

Blackstone NWI Asset Management L.L.C.

Form ADV Part 2A

October 24, 2018

Blackstone

Blackstone NWI Asset Management L.L.C.

Item 1 – Cover Page

Blackstone NWI Asset Management L.L.C.

c/o NWI Management, LP

623 Fifth Avenue, 23rd Floor

New York, New York 10022

October 24, 2018

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 NWI Asset Management L.L.C. (“BNAM”).

If you have any questions about the contents of this Brochure, please contact Peter Rand, Head of Global Client Operations and Reporting for BAAM at (212) 583-5071; BAAMClientService@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 BNAM 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 BNAM’s name). Results will provide you with both Parts 1A and 2A of BNAM’s Form ADV.

BNAM is registered with the SEC as an investment adviser. BNAM’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 BNAM and should be considered in your decision whether to hire BNAM or to continue to maintain a relationship with BNAM.

Blackstone NWI Asset Management L.L.C.

Item 2 – Material Changes

- ▶ Since BNAM's last posting of this document on March 26, 2018 on the SEC's public disclosure website (IAPD) www.adviserinfo.sec.gov, the following material change has occurred:
 - Blackstone NWI Asset Management L.L.C. ("BNAM") is a joint venture between Blackstone Alternative Asset Management L.P. ("BAAM") and NWI Management, LP ("NWI"). It is currently anticipated that NWI will replace BNAM as the investment manager of the funds currently managed by BNAM (the "Funds") in the next three to six months, subject to the relevant consent requirements under the Advisers Act and the Funds' constituent documents. At such time as NWI becomes the investment manager of the Funds, BNAM will be dissolved and BAAM will have no further involvement with the management or operations of the Funds.
- ▶ BNAM, 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).
- ▶ If you would like another copy of this Brochure, please download it from the SEC website as indicated above or contact BAAM's Head of Global Client Operations and Reporting, Peter Rand, at (212) 583-5071 or BAAMClientService@blackstone.com.

Blackstone NWI Asset Management L.L.C.

Item 3 – Table of Contents

	Page
Item 3.1 – Defined Terms	1
Item 4 – Advisory Business	3
Item 5 – Fees and Compensation	5
Item 6 – Performance Based Fees	8
Item 7 – Types of Clients.....	9
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9 – Disciplinary Information	13
Item 10 – Other Financial Industry Activities and Affiliations	14
Item 11 – Code of Ethics	16
Item 12 – Brokerage Practices	23
Item 13 – Review of Client Accounts	26
Item 14 – Client Referrals	28
Item 15 – Custody	28
Item 16 – Investment Discretion	30
Item 17 – Voting of Client Securities	31
Item 18 – Financial Information.....	32
Item 19 – Requirements for State Registered Advisers.....	33

Blackstone NWI Asset Management L.L.C.

Item 3.1 – Defined Terms

As used throughout this Brochure, the following terms have the following meanings:

Advisers Act: Investment Advisers Act of 1940, as amended.

Advisory Client: A client to which BAAM provides advisory services regarding the client's hedge fund portfolio, typically on a non-discretionary basis.

Arcesium: Arcesium LLC, a middle- and back-office service and technology provider, in which BAAM holds a non-controlling, minority equity interest.

BAAM: Blackstone Alternative Asset Management L.P., a registered investment adviser and a co-owner of BNAM.

BAAM Funds: A series of private investment funds and Registered Funds sponsored and managed by BAAM that predominantly engage in multi-manager investment programs. Many BAAM Funds are commonly referred to in the industry as funds of hedge funds or FoHFs.

BAIA: Blackstone Alternative Investment Advisors LLC, a registered investment adviser and an affiliate of BAAM.

BAP: Blackstone Advisory Partners L.P., a registered broker-dealer and an affiliate of BAAM.

BAS: Blackstone Alternative Solutions L.L.C., a registered investment adviser and an affiliate of BAAM.

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

BNAM: Blackstone NWI Asset Management L.L.C., the registrant.

BNAM Clients: Generally refers to the BNAM Funds and separately managed accounts for which BNAM acts as investment adviser.

BNAM Funds: The private investment funds sponsored and managed or advised by BNAM.

BSAA: Blackstone Strategic Alliance Advisors L.L.C., a registered investment adviser and an affiliate of BAAM.

BSCA: Blackstone Strategic Capital Advisors L.L.C., a registered investment adviser and an affiliate of BAAM.

