

**Item 1 – Cover Page**

**Blackstone Tactical Opportunities Advisors  
L.L.C.**

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**as of March 31, 2014**

Form ADV, Part 2; the “Disclosure Brochure” or “Brochure” provides information about the qualifications and business practices of Blackstone Tactical Opportunities Advisors L.L.C. (“BTOA”).

If you have any questions about the contents of this Brochure, please contact us at (212-583-5000). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. BTOA is registered with the SEC as an investment adviser. BTOA’s registration as an investment adviser does not imply any level of skill or training.

Additional information about BTOA is also available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link “Investment Adviser Search”, select “Investment Adviser Firm” and type in our firm name “Blackstone”). The search results will provide you with both Parts 1 and 2A of our Form ADV.

## **Item 2 – Material Changes**

There has not been any material change to this Brochure since its last filing dated July 10, 2013.

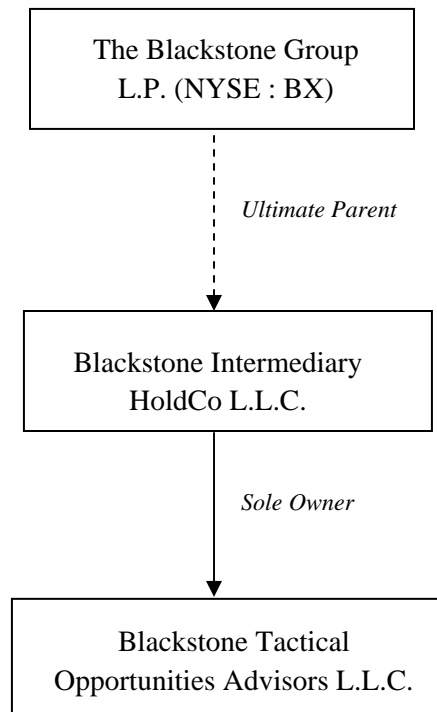
### Item 3 – Table of Contents

Item 1 – Cover Page .....	
Item 2 – Material Changes .....	i
Item 3 – Table of Contents.....	ii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	3
Item 6 – Performance-Based Fees and Side-By-Side Management .....	6
Item 7 – Types of Clients.....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	8
Item 9 – Disciplinary Information .....	11
Item 10 – Other Financial Industry Activities and Affiliations .....	12
Item 11 – Code of Ethics .....	23
Item 12 – Brokerage Practices .....	25
Item 13 – Review of Accounts .....	26
Item 14 – Client Referrals and Other Compensation .....	27
Item 15 – Custody .....	28
Item 16 – Investment Discretion .....	29
Item 17 – Voting Client Securities (i.e., Proxy Voting) .....	30
Item 18 – Financial Information.....	31

## Item 4 – Advisory Business

Blackstone Tactical Opportunities Advisors L.L.C. (“BTOA”) is a Delaware limited liability company. BTOA provides investment advisory services to Blackstone Tactical Opportunities Fund L.P. (“BTO” or the “Partnership”) any parallel funds, managed accounts or arrangements or alternative investment vehicles relating to the foregoing and other investment vehicles having the same or similar investment objectives as the Partnership (collectively, “Funds” and each a “Fund”). Each of the Funds is an investment fund that will seek to deliver attractive risk-adjusted investment returns by applying a multi-disciplinary, multi-asset class approach to investing, without limiting itself to a pre-defined strategy or set of strategies. An affiliate of BTOA serves as the general partner (the “General Partner”) of the Funds. BTOA has been in business since January 2012.

The ultimate parent of BTOA is The Blackstone Group L.P. which is a publicly held company listed on the New York Stock Exchange which trades under the ticker symbol “BX”. Please see the structure chart below. The Blackstone Group L.P. (together with its affiliates, “Blackstone”) is one of the leading alternative investment managers in the world with investment programs concentrating in the private equity, real estate and debt/credit areas, as well as the hedge fund solutions business. Please see **Item 10 – Other Financial Industry Activities & Affiliations** for more information.



BTOA's regulatory assets under management ("RAUM") was \$ 5.310 billion as of December 31, 2013. Please note that this figure is an unaudited estimate.

**Description of Advisory Services:**

BTOA serves as investment advisor to the Funds as set forth in various Advisory Agreements. As investment advisor to these Funds, BTOA:

1. Identifies investment opportunities for the Funds
2. Participates in the monitoring and evaluation of the Funds' investments
3. Makes recommendations to the General Partner of the Funds regarding the purchase and/or sale of investments

## **Item 5 – Fees and Compensation**

Per the Advisory Agreements with each of the Funds, BTOA is entitled to compensation for its services in the form of a management fee (the “Management Fee”), payable quarterly. The Management Fee varies by investor and the size of their commitment and may be based on invested capital, remaining uninvested capital or committed capital. Prorated refunds would be provided for partial quarters, if any, to the extent applicable. As set forth in Item 6 below, the General Partner of the Funds is eligible to receive performance allocations. The Private Placement Memorandum (“PPM”, as supplemented from time to time) and the Partnership Agreement and Advisory Agreements of each Fund includes further details on fees and compensation and related matters.

