

Blackstone Treasury Solutions Advisors L.L.C.

Form ADV Part 2A

May 2014

Blackstone

Blackstone Treasury Solutions Advisors L.L.C.
Item 1 – Cover Page

Blackstone Treasury Solutions Advisors L.L.C.

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Form ADV, Part 2A, the “Disclosure Brochure” or “Brochure,” required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), provides information about the qualifications and business practices of Blackstone Treasury Solutions Advisors L.L.C. (“BTSA”).

If you have any questions about the contents of this Brochure, please contact Jeffrey Iverson, Chief Compliance Officer of BTSA, at (646) 482-8996; Jeffrey.Iverson@Blackstone.com. 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.

Additional information about BTSA also is available at the SEC’s website www.adviserinfo.sec.gov (click on the link “Investment Adviser Search”, select “Investment Adviser Firm” and type in BTSA’s name). Results will provide you with both Parts 1 and 2A of BTSA’s Form ADV. If you would like another copy of this Brochure, please download it from the SEC website as indicated, or you may contact BTSA’s Jeffrey Iverson, at (646) 482-8996 or Jeffrey.Iverson@Blackstone.com.

BTSA is registered with the SEC as an investment adviser. BTSA’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, serve as information for you to use to evaluate BTSA and should be considered in your decision of whether to hire BTSA or to continue to maintain a mutually beneficial relationship.

Item 2 – Material Changes

- This Brochure has been updated since its last annual updating amendment dated March 2014 to describe the Blackstone Advisors and Blackstone Treasury Solutions (“BTS”) divisions.
- BTSA, at any time, may update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).

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Item 3 – Defined Terms

In addition to the terms defined throughout this Brochure, the following terms have the following meanings as used throughout this Brochure:

Blackstone: The Blackstone Group L.P. (NYSE: BX), which is the ultimate parent of BTSA.

BTS Investment Committee: A committee for BTS which includes certain Blackstone Senior Managing Directors and Managing Directors.

Portfolio Managers: With respect to the BTS Funds (as defined below), managed by BTS, BTS Senior Managing Director Laurence Tosi, BTS Managing Director Matthew Skurbe and BTS Vice President, Joseph Rocco.

With respect to the Associated Endowment Program (as defined below) managed by Blackstone Advisors, Michael Chae (Senior Managing Director) and Gideon Berger (Senior Managing Director).

Blackstone Treasury Solutions Advisors L.L.C.

Item 4 – Advisory Business

Overview of the Firm

BTSA, a Delaware limited liability company, was founded in 2013 as part of Blackstone, which is the ultimate parent of BTSA. BTSA consists of two divisions, Blackstone Treasury Solutions (“BTS”) and Blackstone Advisors. BTS primarily provides investment advisory services to private investment funds (the “BTS Funds”) that predominantly invest in (i) certain Blackstone managed funds, investment programs or vehicles (such Blackstone managed funds, investment programs and vehicles, the “Blackstone Accounts” or “Blackstone Vehicles”) and (ii) certain accounts or investment vehicles managed by third-party managers that invest in cash and cash equivalents, marketable securities (including mutual funds, exchange traded funds, sovereign debt, corporate debt, mortgage-backed securities and asset-backed securities) and derivative instruments (used for both hedging and investment purposes) (such third-party managed accounts and vehicles, the “Third Party Accounts”). As used herein the Blackstone Accounts and the Third Party Accounts are collectively referred to as the “Underlying Accounts” or “Underlying Vehicles” and the managers of the Blackstone Accounts and the Third Party Accounts are collectively referred to as the “Underlying Managers.”

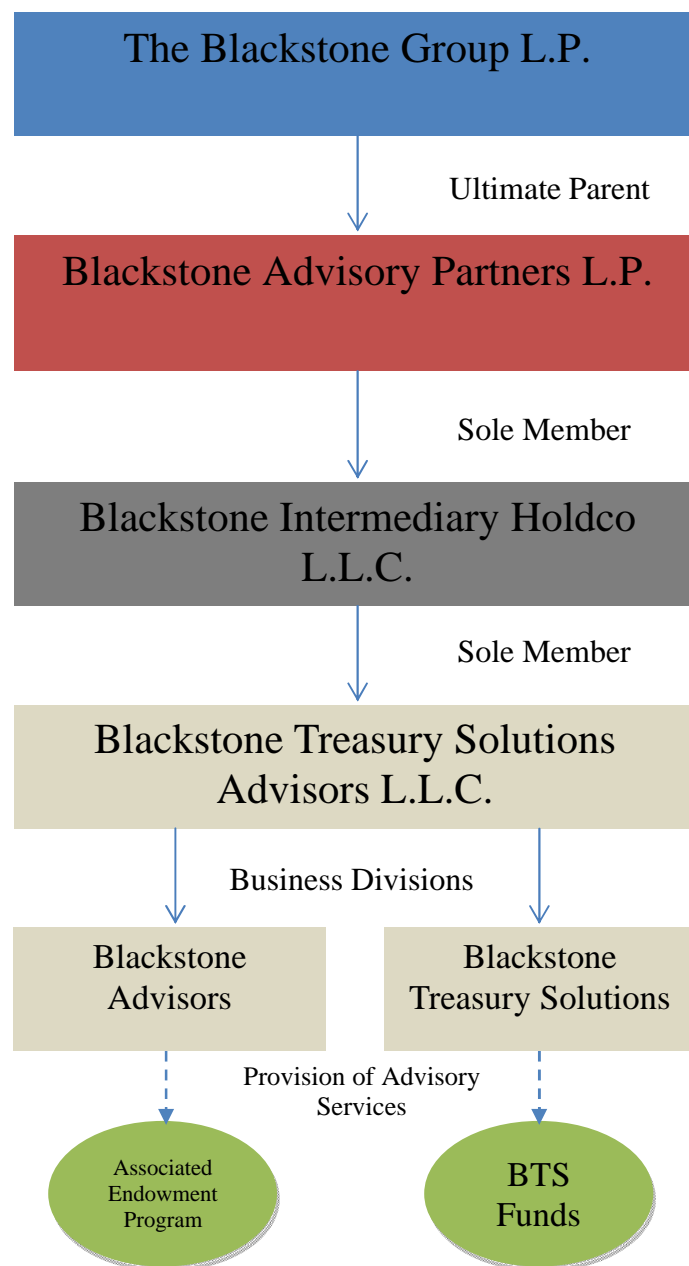
Blackstone Advisors manages one or more charitable programs, endowments and/or accounts or related entities established by or associated with Blackstone and/or certain of its affiliates or employees (current and/or former) (collectively, the “Associated Endowment Program” and, together with the BTS Funds, the “BTSA Clients”). The Associated Endowment Program seeks to invest largely in or alongside a range of Blackstone Vehicles, but may also invest in other investment opportunities determined to be appropriate by Blackstone Advisors in good faith, including Third Party Accounts.

Blackstone Advisors and BTS are separate divisions of BTSA and utilize separate Portfolio Managers with respect to the provision of services to their BTSA Clients.

Blackstone is one of the leading alternative investment managers in the world with investment programs and services concentrating on private equity, real estate, credit, hedge fund solutions and corporate advisory services. Investors should note that certain personnel involved in the investment activities of BTSA are also involved in the management of certain assets of Blackstone and investment vehicles and accounts advised by other Blackstone-affiliated advisors. Please see Item 10 – **Other Financial Industry Activities** and Item 11 – **Code of Ethics** for more information.

Blackstone Treasury Solutions Advisors L.L.C.

