherwise do not introduce clients or have an affiliate that has an investment relationship with Omega.

3. Directed Brokerage

Clients may limit Omega's discretionary authority in any or all situations. Agreeing with clients to only use particular brokers is generally discouraged. However, where such an agreement is in place, Omega will endeavor to honor the client's wishes. This means that Omega may not always be in a position where it can negotiate commission rates or spreads or obtain volume discounts and best price may not be achieved.

In addition, transactions for a client that directs brokerage may not be combined or "batched" for execution purposes with orders for the same securities for other accounts managed by Omega. Trades for a client that has directed use of a particular broker or dealer will be placed at the end of batched trading activity for a particular security. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the batched order. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than would be the case if Omega could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution.

B. Aggregation of Orders

As part of the duty to seek best price and execution, Omega may, but is not required to, "bunch" or batch together purchases or sales for several clients (including institutional

client accounts and private funds) and allocate the trades, in a fair and equitable manner over time, across participating client accounts (including private funds).

While Omega may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for its clients, Omega may direct transactions to brokers based on both their ability to provide high quality execution and the nature and quality of research services, if any, such brokers provide to Omega as well as other factors. As a result, clients may not always pay the lowest available commission rate where their trades are effected in this manner, so long as Omega believes that it is seeking to obtain best execution.

To the extent that clients of Omega purchase the securities of the same issuer at the same time, such securities are generally allocated *pro rata* among client accounts that are eligible to participate. Non-*pro rata* allocations may result from such factors as differences among accounts in terms of cash availability, tax or regulatory considerations and in all such cases, details of the reason for such allocation will be maintained by Omega.

Omega may also consider the following, among other things, when allocating trades on a non-*pro rata* basis: (i) cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) and portfolio positions may provide a basis to deviate from a pre-established allocation as long as the allocation does not result in an unfair advantage to specific accounts or types of accounts over time; (ii) certain accounts having specialized investment objectives or restrictions emphasizing investment in a specific category of securities may be given priority over other accounts in allocating such securities (e.g., tax consequences, legal restrictions, leverage capabilities); and (iii) for bond trades, street convention and good delivery may dictate the minimum size and par amounts.

Pro rata allocation is generally used when a batch order, which usually involves only non-directed accounts and seeks only liquid, actively traded securities, cannot be fully executed in a single day, unless the client has expressly directed otherwise. A partial fill is generally allocated among the participating client accounts based on the size of each account's original order, subject to rounding in order to achieve "round lots". Unexecuted orders will continue until the block order is completed or until all component orders have been cancelled. New orders for the same security will be aggregated with any remaining unexecuted orders and will continue in the same manner. Omega will generally apply a minimum order allocation amount of 100 shares, which may be adjusted based on market convention associated with the particular security. If remaining positions are too small to satisfy the minimum order amount, Omega may decide to allocate the remaining shares to those accounts seeking large positions that were unfilled. Omega may also decide to allocate remaining shares to those accounts whose orders would be completed as a result of the allocation. Other methods of allocation may be used where *pro rata* allocation is deemed by Omega to be less appropriate or equitable than such alternative means. Percentage ownership allocation may be used to conform a client's exposure to a particular security. Random allocation or allocation by alphabetical

order is especially appropriate when the transaction size is too limited to be effectively allocated *pro rata* among all eligible managed accounts.

Omega may also open “average price” accounts with broker-dealers. In an “average price” account, purchase and sale orders placed during a trading day on behalf of the client accounts are combined, and securities bought and sold pursuant to such orders are allocated among such client accounts on an average price basis. The effect of such aggregation may operate on some occasions to an account’s disadvantage.

Item 13 Review of Accounts

A. Frequency and Nature of Review

Each client account is reviewed by the CEO or one of the Co-Directors of Research (Sam Martini and Jonathan Aborn) at least monthly. The factors that may trigger a change in portfolio securities include, but are not limited to: changes in a company’s fundamentals; personal contact with management, other investment advisers, key industry personnel or analysts; news and press releases; general market conditions; and Omega’s assessment of the financial consequences of world events derived from general information or such other material as is appropriate under the particular circumstances.

B. Factors Triggering Review

Please see the response to Item 13.A. above.

C. Reports to Clients

If requested, institutional clients receive the original transaction confirmation following execution of a trade for their accounts. Generally, account statements are provided quarterly. More frequent information is available to clients upon request. Omega is generally available to meet with institutional clients when requested and can tailor reporting to meet the needs of the client. Institutional clients also receive from their qualified custodian quarterly account statements in conformity with the requirements of the Rule 206(4)-2 under the Advisers Act (“Custody Rule”).