Management Fees and performance-based allocations are either withheld from distributions or invoiced at an appropriate time pursuant to a capital call notice.

In addition to BTOA’s Management Fee and performance-based allocations (see Item 6 below), investors will bear indirectly any fees and expenses charged by BTOA or the General Partner to the Funds, and deducted directly from the Funds. Those fees will vary, but typically include professional fees such as legal and accounting fees, and fees for administrative services.

Finally, certain investors in the Funds, which are generally related persons, employees and retired partners of Blackstone (“Blackstone Investors”), may not pay Management Fees and/or performance based allocations based on their investment in the Funds. Notwithstanding, such investors will either directly pay for their pro rata share of certain Fund expenses (as described below), or the pro rata amount of such expenses will be allocated to the General Partner.

### **Additional Fees and Expenses:**

BTOA’s Management Fees, performance-based allocations and the expenses described above, are not inclusive of all the fees which the investors may bear. The following is a list of fees and/or expenses that the Funds may pay directly to third parties. This list is not intended to be exhaustive; prospective and existing investors in the Funds are advised to review the applicable Fund offering materials and organizational documents for a more extensive description of the fees and expenses associated with an investment in the Funds.

- Legal Fees
- Regulatory Filing Fees

- Expenses Related to BTOA's Compliance Matters and Reporting Obligations to the Extent They Relate to the Funds' Activities (e.g., Form PF, CFTC filings)
- Administrative Fees
- Consultant Expenses
- Technology Expenses
- Accounting Fees
- Taxes
- Audit Fees
- Brokerage Commissions
- Transaction Fees
- Custodial Fees
- Research-Related Expenses, Including News and Quotation Equipment and Services
- Broken-Deal Expenses
- Expenses Associated with the Preparation of the Funds' Periodic Reports and Related Financial and other Statements
- Expenses of Investor Meetings
- Expenses of any litigation involving the Funds or entities in which the Funds have an investment and the amount of any judgments or settlements paid in connection therewith
- Expenses incurred in connection with complying with provisions in investor side letter agreements

Investors in a Fund are allocated their pro rata share of such additional fees and expenses for the time period they are invested in the Fund. Most staff out-of-pocket travel and entertainment expenses in connection with the Funds' transactions are treated as Fund expenses.

BTOA and its affiliates may also receive break-up and topping fees, transaction fees, financial advisory fees, monitoring and director fees, commitment, organization, financing, divestment fees and similar fees for arranging acquisitions and other major financial restructurings, and other fees and annual retainers from or with respect to persons in which the Funds acquire or hold investments and from unconsummated transactions. The Management Fee paid by the Funds to BTOA is generally reduced by 100% of each such Fund's pro rata share of any fees received by BTOA or its affiliates (net of reasonable out-of-pocket expenses incurred by BTOA or its affiliates) with respect to the deployment of capital in investments. BTOA may also engage and retain on behalf of the Funds and/or their portfolio companies strategic advisors,

consultants, and other similar professionals who are not employees or affiliates of BTOA and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies, and such amounts will not offset the Management Fee paid by the Funds.



## **Item 6 – Performance-Based Fees and Side-By-Side Management**

In addition to the Management Fees described in Item 5 that are received by BTOA, the General Partner of the Funds will receive a portion of the profits of investment proceeds from the Funds with respect to each investor (other than those that are affiliates of BTOA), which is anticipated to range (based on the type of investments with respect to which such investment proceeds relate and the investor's commitment to the applicable Fund) from ten to twenty-five percent of the amounts otherwise distributable to such limited partner. Such allocation of profits is only allocated to the General Partner when specific conditions are met, including the return of all capital contributed to the Funds by investors for realized investments and any writedowns on unrealized investments, as well as fees and expenses allocable to such investments and, with respect to distributions of disposition proceeds from certain investments and certain investors, the receipt of a preferred return on such amounts.

Depending on the investor, the Funds generally distribute current income from an investment to their investors on an investment by investment basis and do not take account of a return of capital and any writedowns, but will take into account actual unrecouped losses from prior dispositions.

The fact that BTOA's affiliate is in part compensated based on the performance of the Funds may create an incentive for BTOA to make investments on behalf of investors that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement. However, BTOA manages the Funds in accordance with the investment strategy disclosed in the Funds' offering materials to help ensure that investors are aware of the investment strategy and the risks associated with the strategy. The PPMs of the Funds contain further details regarding the incentive allocation and risk and strategy.

As described in Item 5, Blackstone Investors are not subject to Management Fees or carried interest allocations.