Item 4 – Advisory Business



Overview of Advisory Services

As investment advisor to the BTSA Clients, BTSA:

- Identifies and implements investment opportunities for the BTSA Clients;
- Monitors and evaluates BTSA Client investments;
- Makes recommendations regarding investment management and/or allocation decisions;

Item 4 – Advisory Business

In addition, as investment advisor to the BTS Funds, BTS:

- u May engage in foreign currency hedging transactions and/or the hedging of certain market exposures for certain BTS Funds;
- u May facilitate credit arrangements with a third party on behalf of certain BTS Funds to allow such BTS Funds to borrow for bridge financing purposes and to leverage their investments (within the leverage limits stated in such BTS Funds' governing documents); and/or
- u May provide cash management for the BTS Funds.

Investors in, and beneficial owners of, the BTS Funds (collectively, "Investors") are not deemed to be clients of BTSA but are entitled to the rights and benefits described in the applicable Confidential Offering Memorandum, Limited Partnership Agreement, Investment Management Agreement, Subscription Document and other applicable constituent fund documents of the relevant BTS Funds (the "BTS Fund Constituent Documents").

BTSA may engage third party service providers, such as custodians, administrators and/or auditors, on behalf of certain of the BTSA Clients.

The BTS Investment Committee

With respect to the BTS Funds, the BTS Investment Committee, which includes certain Blackstone Senior Managing Directors and Managing Directors, determines the BTS Funds' investment policy and guidelines (including their strategic asset allocation) and reviews and approves or disapproves the use of potential new and existing products and Underlying Accounts and/or Underlying Managers. This Investment Committee also approves hedging themes and parameters.

With respect to the Associated Endowment Program, the Blackstone Advisors Portfolio Managers will make investment allocation and management decisions regarding the Associated Endowment Program in accordance with its constituent documents, agreements and related offering or disclosure materials (the "Associated Endowment Program Documents" and, together with the BTS Fund Constituent Documents, the "Constituent Documents").

The BTS Investment Committee and the Blackstone Advisors Portfolio Managers independently make the decisions regarding investment policy and guidelines and broad allocations for each of their respective BTSA Clients based on a variety of criteria including, but not limited to:

- u The relevant BTSA Client's investment objectives and risk parameters
- u Availability of cash
- u Liquidity needs
- u General capacity
- u Tax efficiency
- u Long-term value and growth

Item 4 – Advisory Business

- Investment limits and diversification guidelines
- Operational, legal, regulatory and other relevant factors

Please see Item 8 – **Methods of Analysis, Investment Strategies and Risk of Loss** for more information

The Portfolio Managers

The Portfolio Managers are responsible for investment allocation and management decisions for their respective BTSA Clients in accordance with the applicable Constituent Documents, and may cause the assets of the BTSA Clients to be invested in or alongside a variety of Underlying Accounts and other suitable investment opportunities.

The BTS Portfolio Managers also review available information to determine the allocations among the BTS Funds in light of the standard of being fair and equitable, particularly with respect to any potential conflicts of interest, and where necessary, seek the input of the BTS Investment Committee. All decisions for the BTS Funds must be approved by at least two of the BTS Portfolio Managers.

The Blackstone Advisors Portfolio Managers separately review the information available to them to make allocations investment allocation decisions relating to the Associated Endowment Program in accordance with its Constituent Documents.

Assets Under Management

BTSA's regulatory assets under management are approximately \$1,617,089,432 (measured as of March 31, 2014), all of which are managed on a discretionary basis.

Item 5 – Fees and Compensation

Management Fees

With respect to the BTS Funds, BTSA will be entitled to compensation for its services for the BTS Funds in the form of a management fee (the “Management Fee”), in the amount and on the terms and conditions described in the Constituent Documents. The BTS Funds will not incur any additional management fees with respect to any Blackstone Account.

With respect to the Associated Endowment Program, BTSA will not be entitled to receive a Management Fee for the investment allocation and management services provided by Blackstone Advisors to the Associated Endowment Program, although BTSA will be entitled to reimbursement for expenses with respect to the Associated Endowment Program (as described below).

To the extent Blackstone Advisors allocates and invests the assets of the Associated Endowment Program in or alongside Blackstone Vehicles, it will, to the extent practicable under the circumstances (as determined by Blackstone Advisors), seek to obtain specially reduced or waived management fees for such Associated Endowment Program, although there may be certain Blackstone Accounts that are not available to the Associated Endowment Program on such a specially reduced or waived fee basis, including as a result of the inability to obtain a waiver or reduction of any management fees with respect thereto. Blackstone Advisors may also allocate and invest the Associated Endowment Program’s assets on a discretionary basis (directly or indirectly) into Blackstone Vehicles, Third Party Accounts and other investment opportunities that may charge management fees with respect to the Associated Endowment Programs’ investments therein, in each case, in accordance with the governing agreements thereof.

Performance-Based Fees

Please see **Item 6 – Performance-Based Fees** for more detail.

Fee Negotiations

Fees generally are non-negotiable; however, BTSA reserves the right to waive or reduce its fees for certain Investors.

Payment of Management Fees

In general, Management Fees with respect to the BTS Funds are paid on a monthly basis and are typically deducted from a BTS Fund’s assets that are invested with BTSA at the payment date. A BTS Fund may be charged a Management Fee in arrears on the last day of each month. Investors only will be charged for the days that they are invested in a BTS Fund, including for days in a month to the extent a redemption occurs intra-month.

Item 5 – Fees and Compensation

No Management Fees will be charged for the services provided by Blackstone Advisors with respect to the Associated Endowment Program, although the Associated Endowment Program may be subject to Management Fees with respect to their direct or indirect investments in Blackstone Vehicles (as described above).

BTSA's Management Fees, which are described in the Constituent Documents, are not inclusive of all the fees and expenses that the BTS Funds may pay or the Investors may bear (see below).

Finally, certain Investors, which are generally related persons, employees, senior managing directors, retired partners or affiliates of Blackstone, BTSA or the Blackstone Vehicles and other entities associated with any of the foregoing, may not pay Management Fees based on their investment in the BTS Funds. Notwithstanding the foregoing, such Investors will either directly pay for their pro rata share of certain BTS Fund expenses (see below), or the pro rata amount of such expenses will be allocated to the general partner of the relevant BTS Fund.

Additional Expenses:

In addition to BTS's Management Fee, Investors will bear indirectly any fees and expenses charged by BTS or the general partner of the BTS Funds or the general partner or Underlying Manager of the Underlying Vehicle in which the BTSA Funds invest, which generally are deducted directly from such BTS Fund or such Underlying Vehicle, as applicable.

Similarly, the Associated Endowment Program will bear any expenses charged by BTSA with respect to Blackstone Advisors' activities or the general partner of any investment vehicles formed to facilitate the Associated Endowment Program's investment programs as well as its pro rata share of fees and expenses of Underlying Vehicles in which the BTSA Clients invest.

The following is a list of fees and/or expenses that the BTSA Clients may pay directly or indirectly to third parties. This list is not intended to be exhaustive. Prospective and existing Investors in the BTS Funds and the Associated Endowment Program are advised to review the Constituent Documents for a more extensive description of applicable fees and expenses associated with an investment in the BTS Funds, or as a BTSA Client, as applicable.