Client Constituent Documents: The Confidential Offering Memorandum, Limited Partnership Agreement, Memorandum and Articles of Association, Limited Liability Company Agreement, Investment Management Agreement and/or other applicable constituent documents for a BNAM Fund.

Code: BNAM's Code of Ethics mandated by the Advisers Act.

Commingled Funds: BNAM Funds that have multiple investors.

Hedge Fund Solutions Group or HFS: The division of Blackstone which includes BAAM, BSAA, BAS, BAIA, and BSCA, each a registered investment adviser.

Investor: An investor in a BNAM Fund.

Blackstone NWI Asset Management L.L.C.

Item 3.1 – Defined Terms

NWI: NWI Management, LP a registered investment adviser and a co-owner of BNAM.

Registered Fund: An investment company registered under the Investment Company Act of 1940, as amended, and managed by BAAM or BAIA.

Underlying Managers: The hedge fund managers to which the BAAM Funds allocate capital.

Blackstone NWI Asset Management L.L.C.

Item 4 – Advisory Business

Overview of the Firm

BNAM, a Delaware limited liability company, serves as the investment adviser to certain private investment funds (the “BNAM Funds”). BNAM was founded in 2014 and is jointly owned and controlled by NWI and BAAM.

Blackstone NWI Asset Management L.L.C. (“BNAM”) is a joint venture between Blackstone Alternative Asset Management L.P. (“BAAM”) and NWI Management, LP (“NWI”). It is currently anticipated that NWI will replace BNAM as the investment manager of the funds currently managed by BNAM (the “Funds”) in the next three to six months, subject to the relevant consent requirements under the Advisers Act and the Funds’ constituent documents. At such time as NWI becomes the investment manager of the Funds, BNAM will be dissolved and BAAM will have no further involvement with the management or operations of the Funds.

NWI

NWI is a Delaware limited partnership organized and controlled by Mr. Nellapalli (“Hari”) Hariharan and Jayachandrika Hariharan. NWI maintains day-to-day authority over BNAM’s trading and investment activities and trading related back-office functions.

NWI is an SEC-registered investment adviser with its principal place of business at 623 Fifth Avenue, 23rd Floor, New York, New York, 10022. NWI has been in business since 1999 and provides discretionary investment advisory services to private investment funds and separately managed accounts that are primarily intended for institutional and high net worth individual investors. NWI’s advisory business is primarily in the area of global macro investing with an emphasis on emerging markets.

BAAM

BAAM was founded in 1990 as part of The Blackstone Group L.P. (NYSE: BX) (“Blackstone”), which is the ultimate parent of BAAM. Blackstone is one of the leading alternative investment managers in the world with investment programs and services concentrating in the private equity, real estate and debt / credit areas, as well as the hedge fund solutions business. BAAM is an SEC-registered investment adviser with its principal place of business at 345 Park Avenue, New York, New York, 10145.

Forms ADV Part 1 and 2A for NWI and BAAM are available on the SEC’s website at www.adviserinfo.sec.gov.

BNAM Operating Agreement

BNAM’s operating agreement provides BAAM and NWI with certain “no fault” withdrawal rights and also provides each party with certain remedies upon the occurrence of a “cause” event by the other party, including, but not limited to, the right to elect to terminate the operating agreement and cause the dissolution of BNAM and the BNAM Funds. The exercise by one of the parties of these rights could result in a material adverse effect on BNAM’s Clients.

Blackstone NWI Asset Management L.L.C.

Item 4 – Advisory Business

Overview of Advisory Services

As investment adviser, BNAM, among other things:

- ▶ Identifies and implements a long-biased emerging markets-focused investment strategy for the BNAM Funds;
- ▶ Monitors BNAM Funds' existing investments;
- ▶ Makes decisions on behalf of the BNAM Funds to trade and to purchase and/or sell investments;
- ▶ Engages in foreign currency hedging transactions and/or the hedging of certain market exposures for the BNAM Funds; and
- ▶ Employs leverage for BNAM Funds in various forms (including, without limitation, via derivative transactions, and margin transactions).

At present, BNAM sponsors and advises commingled funds ("Commingled Funds") but may offer single investor funds and/or accounts ("Separate Accounts") in the future. Separate Accounts generally would be subject to a higher minimum investment threshold than Investors seeking to invest in Commingled Funds due to the individualized nature of the services required.