## Item 7 – Types of Clients

BTOA manages the Funds. The Funds' investors may consist of:

- Banks and other financial institutions
- Insurance companies
- Investment companies
- Public and private retirement and pension plans
- Public and private profit sharing plans
- Trusts and estates
- Charitable organizations and foundations, including endowment funds thereof
- State and municipal government agencies
- Sovereign wealth funds
- Private investment funds
- Corporations
- Business entities other than those listed above
- High net worth individuals

All investors are subject to applicable suitability requirements. BTOA and the General Partner require that each investor in the Funds be an “accredited investor” as defined in Regulation D under the U.S. Securities Act of 1933, as amended and a “qualified purchaser” as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, and meet other suitability requirements. Generally, investors must invest a minimum dollar amount that may be waived, modified or negotiated at BTOA’s discretion.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Investment Strategies:**

BTOA pursues a highly flexible investment approach that invests across asset classes (e.g., real estate, public equity, structured equity, private equity, commodities, real assets and credit) and throughout the capital structure (e.g., mezzanine, senior secured debt, bank debt, unsecured bonds, convertible bonds, preferred stock and equity) in order to generate superior risk-adjusted returns with a focus on capital protection. BTOA will focus on complex situations that are typically proprietary with little competition for alternative sources of capital and will base its investment decisions on an analytically intensive process that incorporates macro and industry level research.

Many of the BTOA opportunities will require the ability to act quickly as a result of temporary dislocations due to increased volatility or an investment theme being one-off in nature.

BTOA's investment analysis methods may include fundamental, technical and cyclical research. BTOA's investment team is responsible for evaluating securities (and other products) for investment. BTOA's investment professionals also review all portfolios for adherence to the investment objectives of each portfolio and the Fund's stated investment strategies.

At the core of BTOA's investment strategy is a rigorous investment, origination, selection and investment decision process with considerable emphasis on monitoring and reporting the performance of the ongoing investment portfolio. BTOA's Investment Committee oversees and manages the investment process. We anticipate that the BTOA investment team will directly originate investment opportunities that it sources, and will also evaluate opportunities emanating from Blackstone's other investment and advisory businesses. The investment team has relationships with a broad swath of market participants, companies and other counterparties that BTOA expects to yield attractive investment opportunities.

BTOA's investment team, in collaboration with Blackstone's various business units, is responsible for selecting, evaluating, structuring, diligencing, negotiating, executing, managing and exiting investments, as well as pursuing potential operational improvements and value creation. The objective of BTOA's approach to investment selection is to investigate an investment opportunity in order to quantify the potential investment's relative risks and rewards. The process is thorough, and adherence to BTOA's investment strategy allows the BTOA investment team to seek to allocate its resources only to opportunities with significant chance for completion.

After an initial selection, evaluation and diligence process, the deal team will present a proposed transaction at the Review Committee meeting. Review Committee meetings are led by an executive committee of several Senior Managing Directors and Managing Directors of BTOA. After discussing the contemplated transaction with the deal team, the Review Committee decides whether to give its preliminary approval to the deal team to continue pursuing the investment opportunity and the deal team investigates further any particular issues raised by the Review Committee during the process. This high level of interaction between the Review Committee and investment professionals from inception of a transaction to closing helps identify potential issues early and enables the team to more effectively streamline resources and workflows.

Following assimilation of the Review Committee's input and its decision to proceed with a proposed transaction, the proposed investment will be vetted by the BTOA Investment Committee. The BTOA Investment Committee includes the business leaders of many of Blackstone's investment businesses and, as appropriate, selected senior managing directors and managing directors of Blackstone's other investment businesses based on the type and sector of the proposed transaction.

The BTOA Investment Committee is responsible for approving all investment decisions made by BTOA. Both the Review Committee and the BTOA Investment Committee processes will involve a consensus approach to decision making among committee members.

**Risk of Loss:**

An investment in the Funds entails a significant degree of risk and therefore should be undertaken only by investors capable of evaluating the risks of the Funds and bearing the risks such investments represent. Set forth below is a non-exhaustive list of such risks:

1. No established market for potential investments exists
2. Illiquidity of investments by the Funds
3. Changes in legal, fiscal, and regulatory regimes
4. Nature of equity or equity-related investments
5. Non-U.S. Investments, including currency fluctuation and political factors
6. Dependence on BTOA's key personnel
7. Portfolio concentration

8. Broad investment mandate
9. Non-controlling investments
10. Distressed investments
11. Investment environment and market risk
12. Market volatility risks
13. Risk of loss of entire investment

**Investors are advised to review the applicable Fund offering materials for a more extensive description of the risks of investing in the Funds.**

Stock markets and bond markets fluctuate substantially over time and performance of any investment is not guaranteed. As a result, there is a risk of loss of value in the assets which BTOA manages that may be out of BTOA's control. BTOA cannot guarantee any level of performance or that investors in the Funds will not experience a substantial or complete investment loss. There is no assurance that the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategies. The marketability and value of any investment will depend upon many factors beyond the control of the Funds. The expenses of the Funds may exceed their income, and an investor in a Fund could lose the entire amount of its contributed capital. Therefore, an investor should only invest in a Fund if the investor can withstand a total loss of its investment. The past investment performance of the Funds cannot be taken to guarantee future results of the Funds or any investment in the Funds.