- u Underlying Manager or Underlying Account Advisory and Performance-Based Fees and Expenses
- u Fees and Expenses related to borrowings (if any)
- u Directors Fees (if any)
- u Organizational Expenses and Legal Fees
- u Expenses relating to the structuring, holding, or disposition of investments
- u Broken Deal Expenses
- u Indemnification and Settlement Expenses
- u Regulatory Filing Fees and Reporting Expenses

Item 5 – Fees and Compensation

- u Administrative and Accounting Fees
- u Technology Expenses
- u Taxes and Governmental Fees
- u Audit Fees
- u Brokerage Commissions
- u Transaction Fees
- u Custodial Fees
- u Wire Transfer and Electronic Fund Processing Fees
- u Travel Expenses

Investors are allocated their pro rata share of such additional fees and expenses for the time period during which they are invested in the BTS Fund.

BTSA employees do not receive (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for BTSA Clients or for which BTSA provides advisory expertise/services.

Item 6 – Performance-Based Fees

The BTS Funds may allocate to BTSA or its affiliates a performance-based fee in the amount and on the terms and conditions described in the Constituent Documents. To the extent a BTS Fund is subject to a performance-based fee in connection with its investment activities, Investors in the BTS Funds are allocated their pro rata share of such performance-based fees for the time period they are invested in the relevant BTS Fund. Although the BTS Funds will (and the Investors therein) not generally bear performance-based fees with respect to the Blackstone Vehicles, the BTS Funds may indirectly bear performance-based fees that are borne by the Blackstone Vehicles with respect to the investments made by the Blackstone Vehicles.

Performance-based fees will generally not be charged by Blackstone Advisors with respect to the Associated Endowment Program, although the Associated Endowment Program may be subject to performance-based fees with respect to its direct or indirect investments in the Underlying Accounts (including the Blackstone Vehicles).

The sizes of the various performance-based fees to be borne directly or indirectly by BTSA Clients vary and depend on a number of factors including, but not limited to, the level of Management Fees charged by BTSA (or management fees charged by the Underlying Managers) and the use of performance hurdles.

Certain Investors, which are generally related persons, employees, senior managing directors, retired partners or affiliates of Blackstone, BTSA or the Blackstone Vehicles and other entities associated with any of the foregoing, may not be subject to performance-based fees in connection with their investment in the BTS Funds or Blackstone Vehicles.

Please note that the existence of a performance-based fee may incentivize BTSA and the Underlying Managers to manage and/or allocate the BTSA Clients' assets in a more aggressive manner than if there were no performance-based fee (including, in the case of the Associated Endowment Program, to allocate the assets of the Associated Endowment Program to one or more Blackstone Vehicles that charge performance-based fees, directly or indirectly, with respect to the Associated Endowment Program's investment therein). Further, the existence of differing performance-based fees for different BTSA Clients trading side-by-side may create a conflict of interest on the part of BTSA with respect to the allocation of investment opportunities among the BTSA Clients. BTSA has a trade allocation policy (see **Item 12 – Brokerage Practices**) that is designed to address these potential conflicts of interest generally, including as a result of different performance-based fees.

Performance-based fees, if charged by BTSA, will generally be allocated or paid periodically in arrears. Performance based fees charged by Underlying Managers will generally be allocated or paid at the time of disposition of the assets giving rise to such performance-based fees, in the case of Underlying Vehicles with a private equity strategy, or periodically in arrears, in the case of Underlying Vehicles with a more liquid strategy, although Underlying Managers may charge or allocate such performance-based fees in a different manner.

Item 7 – Types of Clients

BTSA's clients include endowments, corporations and similar business entities and pooled investment vehicles that are exempt from registration under the U.S. Investment Company Act of 1940, each of which generally provides for periodic withdrawal rights.

Investors generally must commit a minimum of \$50 million to invest in a BTS Fund, or to become a direct client of BTSA, which minimum may be waived in accordance with the Constituent Documents of such BTS Fund, including with respect to investments by related persons, employees, senior managing directors and retired partners of Blackstone, BTSA or the Blackstone Vehicles.

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

Methods of Analysis

BTSA's investment process for evaluating potential opportunities and investments may include a variety of proprietary and non-proprietary research models and methods of analyses. BTSA derives information used to make investment decisions on behalf of the BTSA Clients from a variety of both internal and external resources, such as financial newspapers and magazines, research and reports provided by third parties and corporate ratings services.

While the degree to which BTSA seeks to invest the BTSA Clients' assets in Third Party Accounts will vary depending on the BTSA Client, in making any such investments relating to Third Party Accounts, BTSA will seek to identify established third-party managers that it believes can provide upside potential and mitigate downside risk and make investments through those third party managers based on the investment guidelines and policies relating to the applicable BTSA Client.

In addition, BTSA will seek to draw on its knowledge of the investment programs of the Blackstone Vehicles (subject to applicable limitations), as well as from the private offering memoranda, quarterly and annual reports and other available information relating to the Underlying Vehicles and their investments, in connection with making investment allocation decisions.

As part of the management of the overall investment programs of the BTSA Clients, BTSA identifies, researches, evaluates, selects and monitors the Underlying Accounts in which the BTSA Clients invest based on certain criteria, which include, but are not limited to:

- u Investment performance and fundamental investment analysis
- u Risk management techniques
- u Levels of volatility
- u Liquidity
- u Investment philosophies and strategies
- u Factors relating to management and investment professionals associated with such Underlying Account, such as experience, commitment and reputation
- u The fees associated with such Underlying Account
- u Investment capacity
- u Concentrations/diversification/growth and other investment considerations

Investment Strategies

The investment strategies pursued by BTSA may vary among the BTSA Clients. BTSA employs various types of investment strategies, which include, but are not limited to:

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

- └ Diversified Fixed Income
 - ☞ Core
 - ☞ Opportunistic
 - ☞ Relative value
 - ☞ Mortgages and other real estate related securities
 - ☞ Structured/asset back securities
 - ☞ Leveraged loans
 - ☞ Hedging
 - ☞ Managed futures
 - ☞ Interest rates
- └ Diversified Hedge Fund of Funds
- └ Diversified Allocations to Underlying Vehicles pursuing strategies that may include but are not limited to:
 - ☞ real estate-related investments
 - ☞ distressed debt or “mezzanine” investments
 - ☞ credit-related investment
 - ☞ secondary investment programs
 - ☞ investments in other similar assets.
- └ Additional Investment Strategies pertaining to the Associated Endowment Program:
 - ☞ leveraged buyouts
 - ☞ venture capital investments
 - ☞ equity investments

The success of the BTSA Clients is ultimately dependent in large part on the success of the Underlying Accounts in which they invest (including the Blackstone Vehicles). The specific investment strategy and corresponding method of analysis for each Underlying Account will vary, and the risk of BTSA Clients' investment program will largely be a function of the strategies and investments of the Underlying Accounts in or alongside which they invest (including the Blackstone Vehicles). There can be no assurance that the BTSA Clients' investment objectives will be achieved and that the Underlying Vehicles, individually or collectively, will produce positive returns or avoid losses. Past performance is no indication of future results. Investors should be prepared to bear these risks. The risks inherent to the strategies employed by BTSA and the Underlying Accounts, including those listed below and a number of others, are described in further detail in the Constituent Documents.

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

Risk of Loss: An investment in the BTS Funds entails risk and therefore should be undertaken only by investors capable of evaluating the risks of the BTS Funds and bearing the risks such investments represent.

General Economic and Market Conditions: The success of BTSA's and the Underlying Accounts' investment activities will be affected by general economic and market conditions, such as:

- u Interest rates
- u Availability of credit
- u Credit defaults
- u Inflation rates
- u Economic uncertainty
- u Changes in legal, fiscal and regulatory regimes (including as relating to taxation of the Underlying Accounts' investments)
- u Trade barriers
- u Currency exchange rates
- u National and international political circumstances (including wars, terrorist acts or security operations)
- u Market liquidity

These factors may affect the level and volatility of financial instruments' prices and the liquidity of the Underlying Accounts' investments. Volatility or illiquidity could impair the investment profitability or result in losses.