Private fund investors receive reports as described in the applicable offering documents. Omega generally supplies reports quarterly to investors which may include investment summaries as well as the performance of the private fund against an applicable benchmark. Each underlying private fund investor also receives a Form K-1 for tax purposes. To comply with the Custody Rule, annual audit reports are generally provided within 120 days following a private fund’s fiscal year end. Reports to private fund investors may be sent by a third party service provider on behalf of Omega. A private fund may offer certain private fund investors, upon request, additional information and reporting that other private fund investors may not receive, and such information may affect a private fund investor’s investment decisions, including its decision to request a withdrawal from its capital accounts.

Item 14 Client Referrals and Other Compensation

A. Person not a client provides economic benefit

Omega's use of a prime broker with respect to the private funds may provide increased administrative ease and, therefore, increased profitability for Omega. As discussed above, a prime broker may also refer potential investors to Omega with respect to the Omega private funds. Because an increase in the size of a private fund would likely result in additional compensation to that private fund's prime broker, the prime broker is likely to receive a benefit from introducing potential investors to Omega with respect to the private fund for which it serves as prime broker.

Other broker-dealers may provide capital introduction services to Omega with respect to the private funds on a no reimbursement basis. Such firms generally do so in order to establish a relationship with Omega which may assist the brokerage firm in obtaining future business; however, no promise of future brokerage direction or other business arrangements is made in connection with these services.

B. Client referrals

Omega has entered into referral arrangements with consultants that are registered broker dealers. The consultants will refer clients to Omega as either investors in Omega's private funds or as clients for separately managed accounts. The consultants will be paid a part of the management fee and incentive allocation or performance fee received by Omega with respect to such referred investors or clients. Such referral arrangements and any such future referral arrangements do and will, to the extent applicable, be in compliance with the Cash Solicitation Rule, Rule 206(4)-3 under the Advisers Act, and relevant SEC and FINRA rules applicable to broker-dealers. A prospective client or underlying investor in a private fund solicited by a consultant will be advised in writing of the details of any referral fee arrangement with the consultant and asked to acknowledge its receipt of such information.

Item 15 Custody

Please see the responses to Item 5 and Item 13.C.

With specific client authorization, Omega may automatically deduct management fees and performance fees from some separately managed accounts by billing the client's custodian directly. The custodian for such client will send quarterly statements showing all transactions in the account, including fees paid to Omega, directly to such client with a copy to Omega.

Each of the private funds retains a third party administrator that is responsible for authorizing the payment of management fees and performance fees to Omega.

Omega and its affiliates comply and will continue to comply with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940 (the “Advisers Act”) with regard to assets held in both separately managed accounts and private funds with respect to which they are deemed to have custody.

If Omega or one of its affiliates is deemed to have custody over a client account, the qualified custodian for the account will send the client periodic account statements (generally on a quarterly basis) indicating the amounts of any funds or securities in the client account as of the end of the statement period and any transactions in the account during the statement period. Clients should review these statements carefully.

For underlying investors in private funds, in order to comply with the Custody Rule, annual audit reports are generally provided within 120 days following a private fund’s fiscal year end unless the private fund is operated as a fund of funds, in which case the audit reports will be provided within 180 days of the private fund’s fiscal year end. Reports to private fund investors may be sent by a third party service provider on behalf of Omega.

Item 16 Investment Discretion

Omega has discretionary authority to manage the accounts of clients pursuant to a written investment management agreement with the client. The client may provide guidelines and restrictions on the types of investments, etc. A fee schedule must be included in each executed investment management agreement. The investment management agreement contains a power of attorney providing discretionary investment authority to Omega.

Item 17 Proxy Voting

Omega has adopted proxy voting policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions it makes on behalf of clients and to help ensure that such decisions are made in accordance with Omega’s fiduciary obligation to act in the best interests of its clients.

Omega’s policy is designed to consider the economic interests of its clients -- to vote in a manner that Omega believes maximizes the economic value of a client’s ownership interest in the issuer. Omega makes investment decisions primarily on the basis of fundamental analysis, including the quality of a company’s management. Since Omega will generally only invest in companies which, in Omega’s view, have strong management, Omega generally supports management on issues for which shareholder approval is required. However, for transactions involving a sale, spin-off, merger or similar corporate event, Omega will make an independent assessment and will vote its shares in the manner it believes will best maximize shareholder value. A copy of the Omega’s Proxy Voting Policy as well as Omega’s record of voting is available to any client or prospective client upon request.

Item 18 Financial Information

Not applicable because Omega does not require prepayment of fees six months or more in advance. Omega has not been the subject of a bankruptcy petition at any time during the past ten years.