## **Item 9 – Disciplinary Information**

BTOA does not have any legal, financial or other “disciplinary” event to report. As a registered investment adviser, BTOA is obligated to disclose any legal disciplinary event that would be material to a client when evaluating the adviser’s advisory business or integrity of its management.

On occasion, in the ordinary course of its business, Blackstone is named as a defendant in a lawsuit or arbitration. BTOA does not believe that any current litigation to which Blackstone is a party will have a material adverse effect on BTOA and/or the Funds.

## Item 10 – Other Financial Industry Activities and Affiliations

### **Other Financial Industry Activities**

Various potential and actual conflicts of interest may arise from the overall investment activities of BTOA and its affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exclusive list of all such conflicts. Any references to Blackstone and BTOA in this section will be deemed to include their respective officers, directors and employees.

***Blackstone Policies and Procedures.*** Specified policies and procedures implemented by Blackstone to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across Blackstone's various businesses that the Funds expect to draw on for purposes of pursuing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and subject to more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In connection with its investment banking, advisory and other businesses, Blackstone may come into possession of information that limits its and its affiliates' ability to engage in potential transactions. The Funds' activities may be constrained as a result of the inability of Blackstone personnel to use such information. For example, employees of Blackstone may be prohibited by law or contract from sharing information with members of the Funds' investment teams. Additionally, there may be circumstances in which one or more of certain individuals associated with Blackstone will be precluded from providing services related to the Funds' activities because of certain confidential information available to those individuals or to other parts of Blackstone. In certain sell-side and fundraising assignments, the seller may permit a Fund to act as a participant in such transactions, which would raise certain conflicts of interest inherent in such a situation (including as to the negotiation of the purchase price). In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, Blackstone has implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that the Funds expect to utilize for purposes of finding attractive investments.

***Allocation of Personnel.*** BTOA will devote such time as shall be necessary to conduct the business affairs of the Funds in an appropriate manner. However, certain Blackstone personnel will work on other projects and, therefore, conflicts may arise in the allocation of personnel. In

this regard, however, a core group of Blackstone investment professionals will devote substantially all of their business time to the business related to the Funds and related entities.

***Other Fees.*** BTOA may receive fees from portfolio companies as compensation for investment banking, advisory, and other services. BTOA and its affiliates may also receive financial advisory fees, monitoring and director fees, commitment, organization, financing, divestment fees and similar fees for arranging acquisitions and other major financial restructurings, and other fees and annual retainers from or with respect to persons in which the Funds acquire or hold investments. BTOA may also engage and retain on behalf of the Funds and/or their portfolio companies strategic advisors, consultants, and other similar professionals who are not employees or affiliates of BTOA and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies, and such amounts will not offset the Management Fee paid by the Funds.

***Portfolio Company Relationships.*** The Funds' portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other investment funds managed by Blackstone that, although BTOA determines to be consistent with the requirements of such Funds' governing agreements, may not have otherwise been entered into but for the affiliation with Blackstone, and which may involve fees and/or servicing payments to Blackstone-affiliated entities which are not subject to the Management Fee offset provisions described herein. For example, BTOA may cause portfolio companies to enter into agreements regarding group procurement (such as the Group Purchasing Organization), employer health program arrangements, benefits management, purchase of insurance policies (which may be pooled across portfolio companies and discounted due to scale) and other operational, administrative or management related matters from a third party or a Blackstone affiliate and other similar operational initiatives that may result in commissions or similar payments related to a portion of the savings achieved by the portfolio company. In addition, the Funds may engage a portfolio company of the Funds or a portfolio company of one of the Other Blackstone Funds (as defined below) to manage an asset held by the Funds on prevailing market terms, and the amounts paid to such a portfolio company shall not reduce the Management Fee payable by the Funds.

***Conflicting Fiduciary Duties to Other Funds.*** BTOA may structure an investment as a result of which one or more funds, structured vehicles or other collective investment vehicles managed by Blackstone other than the Funds (collectively, "Other Blackstone Funds") are offered the opportunity to participate in investing in a security that is more senior or more junior than the securities of the same issuer in which the Funds invest. As investment advisor to both the Funds and the Other Blackstone Funds, Blackstone would owe a fiduciary duty to the Other Blackstone Funds as well as to the Funds. As a result, Blackstone may, in certain instances, face



a conflict of interest in respect of decisions made with regard to Other Blackstone Funds and the Funds (e.g., with respect to the terms of such securities, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies).