Investors may, indirectly through the BTS Funds or the Associated Endowment Program and their investments in the Underlying Accounts, maintain substantial positions that can be adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss. Investors may also, indirectly through the BTS Funds or the Associated Endowment Program and their investments in the Underlying Accounts, invest outside of the U.S. The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in certain respects, such as:

- u Growth of gross domestic product
- u Rate of inflation
- u Currency depreciation
- u Asset reinvestment
- u Resource self-sufficiency, and
- u Balance of payments position

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

Further, certain non-U.S. economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Investment and Trading Risk; Lack of Control: BTSA and the Underlying Managers may utilize such investment techniques as margin transactions, short sales, option transactions, forward and futures contracts, and other derivatives trading, which practices, in certain circumstances, will increase the risk of losses. No guarantee or representation is made that BTSA's or any Underlying Manager's investment program will be successful, and investment results may vary substantially over time or result in significant losses. Although the Underlying Managers will be limited in the investment strategies they pursue, and BTSA will monitor the Underlying Accounts to determine compliance with pre-determined investment criteria, BTSA does not have direct responsibility for, involvement with or control over the Underlying Managers' investments or other activities.

Additional risks associated with investments with BTSA include (among others):

Other Risks Primarily Associated with BTSA and the Operation of the BTSA Clients (except as otherwise noted such risks apply both to the BTS Funds and the Associated Endowment Program):

- ❑ Limited Operating History; No Assurance of Investment Returns
- ❑ Reliance on Blackstone's professionals and Underlying Managers
- ❑ Highly Competitive Market for Investments
- ❑ Limitations on Availability of Underlying Vehicles
- ❑ Lack of Control and Passive Investment Program
- ❑ General Economic and Market Conditions
- ❑ No Assurance of Investment Return; New Investment Program
- ❑ Multi-Manager Approach
- ❑ Diversification and Portfolio/Vintage Concentration
- ❑ Rebalancing Transactions and Portfolio Allocation
- ❑ Limited Transparency and Limited or No Voting Rights
- ❑ Trading Volatility
- ❑ Investment through holdings vehicles and/or master funds
- ❑ Cross-Collateralization Risk (in the case of the BTS Funds)
- ❑ Possibility of Different Information Rights

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

- u Creation of Other Series or Sub-Series of Underlying Account Interests
- u Lack of Diversification
- u Partnership Borrowings and Underlying Account Leverage
- u Portfolio Valuation
- u Risk Management
- u Illiquidity; Lack of Transferability of Partnership Interests; Limited Withdrawal Rights
- u Suspension of Withdrawals
- u Reinvestment and Lack of Distributions
- u Limitations on Structuring
- u Indemnification; Exculpation
- u Absence of Regulatory Oversight
- u U.S. Commodity Exchange Act
- u Enhanced Scrutiny and Potential Regulation, Examination and Investigation of the Alternative Asset Management Industry and the Financial Services Industry
- u Institutional Risk
- u Economic Conditions
- u Dependence on Service Providers and Key Personnel
- u Misconduct by Employees and of Third Party Providers

Risks Primarily Associated with investments in Underlying Vehicles

- u Competition
- u Portfolio Turnover
- u Multiple Levels of Expense
- u Other Clients of Portfolio Managers
- u Portfolio Manager Misconduct or Bad Judgment
- u Investment Risks in General
- u Underlying Accounts
- u Dependence on the Portfolio Managers and Their Personnel
- u Strategy Risk
- u No Limitation on Underlying Strategies (in the case of the Associated Endowment Program)
- u Proprietary Investment Strategies
- u Potential Inability to Trade or Report Due to Systems Failure

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

- u Financing Arrangements; Availability of Credit
- u Risks Related to Bearing the Additional Layer of Fees and Expenses Charged at the Level of the Underlying Vehicles

Risks of Investment Strategies Arising from investments in Underlying Accounts, such as:

- u Equities
- u Foreign Securities
- u Hedging by Underlying Accounts
- u Commodities
- u Currency Trading
- u Arbitrage Strategies
- u Emerging Markets
- u Fixed-Income Investments
- u Derivative Instruments
- u Swap Transactions
- u Option Transactions
- u Forward Trading
- u Credit Default Swap Agreements
- u Small and Medium Capitalization Companies
- u U.S. Government Securities
- u Corporate Debt Obligations
- u Non-Investment Grade Securities
- u Additional risks relating to the investment strategies pursued by the Underlying Vehicles in which the Associated Endowment Program invest, including:
 - ⌘ leveraged buyouts
 - ⌘ real estate-related investments
 - ⌘ venture capital investments
 - ⌘ distressed debt or “mezzanine” investments
 - ⌘ credit-related investments
 - ⌘ equity investments
 - ⌘ secondary investment programs
 - ⌘ investments in other similar assets.

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

Other Risks

- u Highly Volatile Markets
- u Illiquid Investments
- u Short-Term Trading
- u Event Driven
- u Proxy Contests and Unfriendly Transactions
- u Leverage and Distressed Securities
- u Lower Credit Quality Loans
- u Securities Believed to be Undervalued or Incorrectly Valued
- u Convergence Risk
- u Counterparty and Settlement Risks
- u Risk of Counterparty Default
- u Suspensions of Trading
- u Custodial Risk
- u Failure of Futures Commission Merchants

Please refer to the relevant Client Constituent Documents for a more detailed discussion of risk factors.

Item 9 – Disciplinary Information

BTSA is obligated to disclose any disciplinary event that would be material to you when evaluating a client/advisor relationship. BTSA does not have any legal, financial or other “disciplinary” items to report to you.

Blackstone Treasury Solutions Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

BTSA is an affiliate of the following entities:

Broker/Dealer	
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
Investment Advisor	
Blackstone Alternative Asset Management L.P.	Manages a series of private and closed-end funds engaged in multi-manager investment programs (i.e., 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 Tactical Opportunities Advisors L.L.C.	Provides investment advisory services to multi-discipline, multi-asset private investment funds and separately managed accounts
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

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Item 10 – Other Financial Industry Activities and Affiliations

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

Blackstone Treasury Solutions Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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 Treasury Solutions Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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 Treasury Solutions Advisors L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

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
General Partner Entity	
Blackstone Treasury Solutions Associates L.L.C.	Serves as general partner to one or more BTS Funds
Blackstone Associates L.L.C.	Serves as general partner to one or investment vehicles associated with the Associated Endowment Program
Commodity Trading Advisor & Commodity Pool Operator	
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

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone Management Partners L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Alternative Asset Management Associates LLC	Serves as general partner of BAAM Funds which are structured as limited partnerships

Item 10 – Other Financial Industry Activities and Affiliations

Additionally, certain personnel involved in the investment activities of BTSA are also involved in the management of certain assets of Blackstone and other investment vehicles and accounts advised by other Blackstone-affiliated advisors. Such Blackstone-affiliated vehicles and accounts may have investment objectives similar to those of the BTSA Clients and may buy and sell securities or other instruments that BTSA has purchased and sold for an applicable BTSA Client. In addition, conflicts may arise in the allocation of the time and services of BTSA personnel between or among the BTSA Clients and/or other Blackstone-affiliated vehicles and accounts.

Potential Conflicts of Interest specific to Blackstone Advisory Partners L.P.