BNAM has \$1.4 billion in assets under management as of December 31, 2017. This includes investments made into BNAM Funds by BAAM Funds. Please note that this is an unaudited estimate.

Blackstone NWI Asset Management L.L.C.

Item 5 – Fees and Compensation

Payment of Asset-Based Advisory Fees

In general, BNAM charges an asset-based advisory fee ranging from 0.45% to 0.70% of assets under management which are accrued monthly and paid to BNAM monthly in arrears. Investors in the BNAM Funds are allocated their pro rata share of asset-based advisory fees for the time period in which they are invested.

BNAM typically waives fees for its members, affiliates and employees.

Performance-Based Fees

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

Fee Negotiations

Fees generally are non-negotiable, except in the case of Separate Accounts, affiliates, and strategic/significant relationships.

BNAM has established and may, in its sole discretion, establish in the future (by way of a side letter or otherwise) additional share classes, series or sub-series in the BNAM Funds that have terms different than, and/or in addition to, those described in the Client Constituent Documents, including, without limitation, different rates of management fees and expense terms.

Additional Fees and Expenses

BNAM's advisory fees are not inclusive of all the fees and expenses the BNAM Funds (and, indirectly, the Investors) pay. The following is a list of fees and/or expenses that BNAM Funds pay through the BNAM Funds. This list is not intended to be exhaustive; the relevant Client Constituent Documents provide further detail relating to fees and expenses.

- ▶ Accounting Expenses
- ▶ Administration Fees
- ▶ Certain Administrative Services
- ▶ Investment-Related Expenses
- ▶ Bank Service Fees (Including Bank Wire Fees) and Interest Expense
- ▶ Brokerage Commissions
- ▶ Corporate Licensing Fees
- ▶ Custodial Fees
- ▶ Data Aggregation
- ▶ Entity-Level Taxes
- ▶ Clearing and Settlement Charges

- ▶ Extraordinary Expenses (Including Litigation)

Blackstone NWI Asset Management L.L.C.

Item 5 – Fees and Compensation

- ▶ Indemnification Expenses
- ▶ Interest on Margin Accounts and Other Indebtedness
- ▶ Legal, Accounting, Audit and Tax Preparation Expenses
- ▶ Offering and Sale of the Interests
- ▶ Preparing and Delivering all Reports, Documents and Filings
- ▶ Regulatory Expenses (including expenses related to preparing and making regulatory and compliance filings and the fees and costs of software and systems relating to such filing)
- ▶ Research and Market Data
- ▶ Risk Management
- ▶ Fees and Expenses related to Software Tools, Programs or Other Technology including (without limitation) Third-Party Software Licensing, Implementation, Data Management, Recovery Services and Custom Development Costs
- ▶ Third-Party Professional Fees
 - Consultant Fees
 - Investment Bankers
 - Attorneys
 - Accountants
 - Other Experts
- ▶ Travel Expenses
- ▶ Withholding and Transfer Fees
- ▶ Legal Expenses
- ▶ Management Fee
- ▶ Securities Licensing
- ▶ Other Out-of-Pocket Costs and Expenses associated with Regulatory and Compliance Matters related to the Fund's "Organizational Expenses"

Investors in the BNAM Funds should refer to the Client Constituent Documents for more information regarding the specific fee and expense terms (including any applicable expense caps).

BNAM, NWI, and BAAM employees do not receive compensation from the purchase or sale of securities or investments that are purchased or sold for BNAM Funds, nor do BNAM, NWI, or BAAM employees receive commission-based compensation with respect to the sale of interests in the BNAM Funds. BNAM is a "fee only" investment adviser and, except as described below, BNAM does not have any potential conflicts of interest relating to any additional, undisclosed

Blackstone NWI Asset Management L.L.C.

Item 5 – Fees and Compensation

compensation from Clients or Underlying Managers. Please see **Item 11 – Potential Conflicts of Interest**.

Although not currently utilized by BNAM or the BNAM Funds, Arcesium LLC (“Arcesium”) may, at some point in the future, provide certain middle- and back-office services and technology to the BNAM Funds. Arcesium provides services to affiliates of BAAM and funds managed by the Hedge Fund Solutions Group (the “HFS Arcesium Clients”). BAAM holds a non-controlling, minority equity interest in Arcesium and the HFS Chief Operations Officer serves on the board of Arcesium. The services and technology provided by Arcesium support various post-trade activities, including trade capture, cash and position reconciliations, asset servicing, margin and collateral monitoring, pricing-related services, portfolio data warehousing, and other services and technology as agreed upon. BAAM will not require BNAM to hire Arcesium.