***Investment Banking, Advisory and Other Relationships.*** As part of its regular business, Blackstone provides a broad range of investment banking, advisory, underwriting, placement agent services and other services. In addition, Blackstone and its affiliates may provide services in the future beyond those currently provided. Funds will not receive a benefit from such fees. In the regular course of its investment banking and advisory businesses, Blackstone represents potential purchasers, sellers and other parties, including corporations, financial buyers, management, shareholders and institutions, with respect to transactions that could give rise to transactions that are suitable for a Fund. In such a case, an advisory client would typically require Blackstone to act exclusively on its behalf, thereby precluding a Fund from participating in such transactions. Blackstone will be under no obligation to decline any such engagements in order to make an investment opportunity available to a Fund.

Blackstone has long-term relationships with a significant number of corporations and their senior management. Blackstone will consider those relationships when evaluating an investment opportunity, which may result in Blackstone choosing not to make such an investment due to such relationships (e.g., investments in a competitor of a client). Certain Funds or investors in Funds may also co-invest with clients of Blackstone in particular investment opportunities, and the relationship with such clients could influence the decisions made by Blackstone with respect to such investments.

Blackstone may from time to time participate in underwriting or lending syndicates with respect to portfolio companies of a Fund, or may otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, a Fund's portfolio companies, or otherwise in arranging financing (including loans) for portfolio companies. Such underwritings may be on a firm commitment basis or may be on an uncommitted "best efforts" basis. A Blackstone broker-dealer may act as the managing underwriter or a member of the underwriting syndicate and purchase securities from a Fund or such portfolio companies. Blackstone may also, on behalf of a Fund or other parties to a transaction involving a Fund, effect transactions, including transactions in the secondary markets where it may nonetheless have a potential conflict of interest regarding a Fund and the other parties to those transactions to the extent it receives commissions or other compensation from a Fund and such other parties. Subject to applicable law, Blackstone may receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees or other compensation with respect to the foregoing activities, which are not required to be shared with the Funds or BTOA. In addition, the Management Fee paid by the Funds

generally will not be reduced by such amounts. Blackstone may have a potential conflict of interest regarding Funds and the other parties to those transactions to the extent it receives commissions, discounts or such other compensation from such other parties. BTOA will approve any transactions in which a Blackstone broker-dealer acts as an underwriter, as broker for a Fund, or as dealer, broker or advisor, on the other side of a transaction with a Fund only where BTOA believes in good faith that such transactions are appropriate for a Fund.

Where Blackstone serves as underwriter with respect to a portfolio company's securities, Funds may be subject to a "lock-up" period following the offering under applicable regulations during which time its ability to sell any securities that it continues to hold is restricted. This may prejudice the Funds' ability to dispose of such securities at an opportune time.

***Other Blackstone Funds; Allocation of Investment Opportunities.*** Through the Other Blackstone Funds, Blackstone currently invests and plans to continue to invest third-party capital in a wide variety of investment opportunities and assets globally. The investment objectives of such Other Blackstone Funds may overlap significantly with the investment objectives of the Funds with respect to certain asset classes. The Funds serve as Blackstone's synergistic platform that provides opportunities for tactical investing that generally do not fit into the primary focus of any of the existing Other Blackstone Funds.

To the extent any Other Blackstone Funds have investment objectives or guidelines that overlap with those of the Funds, in whole or in part, investment opportunities that fall within such common objectives or guidelines shall generally be allocated among the Funds and such Other Blackstone Funds and on a basis that the General Partner determines is fair and reasonable in its sole discretion, subject to (i) any applicable investment parameters or limitations of the Funds and such Other Blackstone Funds, (ii) the Funds and such Other Blackstone Funds having available capital with respect thereto, and (iii) legal, tax, regulatory and other considerations. In addition, certain of such Other Blackstone Funds may also receive priority with respect to the allocation of certain types of investments that are within their primary strategy which may otherwise be appropriate for the Funds, in each case, to the extent required by the applicable limited partnership agreements of such Other Blackstone Funds and subject to certain exceptions. As a result, to the extent any Other Blackstone Funds have investment objectives or guidelines that overlap with those of the Funds, such Other Blackstone Funds may receive (or be required to receive) allocations of investment opportunities that may otherwise be appropriate for the Funds, which may impact the Funds' ability to consummate attractive investment opportunities and achieve its investment objectives. BTOA may, in its sole discretion, give the investors in the Funds or third parties the opportunity to co-invest in particular investments alongside the Funds.

**Service Providers.** The Funds’ service providers (including lenders, brokers, attorneys, and investment banking firms) may be investors in the Funds and/or sources of investment opportunities and counterparties therein. This may influence the General Partner in deciding whether to select such a service provider or have other relationships with Blackstone. Notwithstanding the foregoing, investment transactions for the Funds that require the use of a service provider, will generally be allocated to service providers on the basis of best execution (and possibly to a lesser extent in consideration of such service provider’s provision of certain investment-related services and/or payments of the costs of investment-related research that the General Partner believes to be of benefit to the Funds).