Blackstone Advisory Partners L.P. (“BAP”), the indirect parent of BTSA, provides various financial and business advisory services (directly and through subsidiaries) which may be in conflict with the services provided by BTSA. In the regular course of its advisory businesses, BAP represents possible buyers, sellers and other parties regarding businesses that may be suitable for investment by a BTS Fund or a Blackstone Account. In these cases, BAP’s client typically would require Blackstone to act only on BAP’s client’s behalf, thus preventing a BTS Fund or Blackstone Account from directly acquiring or investing in such business. BAP will not decline these transactions in order to make the investment opportunity available to the BTS Funds.

BAP may represent creditors or debtors in restructuring or bankruptcy proceedings, under Chapter 11 of the Bankruptcy Code. BAP also may serve as advisor to creditor or equity committees. Such engagements may prevent a BTS Fund from participating in such restructuring or holding a position in the debtor or may force the BTS Fund to dispose of such position.

BAP may be engaged to render advisory services to Underlying Managers and to creditor committees and groups that include Underlying Managers. None of the fees earned by BAP in such circumstances are to the benefit of BTSA or the BTS Funds.

BAP and Park Hill Group LLC are registered broker dealers. They do not make markets in any securities and generally do not hold proprietary positions in securities or other investments. BAP recently began engaging in underwriting activities, which to date have been limited to underwriting of debt and equity securities by Blackstone private equity portfolio companies. Park Hill Group LLC does not engage in any underwriting activities, but it does serve as placement agent for private equity, real estate and hedge fund businesses.

See **Item 11 – Code of Ethics** for a further discussion of potential conflicts of interest

Item 11 – Code of Ethics

BTSA 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 or not opposed to the best interests of the BTSA Clients. All BTSA 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. All BTSA personnel must also comply with all federal securities laws.

As required by the Advisers Act, Blackstone and BTSA have adopted a Code of Ethics (the “Code”) that governs a number of potential conflicts of interest which exist when providing advisory services to you. This Code is designed to ensure BTSA meets its fiduciary obligation to the BTSA Clients and to instill a culture of compliance within BTSA. 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. BTSA also supplements the Code with ongoing monitoring of employee activity.

The Code includes (among other things):

- ❑ 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
- ❑ 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.

Potential Conflicts of Interest

Blackstone offers many different products and services and there are several potential conflicts of interest which may arise, including, but not limited to, those identified below. BTSA has adopted, and continues to adopt, policies and procedures to address such potential conflicts of interest.

In addition to the potential conflicts of interest discussed below, potential investors are encouraged to also review the information and disclosures regarding certain potential risk factors and potential conflicts of interest included in the separate offering and/or disclosure documentation and Constituent Documents provided to potential investors with respect to the BTSA Clients.

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Certain Investment Related Potential Conflicts Relating to BTS Funds and BTSA Clients Generally

BTSA may reasonably determine that it is beneficial to cause a BTS Fund to redeem from an Underlying Account while simultaneously determining (or while Blackstone Advisors determines with respect to the Associated Endowment Program) that it is beneficial to have another BTS Fund make an initial or additional investment in such Underlying Account.

BTSA also may determine that an opportunity in a particular investment is appropriate for only certain BTS Funds.

The BTS Investment Committee determines the strategic asset allocation and approves Underlying Managers that may be used for the BTS Funds and the Underlying Vehicles in, or alongside, which the BTS Funds may invest. The BTS Portfolio Managers determine the allocations among such approved Underlying Vehicles and/or Underlying Managers within the strategic asset allocations (with input from the BTS Investment Committee) or otherwise in accordance with the investment guidelines established with respect to any particular BTS Fund. See Item 4 – **Advisory Business** for further details.

Blackstone may have an ownership interest in, a pre-existing relationship with, or otherwise be affiliated with, an Underlying Vehicle or Underlying Manager in or alongside which BTS Funds have made an investment. Furthermore, Blackstone may hold investments that are similar (or identical) to the Underlying Accounts, which may give rise to a conflict of interest when BTS determines to which Underlying Managers or Underlying Accounts to allocate additional capital or from which Underlying Managers or Underlying Accounts to withdraw capital.

The BTS Investment Committee determines the strategic asset allocation and approves Underlying Managers that may be used for the BTS Funds and the Underlying Vehicles in, or alongside, which the BTS Funds may invest. The BTS Portfolio Managers determine the allocations among such approved Underlying Vehicles and/or Underlying Managers within the strategic asset allocation or applicable investment guidelines (with input from the BTS Investment Committee) or otherwise in accordance with the investment guidelines established with respect to any particular BTS Fund. See Item 4 – **Advisory Business** for further details.

In the case of the BTS Funds, total management fees paid to Blackstone by Investors generally are capped such that Blackstone does not generally earn additional management fees by directing investments to Underlying Managers in which Blackstone has an ownership

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interest.

To the extent that entities affiliated with BTSA or managed by other Blackstone-affiliated advisors, invest with Underlying Managers that have limited capacity, BTSA and/or Blackstone may be required to choose among the BTSA Clients and such affiliated entities in allocating assets to such Underlying Managers.

BTSA maintains detailed policies and procedures relating to allocations among, Blackstone and the BTS Funds. In addition, each limited capacity allocation decision is documented separately and reviewed by BTSA's compliance department, in the case of a capacity allocation among the BTS Clients, to determine that such allocation follows policies and procedures and is fair and equitable.

Similarly, to the extent the amount which BTSA wishes to invest with an Underlying Manager exceeds the available capacity with such Underlying Manager, BTSA will have to choose among BTSA Clients in allocating to such Underlying Manager.

BTSA may cause a BTS Fund to purchase investments from, sell investments to, exchange investments with, or transfer investments to an affiliate of BTSA or Blackstone.

Any such purchases, sales, exchanges or transfers will be effected based upon the fair market value of the investment and will only be executed at the direction of, and with the prior written consent of, the "client" to the extent required by applicable law or regulation.

Certain members of the BTS Investment Committee also sit on the investment committees for certain of the Blackstone Accounts.

When the BTS Investment Committee considers allocations across Underlying Accounts whose investment committees share a member of the BTS Investment Committee, the relevant member of the BTS Investment Committee recuses himself with respect to such decisions.

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Certain Investment Related Potential Conflicts Relating to the Associated Endowment Program

Blackstone may hold interests in the Underlying Vehicles or in investments that are similar (or identical) to the Underlying Accounts, which may give rise to a conflict of interest when the Blackstone Advisors determines to which Underlying Managers or Underlying Accounts to allocate additional capital or from which Underlying Managers or Underlying Accounts to withdraw capital.

Certain Underlying Vehicles may not be available for investment by the Associated Endowment Program as a result of limitations arising out of the timing and/or amount of capital commitments that may be accepted from investors in such Underlying Vehicles or other reasons. In such circumstances, the ability of Blackstone Advisors to allocate and invest the Associated Endowment Program's assets may be limited or become concentrated in a relatively limited number of Underlying Vehicles.

BTSA may cause the Associated Endowment Program to purchase investments from, sell investments to, exchange investments with, or transfer investments to an affiliate of BTSA or Blackstone.

Certain Blackstone Advisors Portfolio Managers also sit on the investment committees for certain of the Blackstone Accounts.

BTSA will make investment allocation decisions with respect to the Associated Endowment Program in good faith in a manner consistent with its policies and procedures and duties to the Associated Endowment Program, as disclosed in and in accordance with the Associated Endowment Program Constituent Documents.

Any such purchases, sales, exchanges or transfers will be effected based upon the fair market value of the investment and will only be executed at the direction of, and with the prior written consent of, the "client" to the extent required by (and in a manner consistent with) applicable law or regulation.