In return for such services, Arcesium typically would be expected to receive from the BNAM Funds a one-time upfront implementation fee, an annual software fee (based on the BNAM Funds’ complexity and net asset value), and an annual operations services fee (also based on the BNAM Funds’ net asset value), as negotiated by the applicable client and Arcesium (such fees in the aggregate, the “Arcesium Fees”).

In connection with BAAM’s minority equity ownership interest in Arcesium, BAAM is expected to receive cash distributions from Arcesium from time to time. Subject to applicable law (including ERISA), such cash distributions are expected to be used to reimburse BAAM for the operating expenses of Arcesium which BAAM has previously paid. Following such expected reimbursement, any further cash distributions received by BAAM from Arcesium will be applied to reimburse any Arcesium Fees paid by the BNAM Funds and the HFS Arcesium Clients. In the event that cash distributions received by BAAM from Arcesium exceed any Arcesium Fees paid by the BNAM Funds and HFS Arcesium Clients, any excess amounts are expected to be retained by BAAM. In the event that Arcesium is sold to a third-party, there is no guarantee that BAAM will continue to receive such cash distributions and that the BNAM Funds and HFS Arcesium Clients will be reimbursed for the portion of the Arcesium Fees paid by them.

Blackstone NWI Asset Management L.L.C.

Item 6 – Performance Based Fees

At present BNAM does not receive performance-based compensation; however, on a case-by-case basis BNAM may negotiate performance-based compensation with respect to future Investors and BNAM Clients. The existence of a performance-based compensation structure in the future may incentivize BNAM to manage BNAM Clients' assets in a more aggressive manner than if there was no performance-based compensation. Further, the existence of differing performance-based compensation for BNAM Clients trading side-by-side creates a potential conflict of interest on the part of BNAM with respect to the allocation of investment opportunities. BNAM has a trade allocation policy (see **Item 12 – Brokerage Practices**) that is designed to address these potential conflicts of interest.

Blackstone NWI Asset Management L.L.C.

Item 7 – Types of Clients

BNAM's clients consist of the BNAM Funds. Investors in BNAM Funds are based in the U.S. and outside of the U.S. and may consist of:

- ▶ Banks and other financial institutions
- ▶ Insurance companies
- ▶ Public and private retirement and pension plans
- ▶ Public and private profit sharing plans
- ▶ Trusts and estates
- ▶ Charitable organizations
- ▶ High net worth individuals
- ▶ State and municipal government agencies
- ▶ Sovereign wealth funds
- ▶ Corporations
- ▶ Business entities other than those listed above
- ▶ Certain members, affiliates and employees of BNAM and its affiliates
- ▶ Co-owners and their respective affiliates
- ▶ BAAM Clients and Advisory Clients

Investors are subject to applicable suitability and eligibility requirements.

Blackstone NWI Asset Management L.L.C.

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

BNAM, on behalf of the BNAM Funds, seeks to provide capital appreciation and income by investing in a global portfolio of fixed income securities and derivatives of issuers primarily located in Emerging Markets (as defined below). For purposes of BNAM Funds' investment strategy, "Emerging Markets" includes any country included by the International Monetary Fund in its list of Emerging and Developing Economies, any country which is considered a Low-income, Lower-middle-income, or Upper-middle-income economy by the World Bank, any country which is included in an Emerging Market Index and any other country which BNAM determines qualifies as an Emerging Market. The BNAM Funds are generally long-biased and primarily invests in long positions in the following sectors: sovereign credit, corporate credit, foreign exchange, and local interest rates. The BNAM Funds also take short positions in these sectors from time to time. BNAM attempts to mitigate risk through its trade construction and its global macroeconomic approach to investing in emerging markets which, among other things, takes into account the risks that markets in developed countries pose to emerging markets.

The investment process takes each credit and separates it into what BNAM believes are its constituent components of risk. These components are foreign exchange, interest rate duration, slope / curve, credit spreads, volatility and carry. BNAM then seeks to isolate the specific risks within each credit that it wishes to include in the portfolio and uses a trade construction process to attempt to isolate the desired exposures as best as possible without comingling those desired exposures with unwanted risks.