**Representing Creditors and Debtors.** Blackstone may represent creditors or debtors in proceedings under Chapter 11 of the Bankruptcy Code or prior to such filings. From time to time Blackstone may serve as advisor to creditor or equity committees. This involvement, for which Blackstone may be compensated, may limit or preclude the flexibility that the Funds may otherwise have to participate in restructurings.

**Other Trading and Investing Activities.** Certain Other Blackstone Funds may invest in securities of publicly traded companies which are actual or potential investments of the Funds. The trading activities of those vehicles may differ from or be inconsistent with activities which are undertaken for the account of the Funds in such securities or related securities. In addition, the Funds may not pursue an investment in a portfolio company as a result of such trading activities by Other Blackstone Funds.

### **Other Financial Industry Affiliations**

BTOA is an affiliate of the following entities:

<b>Broker/Dealer</b>	
Blackstone Advisory Partners L.P. (“BAP”)	Provides a variety of investment banking services
Park Hill Group LLC	Places alternative investment products in private offerings to mostly institutional investors
<b>Investment Advisor</b>	
Blackstone Alternative Asset Management L.P.	Manages a series of private and closed-end funds engaged in multi-manager investment programs ( <i>i.e.</i> , fund of hedge funds)

Blackstone Communications Advisors I L.L.C.	Provides investment advisory services to a private investment fund specializing in communications-related private equity investments
Blackstone Debt Advisors L.P.	Provides investment advisory services to private investment funds specializing in debt securities
Blackstone Management Partners IV L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Clean Technology Advisors L.L.C.	Provides investment advisory services to private investment funds specializing in the cleantech energy sector
Strategic Partners Fund Solutions Advisors L.P.	Provides investment advisory services to a number of pooled investment and custom vehicles operating as private investment funds
Blackstone Mezzanine Advisors L.P.	Provides investment advisory services to private investment funds specializing in mezzanine financing
Blackstone Real Estate Advisors III L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors IV L.L.C.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors V L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors International L.L.C.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors Europe L.P.	Provides investment advisory services to various real estate investment funds
Blackstone Real Estate Special Situations Advisors L.L.C.	Provides investment advisory services to various private real estate investment funds

Blackstone Strategic Alliance Advisors L.L.C.	Manages a series of private funds engaged in a hedge fund “seeding” program
GSO/Blackstone Debt Funds Management LLC	Provides investment advisory services to a number of debt-focused private investment funds, closed-end funds and separately managed accounts
GSO Capital Advisors LLC	Provides investment advisory services to a number of debt-focused private investment funds and separately managed accounts
GSO Capital Partners LP	Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts
Bayview Asset Management, LLC	Provides investment advisory services focusing on real estate backed loans and mortgage securities
Blackstone Alternative Solutions L.L.C.	Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities
Blackstone Management Partners L.L.C.	Provides investment advisory services to various private equity funds
CT Investment Management Co., LLC	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets.
GSO Capital Partners International LLP	Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts
GSO Capital Advisors II LLC	Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts
Blackstone / GSO Debt Funds Europe Limited	Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts
Blackstone / GSO Debt Funds Management Europe Limited	Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts
Blackstone Real Estate Special Situations Advisors (Isobel) L.L.C.	Provides investment advisory services to private investment funds and accounts which invest primarily in public and private debt and other interests of real estate assets and real estate-related holdings

BXMT Advisors L.L.C.	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets
CT High Grade Mezzanine Manager, LLC	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets
CT High Grade Partners II Manager, LLC	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets
CT Large Loan Manager, LLC	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets
CT OPI Manager, LLC	Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets
The Blackstone Group (HK) Limited (“BHK”)	Hong Kong investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Advisors India Private Limited (“BAIPL”)	India investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group (Australia) Pty Limited (“BGAPL”)	Australian investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group Japan K.K. (“BGJ”)	Japanese investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group International Partners LLP (“BGIP”)	U.K. investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Singapore Pte Ltd (“BSAPL”)	Singapore investment advisory firm, which serves as a sub-advisor to the registrant