When the Blackstone Advisors Portfolio Managers consider allocations across Underlying Accounts whose investment committees they are a part of, such

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Blackstone Advisors Portfolio Managers will be required to act in good faith in connection with any exercises of discretion relating to allocations of investments in or alongside any such Underlying Vehicles.

In the case of the Associated Endowment Program, it is generally expected that the investments made by the Associated Endowment Program in or relating to the Underlying Vehicles will not be subject to withdrawal or redemption until disposition thereof by the Underlying Vehicle.

The Blackstone Advisors Portfolio Managers will make investment allocation decisions with respect to investments in Underlying Vehicles in accordance with the Constituent Documents of the Endowment Program, and will determine in good faith the Underlying Vehicles in or alongside which the Associated Endowment Program may invest. See Item 4 – **Advisory Business** for further details.

Certain Non-Investment Related Potential Conflicts

BTSA, Blackstone and their employees may invest for their own accounts in various investment opportunities, including hedge funds, in which the BTSA Clients have an interest.

All Blackstone employees must pre-clear trades in all hedge funds and other securities (subject to limited exceptions) with Blackstone's compliance department.

In addition, all BTSA employees must pre-clear trades in all hedge funds and other securities (subject to limited exceptions) with BTSA's and Blackstone's respective compliance departments.

From time to time, BTSA and/or Blackstone employees may speak at conferences and programs for potential investors, which are sponsored by BTSA/Blackstone's third-party service providers for potential investors. Through such "capital introduction" events, prospective investors have the opportunity to meet with BTSA. In addition, BTSA and/or Blackstone employees may have the opportunity to publish articles on

All BTSA employees must pre-clear speaking at conferences and other programs with BTSA Compliance.

Materials provided by BTSA as part of such conferences and other programs must be approved by BTSA Compliance.

Neither BTSA nor the BTS Funds

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investment management strategies in publications prepared and distributed by such third-party service providers. Such events and services (including, without limitation, capital introduction services) provided by service providers, including prime brokers, custodians and administrators, may influence BTSA/Blackstone in deciding whether to use such service provider. This potential conflict is not expected to be present with respect to the activities of Blackstone Advisors.

compensate the service providers for organizing such events. BTSA may have a placement agreement with a broker-dealer that sponsors hedge fund conferences or similar events.

Financial institutions, advisors, third-party service providers, executives of public companies and other “value added investors” may be investors in certain of the BTS Funds or the Underlying Vehicles in which the BTS Funds or the Associated Endowment Program invest. These persons and their employees are a potential source of information and ideas that could benefit BTSA. In addition, these relationships could influence the decision as to which such services providers are engaged to provide services with respect to the BTSA Clients.

BTSA has detailed policies and procedures relating to the use of private information, information sharing and information walls in general.

Generally, service providers will be selected on the basis of best execution, the evaluation of which includes, among other considerations, such service provider’s provision of certain investment-related services and research believed to be of benefit to the BTSA Clients.

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A BTS Fund may have entered, or in the future may enter, into letter agreements or other written agreements (commonly referred to as “side letters”) with one or more Investors which provide such Investor(s) with additional and/or different rights than other Investors in the BTS Fund (including, without limitation, with respect to access to information, management and other fees, minimum investment amounts, enhanced governance or termination rights, and liquidity terms).

Generally, BTSA does not enter into agreements that grant preferential treatment to different Investors in the same BTS Fund, with respect to liquidity or fee terms unless there is a specific regulatory requirement mandating such preferential treatment, and except in the case of an investment by a BTS Fund in another BTS Fund.

BTSA incurs common expenses on behalf of the BTS Funds, and will be entitled to expense reimbursement from the BTS Funds in accordance with their Constituent Documents.

BTSA allocates such expenses on a basis that it considers equitable and in accordance with its expense allocation policies and the Constituent Documents.

Certain Fee Related Potential Conflicts Relating to the BTS Funds

Certain employees of BTSA and Blackstone (or their family members or related entities) may invest in the BTS Funds or directly in or alongside the Blackstone Vehicles. Typically, no advisory fees are charged on such investments. The employees may be individuals responsible for allocating investment opportunities to the BTS Funds, or allocating the BTS Funds’ capital to the Blackstone Vehicles and may be biased with respect to which BTS Fund or Blackstone Vehicle receives which allocation.

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The Underlying Vehicles in or alongside which the Associated Endowment Program invests will have different management and incentive fee structures. As part of the investment allocation process, Blackstone Advisors potentially could allocate investment opportunities on behalf of the Associated Endowment Program to Underlying Vehicles that have fee or expense structures that are more favorable to Blackstone.

The Blackstone Advisors Portfolio Managers will make investment allocation decisions with respect to investments in Underlying Vehicles in accordance with the Constituent Documents of the Endowment Program, and will determine in good faith the Underlying Vehicles in or alongside which the Associated Endowment Program may invest. See Item 4 – **Advisory Business** for further details.

BTSA allocates expenses on a basis that it considers equitable and in accordance with its expenses allocation policies and the Constituent Documents.

Blackstone may have an ownership interest in, a pre-existing relationship with, or otherwise be affiliated with, an Underlying Vehicle or Underlying Manager in, or alongside which, BTS Funds have made an investment.

In the case of the BTS Funds, total management fees paid to Blackstone by Investors generally are capped such that Blackstone does not generally earn additional management fees by directing investments to Underlying Managers in which Blackstone has an ownership interest.

Certain Fee Related Potential Conflicts Relating to the Associated Endowment Account

Certain employees of BTSA and Blackstone (or their family members or related entities) may invest directly in or alongside the Blackstone Vehicles in which the Associated Endowment Account may invest. Typically, no advisory fees are charged on such investments. The employees may be individuals responsible for allocating investment opportunities to the Associated Endowment Account, or allocating the Associated Endowment Account's capital to the Blackstone Vehicles and may be biased with respect to which Blackstone Vehicle receives which allocation.

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The Underlying Vehicles in or alongside which the Associated Endowment Program invests will have different management and incentive fee structures. As part of the investment allocation process, Blackstone Advisors potentially could allocate investment opportunities on behalf of the Associated Endowment Program to Underlying Vehicles that have a fee or expense structure that is more favorable to Blackstone.

BTSA maintains detailed policies and procedures relating to allocations among, Blackstone and the BTS Funds. In addition, each limited capacity allocation decision is documented separately and reviewed by BTSA's compliance department, in the case of a capacity allocation among the BTS Clients, to determine that such allocation follows policies and procedures and is fair and equitable.

BTSA allocates expenses on a basis that it considers equitable and in accordance with its expenses allocation policies and the Constituent Documents.

Blackstone may have an ownership interest in, a pre-existing relationship with, or otherwise be affiliated with, an Underlying Vehicle or Underlying Manager in, or alongside which, the Associated Endowment Program has made an investment.

To the extent Blackstone Advisors allocates and invests the assets of the Associated Endowment Program in or alongside Blackstone Vehicles, it will, to the extent practicable under the circumstances (as determined by Blackstone Advisors), seek to do so at specially reduced or waived management fees and/or performance-based fees, although there may be certain Blackstone Vehicles that are not available to the Associated Endowment Program on such a specially reduced or waived fee basis.