BNAM believes that the interplay between Emerging Markets and developed markets is an important driver of Emerging Markets returns and the investment process straddles both markets. BNAM generally attempts to hedge the portfolio from developed market risks that may have a negative impact on Emerging Market assets.

BNAM believes that global political factors are important in identifying investment opportunities and in trade construction. BNAM conducts its own political analysis internally and supplements its work with external sources as appropriate.

Risk of Loss

The BNAM Funds' investment strategy involves significant potential risks, including the risk that Clients (and, in turn, the underlying investors in such Clients), could lose some or all of any invested capital. This includes risks associated with:

- ▶ Absence of Regulation under the Investment Company Act
- ▶ Assumption of Business, Terrorism, and Catastrophe Risks
- ▶ Credit-Default Swaps
- ▶ Currency Devaluations and Fluctuations
- ▶ Cyber Security Breaches and Identity Theft
- ▶ Dependence on the Investment Manager and Key Individuals

Blackstone NWI Asset Management L.L.C.

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

- ▶ Different Information Rights Among Investors
- ▶ Diversification of Investments
- ▶ Futures Contracts
- ▶ FX Forward Trading
- ▶ General Economic and Market Conditions
- ▶ Hedging Strategies
- ▶ Highly Volatile Markets
- ▶ Illiquid Portfolio Investments
- ▶ In-Kind Distributions; Liquidating Special Purpose Vehicles
- ▶ Investing in Emerging Markets
- ▶ Investment and Due Diligence Process
- ▶ Investment and Trading Risks
- ▶ Investments in Distressed Securities
- ▶ Investments in High-Yield Securities
- ▶ Investments in Sovereign Debt
- ▶ Legal and Regulatory Environment for Private Investment Funds and their Managers
 - Dodd-Frank Act
 - Alternative Investment Fund Managers Directive
 - Identity of Beneficial Ownership; Withholding on Certain Payments
- ▶ Liability of the Fund, the Master Fund, and Separate Classes
- ▶ Limited Liquidity
- ▶ Loan Participations
- ▶ Low-Rated or Unrated Debt Securities
- ▶ Master-Feeder Structure
- ▶ Misconduct of Personnel of the Investment Manager and of Third-Party Service Providers
- ▶ Necessity for Counterparty Trading Relationships / Counterparty Risk
- ▶ No Limited Operating History for the Fund
- ▶ Quasi-Sovereign Issuers
- ▶ Retention and Motivation of Key Employees
- ▶ Short Selling

Blackstone NWI Asset Management L.L.C.

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

- ▶ Swap Agreements
- ▶ Systemic Risk
- ▶ Systems and Operational Risks
- ▶ U.S. Withholding Taxes
- ▶ Use of Leverage
- ▶ Use of Options
 - Call Options
 - Put Options
 - Stock Options
 - Highly Volatile Markets
- ▶ Valuation of Assets and Liabilities

The above list is provided for illustrative purposes and is not intended to be all inclusive. A detailed description of the risks associated with BNAM's investment strategy with respect to the BNAM Funds, is included in the Client Constituent Documents of the respective BNAM Funds, where applicable, a copy of which is provided to prospective investors and should be carefully reviewed prior to investing.

Blackstone NWI Asset Management L.L.C.

Item 9 – Disciplinary Information

BNAM is obligated to disclose any legal or disciplinary event that would be material to you when evaluating a client / adviser relationship. As of the date of this Brochure, BNAM does not have any legal or other disciplinary item to report to you at this time.

Blackstone NWI Asset Management L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

Blackstone NWI Asset Management L.L.C. (“BNAM”) is a joint venture between Blackstone Alternative Asset Management L.P. (“BAAM”) and NWI Management, LP (“NWI”). It is currently anticipated that NWI will replace BNAM as the investment manager of the funds currently managed by BNAM (the “Funds”) in the next three to six months, subject to the relevant consent requirements under the Advisers Act and the Funds’ constituent documents. At such time as NWI becomes the investment manager of the Funds, BNAM will be dissolved and BAAM will have no further involvement with the management or operations of the Funds.