Blackstone (Shanghai) Equity Investments Management Co. Ltd. (“BSEIM”)	Provides investment advisory services to a foreign private investment fund with solely non-US investors
Blackstone Treasury Solutions Advisors L.L.C.	Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products
Blackstone (Shanghai) Equity Investments Management Co. Ltd. – Beijing Branch Office (“BSEIM-B”)	Provides investment advisory services to a foreign private investment fund with solely non-US investors
Blackstone Strategic Capital Advisors, L.L.C.	Manages private funds engaged in acquisitions of minority interests in alternative asset managers
Blackstone Real Estate Income Advisors L.L.C.	Provides investment advisory services to one or more registered closed-end real estate investment funds
BSCA Advisors L.L.C.	Provides investment advisory services to certain co-investment vehicles relating to funds managed by Blackstone Strategic Capital Advisors L.L.C.
Blackstone / GSO Debt Funds Management Europe II Limited	Provides investment advisory services to a number of debt focused private investment funds
Blackstone Alternative Investment Advisors L.L.C.	Established by Blackstone Hedge Fund Solutions Group to provide investment advisory services to open end mutual funds.
Blackstone Property Advisors L.L.C.	Provides investment advisory services to various private real estate investment funds
Blackstone Korea Advisors Ltd.	Provides investment advisory services to a foreign private investment fund with solely non-US investors

<b>Commodity Trading Advisor &amp; Commodity Pool Operator</b>	
Blackstone Alternative Asset Management L.P.	Manages a series of private funds engaged in multi-manager investment programs (i.e., funds of hedge funds)
Blackstone Strategic Alliance Advisors L.L.C.	Manages a series of private funds engaged in a hedge fund “seeding” program
Blackstone Alternative Solutions L.L.C.	Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities
Blackstone Alternative Investment Advisors L.L.C.	Established by Blackstone Hedge Fund Solutions Group to provide investment advisory services to open end mutual funds.
Blackstone Strategic Capital Advisors L.L.C.	Established to manage private funds engaged in acquisitions of minority interests in alternative asset managers
Blackstone Real Estate Income Advisors L.L.C.	Provides investment advisory services to one or more registered closed-end real estate investment funds
Blackstone Management Partners L.L.C.	Provides investment advisory services to various private equity funds

BSAPL is registered in Singapore, and BGIP is registered in the United Kingdom. They provide certain advisory services to BTOA and certain of its affiliates in Singapore and the United Kingdom respectively.

BTOA may enter into “side letters” with investors in the Funds, which allow for certain additional rights in the event of tax, regulatory or legal circumstances applicable to such investors. Side letters generally do not provide for reduction in Management Fees or performance allocations.

Various management and marketing personnel are registered with our broker-dealer, Blackstone Advisory Partners L.P. (“BAP”), which serves as placement agent to the Funds in the U.S. but is not compensated for such services. In addition, a registered broker-dealer affiliate of BTOA, Park Hill Group LLC, serves as placement agent to the Funds. We do not believe these registrations, in and of themselves, create conflicts for the Funds’ investors.



**A more detailed description of applicable conflicts of interest is set forth in the Private Placement Memorandum of each Fund.**

## Item 11 – Code of Ethics

BTOA recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of investors come first; and (iii) it has a fiduciary duty to its investors to act in the best interests of the Funds. All BTOA personnel are required to act in accordance with the implied contractual covenants of good faith and fair dealing in respect of their dealings with investors and are required to comply with all applicable laws.

BTOA's Code of Ethics (the "Code") governs a number of potential conflicts of interest which exist in connection with the Funds it manages. This Code is designed to ensure that BTOA meets its fiduciary obligation to BTOA's investors (or prospective investors) and to instill a culture of compliance within BTOA. An additional benefit of the Code is to detect and prevent violations of securities laws.

The Code is distributed to each employee at the time of hire and annually thereafter, and it is available on Blackstone's intranet website. BTOA also supplements the Code with ongoing monitoring of employee activity.

The Code includes, among other items, the following:

- Requirements related to confidentiality;
- Limitations on, and reporting of, gifts and entertainment;
- Pre-clearance of political contributions;
- Pre-clearance and reporting of employee personal securities transactions;
- Pre-clearance of outside business activities; and
- Protection of persons who engage in "whistle blowing" activities from retaliation.

On an annual basis, Blackstone requires all employees to certify that they are in compliance with the Code.

Blackstone offers many different products and services across its many businesses and there are several potential conflicts of interest which may arise. Please see **Item 10 – Other Financial Industry Activities & Affiliations** for a list of investment related potential conflicts. BTOA has adopted policies and procedures to address such potential conflicts of interest.

BTOA's related persons may from time to time have bought or sold, or may subsequently buy or sell, for their personal accounts, securities which may also be purchased or sold for the

account of our investors. BTOA and its related personnel are subject to guidelines governing the ability to trade in personal accounts. The guidelines generally require that such trading be conducted for investment rather than speculative purposes and that all such personal securities transactions receive pre-clearance from the Blackstone Legal and Compliance Department. These guidelines are designed to comply with SEC requirements that registered investment advisors have a Code of Ethics. In addition, Blackstone has implemented certain policies and procedures (e.g., information walls) to restrict access to material non-public information. BTOA's Code of Ethics is available for review upon request.

You may request a copy of the Code by contacting Christopher James - Senior Managing Director; 212-583-5811; jamesc@blackstone.com.