Blackstone Related Potential Conflicts

Blackstone performs a wide range of investment advisory and other activities as part of its broader businesses, and as a result of such activities BTSA and/or BTS Clients may face restrictions in their investment activities. For example, if Blackstone's Private Equity Group were to obtain material non-public information relating to an issuer (including an issuer in which the Underlying Vehicles have an

Although BTSA will have the authority to do so for BTS Funds, it does not expect to make investments in issuer securities directly; rather BTSA intends that investments will be made solely through the Underlying Accounts, although in certain cases investments may be made in other appropriate investment opportunities (including on a side-by-side basis alongside one or more Underlying Vehicles). In the

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interest), BTSA (or a Blackstone Account) could be restricted from investing in such issuer's securities.

Blackstone has a number of different asset management and advisory businesses, is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than would otherwise apply if it had just one line of business.

Further, BTSA Clients could be forced to sell or hold existing investments, or be precluded from making new investments, as a result of investment banking or other relationships that Blackstone may have or transactions or investments Blackstone and its affiliates may make. BTSA Clients may invest in the securities of the same issuers as the Underlying Vehicles and/or other investment vehicles and accounts advised by other Blackstone-affiliated advisors, but in differing interests or priorities, which may present circumstances where the interests of such securities are in conflict.

Finally, in the regular course of its investment banking and advisory businesses, Blackstone represents potential purchasers, sellers and other involved parties with respect to assets which may be suitable for investment by a BTSA Client. Blackstone may in such instances be requested by such client to act exclusively on behalf of such client, thereby precluding the BTS Funds from acquiring such assets.

event BTSA does trade in issuer securities for a BTSA Client directly, any such trades will be executed solely in compliance with Blackstone's robust information wall which, also requires a determination that such securities are not on Blackstone's list of restricted securities.

In addition, the applicable Portfolio Managers (and members of the BTS Investment Committee in the case of the BTS Funds) cannot recommend investments in or relating to the Underlying Vehicles or Underlying Managers without prior written clearance from BTSA's compliance department.

Blackstone has implemented certain policies and procedures (e.g., information walls) that are designed to limit the inappropriate sharing of material non-public information.

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Certain broker-dealer affiliates of BTSA may enter into placement agreements with or otherwise be retained as placement agent by Underlying Managers. Under these placement agent arrangements, to the extent permitted by applicable law, including ERISA, an Underlying Manager may compensate such affiliate for referring Investors to the Underlying Manager and such fees will not be shared with the BTSA Clients. Also, investors introduced by such affiliates to an Underlying Manager may absorb limited investment capacity in the Underlying Manager's funds, and BTSA may have wanted to invest in this limited capacity for its BTSA Clients.

Blackstone maintains detailed policies and procedures relating to information sharing among different Blackstone business groups and information walls in general.

From time to time, Underlying Managers of Underlying Accounts in which the BTSA Clients invest may retain Blackstone to provide investment and advisory services.

Such retentions will be on an arm's length basis, independent from any BTSA Client's investment.

Blackstone may from time to time refer potential investors to BTSA and these investors may become Investors in certain of the BTSA Clients.

All prospective investors are reviewed for suitability of investments and must satisfy the BTSA Clients' investor qualifications.

Blackstone may hire or enter into a partnership or other arrangement with one or more investment professionals to form and manage pooled investment vehicles or separately managed accounts pursuing alternative investment strategies ("Blackstone Proprietary Funds"). Blackstone and its affiliates typically would receive a significant portion of the revenues attributable to these Blackstone Proprietary Funds. Such existing Blackstone Proprietary Funds and any Blackstone Proprietary Funds formed in the future may compete with Underlying Managers.

BTSA maintains detailed policies and procedures relating to allocations among BTS Funds.

Blackstone maintains detailed policies and procedures relating to information sharing among different Blackstone business groups and information walls in general.

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It is expected that the assets of the Associated Endowment Program will be allocated and invested primarily in or alongside Blackstone Vehicles. As a result, there may be circumstances where Blackstone has conflicting loyalties and responsibilities to the Associated Endowment Program, on the one hand, and such other Blackstone Vehicles, on the other hand, and conflicts of interest may arise, including as a result of Blackstone's interests in such Blackstone Vehicles.

Blackstone has policies and procedures in place designed to ameliorate such conflicts and will seek to resolve such conflicts of interest in a fair and equitable manner, and investment allocation decisions will be approved by the Blackstone Advisor's Portfolio Managers in accordance with the investment guidelines pertaining to the Associated Endowment Program and their Constituent Documents.

Certain personnel involved in the investment activities of BTSA are also involved in the management of certain assets of Blackstone and investment vehicles and accounts advised by other Blackstone-affiliated advisors. Such Blackstone-affiliated vehicles and accounts may have investment objectives similar to those of the BTSA Clients and may buy and sell securities or other instruments that BTSA has purchased and sold for its BTSA Clients.

In addition, conflicts may arise in the allocation of the time and services of BTSA personnel as a result of Blackstone's other activities and the involvement of certain of its personnel with respect thereto.

BTSA personnel will devote such time to the affairs of each BTS Fund as is deemed necessary by the general partner of each such BTS Fund. Separately, personnel that are part of Blackstone Advisors will devote such time to the affairs of the Associated Endowment Program as is deemed necessary by the Portfolio Managers of Blackstone Advisors to effectively perform their obligations relating to the management and allocation of the Associated Endowment Program's assets in accordance with its investment guidelines and Constituent Documents.

You may request a copy of Blackstone's Code of Ethics, as well as BTSA's compliance supplement, by contacting BTSA's Chief Compliance Officer, Jeffrey Iverson, at (646) 482-8996.

Item 12 – Brokerage Practices

General Considerations

BTSA does not currently use brokerage services directly. The Underlying Managers, including the third-party managers which manage the Third Party Accounts, engage brokers based on their own criteria. To the extent BTSA effectuates any brokerage transactions in the future, there will be no limitations as to which broker-dealers are used or as to the commission rates or similar charges paid. Transactions will be allocated to brokers on the basis of best execution. The following factors, among others, may be considered in determining best execution:

- u Commissions and similar charges
- u Quality of execution services and trading expertise
- u Research services
- u Clearance, settlement and custodial services
- u Financial stability
- u Reputation
- u Integrity
- u Facilities
- u Financial services offered
- u Willingness and ability to commit capital
- u Reliability in keeping records

Research and Other Soft Dollar Benefits

Research products or services may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, and other products or services used by BTSA in the performance of its investment decision-making responsibilities.

BTSA does not currently utilize soft dollars to pay for third-party brokerage services. To the extent BTSA utilizes soft dollars in the future to pay for third-party brokerage services, it will do so within the safe harbor of Section 28(e) of the Securities Exchange Act of 1934 (as amended, the “Exchange Act”). Underlying Managers may use “soft dollars” (i.e., consideration other than cash is exchanged for services) both within and outside of the safe harbor of Section 28(e) of the Exchange Act to obtain both research and non-research products and services.

Brokerage for BTS Fund Referrals

BTSA does not use brokerage relationships for client referrals.

BTSA does not currently engage any unaffiliated person to provide client referrals, although it may do so in the future.

Item 12 – Brokerage Practices

Block Trading Procedures

In the event that Third Party Accounts' investments are traded for Blackstone and/or multiple BTSA Clients, generally trade orders would be aggregated for execution and allocated pro rata across such BTSA Clients based on their allocations to the relevant trades.

Principal Trading

BTSA does not generally expect to engage in principal trading. If BTSA on occasion does so, BTSA will conduct such transactions in compliance with the applicable requirements of the Advisers Act.

Cross Transactions – Agency Cross Transactions

BTSA may from time to time cause the BTSA Clients to enter into agency cross transactions to the extent permitted by applicable law (including, without limitation, the Advisers Act) and the Constituent Documents of the BTSA Clients. Agency cross transactions may be deemed to occur, for example, in certain instances where an affiliate of BTSA acts as a broker for both the BTSA Client and the party on the other side of the transaction.

In addition, the BTSA Clients may engage in cross transactions to the extent permitted by applicable law (including, without limitation, the Advisers Act) and the governing agreements of the BTSA Clients. Cross transactions may be deemed to occur in certain instances where either a Third Party Account's investment is traded between BTSA Clients or one BTSA Client is withdrawing from an Underlying Vehicle and another BTSA Client simultaneously is subscribing to invest in such Underlying Vehicle, and such simultaneous withdrawal and subscription is effectuated as a transfer. BTSA's employees and affiliates may hold interests in one or both of the BTSA Clients involved in such transfer.

To the extent that BTSA or its affiliates engage in principal or agency cross transactions, such transactions will be consummated in accordance with Section 206(3) of the Advisers Act and, as applicable, Rule 206(3)-2 promulgated thereunder and Blackstone's Code of Ethics (including the procedures described further in **Item 11 – Code of Ethics**).

Trade Allocations

The Portfolio Managers will determine allocations within the applicable investment guidelines for each of the BTSA Clients based upon the following criteria and any other relevant factors. The investment criteria taken into account with respect to BTSA's management of the BTS Funds may differ from the investment criteria taken into account in connection with Blackstone Advisors' management and allocation of the Associated Endowment Program. Some of the considerations that may be taken into account include, among others: expected performance of the investment, availability of Underlying Vehicles, long-term suitability, the availability, nature and terms of the investments in or alongside Underlying Funds, the extent to which Blackstone Advisors is able to negotiate specially reduced or waived fees with regard to the Underlying

Item 12 – Brokerage Practices

Vehicles, reputation of the principals of the Underlying Manager (if applicable), availability of cash, liquidity needs, investment objectives, risk and return parameters, ERISA capacity, general capacity, tax efficiency, investment limits, diversification guidelines, operational factors, and legal and regulatory factors (collectively, the “Investment Criteria”). The applicable Portfolio Managers seek to ensure that investment opportunities will be allocated in a fair and equitable manner, after consideration of the BTSA Client’s investment criteria pursuant to the Constituent Documents and, in the case of the BTS Funds, as determined by the BTS Investment Committee. In situations of limited availability in a Blackstone Vehicle, allocations generally will be made to eligible BTSA Clients on a pro rata basis in accordance with BTSA’s allocation policies.

Trade Errors

Trade errors are evaluated on a case-by-case basis. If BTSA determines that BTSA’s gross negligence, willful misconduct or fraud was the direct cause of a trade error, BTSA generally will compensate the affected BTSA Client for any losses resulting from such trade error. If a third-party’s negligence or other wrongdoing causes a trading error that is material to a BTSA Client, BTSA will attempt to recover the amount of loss from the third party for the BTSA Client. BTSA does not assume responsibility for compensating the applicable BTSA Clients, or making the third party compensate the applicable BTSA Client, in such cases.

Item 13 – Review of Accounts

Monitoring Process

The applicable Portfolio Managers monitor the performance of their respective BTSA Clients on an ongoing basis. This monitoring includes, but is not limited to, reviewing for:

- u Liquidity needs
- u Potential conflicts
- u Market conditions
- u Style drift
- u Performance attribution, and
- u Performance deviation

The BTS Investment Committee will receive quarterly reports from the applicable Portfolio Managers with respect to the products utilized, the performance of the Third Party Accounts and Blackstone Accounts and the allocations of the BTS Fund's investments.

Investor Reporting

BTSA Clients and Investors in the BTS Funds will receive reporting as agreed upon between BTSA and/or the BTSA Client and such Investors and as described in the Constituent Documents.

BTSA Operations Team Reconciliation

With respect to the BTS Funds, the BTSA Operations Team performs daily cash reconciliations to determine that fundings, redemptions, expense payments, and other cash movements are properly processed.

Administrator Reconciliation for BTS Funds, if applicable

Each BTS Fund's administrator, which may be a Blackstone affiliate, performs a reconciliation of cash, investor activity, and investments as part of its independent determination of the net asset value for such BTS Fund, and produces the final capital/shareholder statements.

Item 14 – Client Referrals and Other Compensation

BTSA does not currently engage any unaffiliated person to provide client referrals, although they may do so in the future.

Item 15 – Custody

With respect to the BTS Funds and investment vehicles formed to facilitate the Associated Endowment Program's investment programs, BTSA generally complies with the Advisers Act custody rules by providing all investors in a BTS Fund or such vehicle with audited financial statements within 180 days, in the case of a BTS Fund or such vehicle that is a fund of funds, and within 120 days, in the case of a BTS Fund or such vehicle that is a single manager fund, of the relevant BTS Fund's or such vehicle's fiscal year end.

Item 16 – Investment Discretion

Investment Guidelines

Investment decisions are made within the investment guidelines as described in the Constituent Documents. BTSA has discretion in determining the Underlying Accounts in or alongside which the BTSA Clients may invest and the amount to invest.

Types of Investment

BTSA has broad discretion to make investments within the guidelines of the Constituent Documents. BTSA Clients primarily will invest in or alongside the Underlying Accounts.

In making investment allocation decisions on behalf of the Associated Endowment Program, Blackstone Advisors will seek to allocate the Associated Endowment Program's assets across a range of Blackstone Vehicles and other investment opportunities that pursue or relate to a variety of different investment strategies and/or asset classes (e.g., real estate-related investments, private equity investments, credit-oriented investments, secondary investments, investments in hedge funds, and other opportunistic investments).

Underlying Managers may participate in the purchase and sale of initial equity public offerings ("New Issues") for Blackstone Accounts. The subscription documents for the BTSA Clients may require each Investor to make an initial representation to its status as either a restricted investor (i.e., may not invest in New Issues) or non-restricted investor (i.e., may invest in New Issues). On an annual basis thereafter, BTSA may confirm an Investor's status through a negative confirmation process by sending a letter via electronic communication or hard copy and asking for a response only if the Investor's eligibility status has changed.

BTSA Clients may acquire or hold, directly or indirectly, assets or securities that are illiquid, including for example, where an Underlying Manager determines to "side pocket" all or a portion of an investment. Underlying Investment Vehicles may themselves be illiquid investments, and it is expected that the investments by the Associated Endowment Program in or relating to Underlying Vehicles will be illiquid and not subject to withdrawal or redemption except in limited circumstances (e.g., as required by law).

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

BTSA has adopted proxy voting policies and procedures (the “Proxy Policy”) to vote proxy proposals, amendments, consents or resolutions (collectively, “proxies”) relating to direct investments or investments in Underlying Accounts. From time to time, Underlying Managers may require consent from investors to change various aspects of their business or to make certain investments.

The general policy is to vote proxies relating to investments in a manner that serves the best interests of the BTSA Clients as determined by BTSA in its discretion.

At times, conflicts may arise between the interests of the BTSA Clients, on the one hand, and the interests of BTSA or its affiliates, on the other hand. If BTSA determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, BTSA 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. BTSA, in its sole discretion, may elect not to vote a proxy if unduly burdensome.

BTSA Clients and Investors may request a copy of the Proxy Policy and the proxy voting records by contacting Jeffrey Iverson at the address, telephone number or e-mail on the cover of this Brochure.

Item 18 – Financial Information

BTSA does not charge or solicits prepayment of \$1,200 in fees per client six or more months in advance.

BTSA is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to the BTSA Clients.