## **Item 12 – Brokerage Practices**

BTOA does not generally trade in public securities; however, in the event BTOA executes a brokerage transaction for the Funds (e.g. trades in public securities or enters into hedging transactions), BTOA will generally consider qualitative factors including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to requests for trade data and other financial information.

## **Item 13 – Review of Accounts**

### REVIEW OF ACCOUNTS

Currently, the only accounts under the supervision of BTOA are the Funds' accounts. The Funds' accounts and investment positions are monitored by BTOA personnel on a regular and current basis. BTOA's Investment Committee meets as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent trading activities. The Investment Committee consists of approximately 12 persons, all of whom are Senior Managing Directors, Founding Members or Managing Directors of many of Blackstone's various investment businesses. BTOA might periodically review on an expedited basis the assets of the Funds following a unique occurrence in the financial industry or market generally.

### REPORTS TO INVESTORS

Investors in the Funds generally will receive written quarterly reports which will include capital balance and Fund performance statistics. Investors also will receive written annual audited financial statements for the Fund in which they are invested. BTOA makes use of a website, BX Access, available at [www.bxaccess.com](http://www.bxaccess.com) for the distribution of reports and other information to investors in the Funds.

Certain investors in the Funds may request additional information relating to the Funds and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, BTOA generally will provide such investors with the information requested. Investors that request and receive such information will consequently possess information regarding the business and affairs of the Funds that may not be known to other investors. As a result, certain investors may be able to take actions on the basis of such information which, in the absence of such information, other investors do not take.

## **Item 14 – Client Referrals and Other Compensation**

BTOA has distribution/placement arrangements with a number of unaffiliated third parties. Typically, third-party solicitors (if any) will receive a portion of the Management Fee and/or performance fee paid to BTOA (although other payment arrangements could exist). If third-party solicitors are engaged, a prospective investor solicited by a third party will be informed of (and may be asked to acknowledge in writing its understanding of) any such arrangement. All fees for such solicitation services will be ultimately paid/borne by a corresponding reduction in the Management Fee by BTOA and none of the investors in the Funds will be subject to any increased or additional fees or charges. Third-party solicitors in the U.S. will be registered as broker-dealers with the SEC. Third-party solicitors outside the U.S. will be registered with a non-U.S. regulatory body to the extent such registration is required in the applicable non-U.S. jurisdiction.

BTOA has a placement arrangement with Park Hill Group LLC, an affiliate of BTOA. BAP, an affiliate of BTOA, serves as a placement agent for some of the Funds in the U.S. but is not compensated for such services.

## Item 15 – Custody

Rule 206(4)-2, as amended (the “Custody Rule”), of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), defines custody as holding client securities or assets or having any authority to obtain possession of them. The Funds generally have a BTOA affiliate acting as general partner and, as such, BTOA is deemed to have custody of the Funds’ assets. BTOA generally complies with the Advisers Act custody rules by providing all investors in a Fund with audited financial statements within 120 days of the Fund’s fiscal year end.

With the exception of certain assets, which are defined as “privately offered securities” per the Custody Rule, each Fund asset is held in custody by a “qualified custodian” (as defined by the Custody Rule), an unaffiliated broker/dealer or bank in the name of the Fund.

## **Item 16 – Investment Discretion**

BTOA maintains the authority to manage the Funds on a discretionary basis, subject to the overall supervision of the General Partner, in accordance with the investment guidelines, objectives, limitations, other provisions and terms set forth in the Funds' Limited Partnership Agreements.



## **Item 17 – Voting Client Securities (i.e., Proxy Voting)**

### Proxy Policy

Rule 206(4)-6 under the Advisers Act (the “Proxy Rule”) requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Because BTOA may be deemed to have authority to vote proxies relating to the companies in which its clients invest, BTOA has adopted a set of policies and procedures (together, the “Policy”) in compliance with the Proxy Rule. To the extent that BTOA exercises or is deemed to be exercising voting authority over its clients’ securities, the Policy is designed and implemented in a manner reasonably expected to ensure that voting with respect to proxy proposals, amendments, consents or resolutions (collectively, “proxies”) is exercised in a manner that serves the best interest of the Funds, as determined by BTOA in its sole discretion.

From time to time, conflicts may arise between the interests of the investor, on the one hand, and the interests of BTOA or its affiliates, on the other hand. If BTOA determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, BTOA will address matters involving such conflicts of interest on a case-by-case basis in a fair and equitable manner, subject to legal, regulatory, contractual or other applicable considerations. BTOA, in its sole discretion, may elect not to vote a proxy if unduly burdensome.

Investors may request a copy of the Policy and the voting records relating to proxies as provided by the Rule by contacting Christopher James - Senior Managing Director; 212-583-5811; jamesc@blackstone.com.

## **Item 18 – Financial Information**

BTOA has never been the subject of a bankruptcy petition at any time during the past ten years and is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its clients.