For purposes of this ADV Part 2A, BNAM is an affiliate of the following entities:

Investment Adviser Entities

Blackstone Alternative Asset Management L.P.	Manages and advises private and public funds and accounts generally engaged in multi-manager investment programs
NWI Management, LP	Provides investment advisory services to private investment funds and separately managed accounts specializing in emerging markets

Commodity Trading Advisor and Commodity Pool Operator Entities

Blackstone Alternative Asset Management L.P.	Manages and advises private and public funds and accounts generally engaged in multi-manager investment programs
NWI Management, LP	Provides investment advisory services to private investment funds and separately managed accounts specializing in emerging markets

Commodity Pool Operator Entities

NWI Associates LLC	Serves as general partner of certain NWI private investment funds that are structured as limited partnerships
Blackstone NWI Associates L.L.C.	Serves as general partner of certain BNAM private investment funds that are structured as limited

Blackstone NWI Asset Management L.L.C.

Item 10 – Other Financial Industry Activities and Affiliations

partnerships

Note: BNAM manages a number of private investments vehicles, which are listed in BNAM's ADV Part 1A, Schedule D Section 7B(1).

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

As required by the Advisers Act, BNAM has adopted a Code of Ethics (the “Code”) that addresses potential conflicts of interest that exist when providing investment advisory services to BNAM Clients. This Code is designed to enable BNAM to meet its fiduciary obligations and instill a culture of compliance within BNAM. In addition, the Code assists BNAM in preventing violations of federal securities laws.

The Code is distributed to employees at the time of hire and annually thereafter. BNAM also supplements the Code with ongoing monitoring of employee activity and periodic training.

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; and
- ▶ Pre-clearance of outside business activities.

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

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Blackstone NWI Asset Management L.L.C. (“BNAM”) is a joint venture between Blackstone Alternative Asset Management L.P. (“BAAM”) and NWI Management, LP (“NWI”). It is currently anticipated that NWI will replace BNAM as the investment manager of the funds currently managed by BNAM (the “Funds”) in the next three to six months, subject to the relevant consent requirements under the Advisers Act and the Funds’ constituent documents. At such time as NWI becomes the investment manager of the Funds, BNAM will be dissolved and BAAM will have no further involvement with the management or operations of the Funds. At such time, certain of the below potential conflicts will not be applicable.

Investment Related Potential Conflicts

Potential Conflict	Mitigating Policy
NWI Management, LP, which is a co-owner of BNAM, serves as the investment manager for private investment funds and separate accounts (“NWI Clients”) that participate in a broad range of direct investment opportunities within the emerging markets space. As these investment opportunities may be suitable for the BNAM Clients, BNAM and NWI may be subject to conflicts in allocating such opportunities between BNAM Clients and NWI Clients. There has been, and may be in the future, instances where BNAM Clients and NWI Clients participate in the same investment opportunity but the timing and terms of execution differ among such investment accounts. NWI Clients generally provide performance-based compensation whereas the BNAM Clients at present only pay an investment management fee. This may create an incentive for NWI to allocate investment opportunities that would be suitable for the BNAM Clients solely to NWI Clients. Further, certain NWI principals who are involved in the investment decision-making processes for both NWI and BNAM (including, without limitation, BNAM’s and NWI’s Chief Investment Officer) maintain significant personal investments in NWI Clients. This may create a further incentive	BNAM and NWI maintain policies and procedures with respect to the allocation of investment opportunities to their respective Clients. NWI and the BNAM Investment Committee review allocation decisions in which an investment opportunity may be suitable for more than one platform. In addition, BNAM Compliance reviews trading activity in the BNAM Funds against certain emerging markets-related trading in NWI Clients. In consultation with the BNAM investment personnel(s), BNAM Compliance documents such reviews.

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Potential Conflict	Mitigating Policy
for NWI to allocate investment opportunities that would be suitable for the BNAM Clients solely to NWI Clients.	
To the extent permitted by applicable law, BNAM may cause a BNAM Client to purchase investments from, to sell investments to, to exchange investments with, or to transfer investments to another BNAM Client (“Cross Trades”). Any such purchases, sales, exchanges or transfers will be executed based upon the independent current market price or fair market value of the investment and in compliance with applicable laws and client constituent documents.	BNAM has developed policies and procedures with respect to Cross Trades, which generally require that BNAM establish the prevailing market price and obtain multiple approvals, including, in the case of Cross Trades involving Commingled Funds, approval from an independent third party. (see Item 13 – Review of Accounts for further details).
From time to time, NWI and/or BNAM receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, BNAM Clients typically would be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer; (ii) establishing an initial position or taking any greater position in such issuer; (iii) engaging in certain hedging-related trading related to a position; and (iv) pursuing other investment opportunities (e.g., derivatives positions) related to such issuer or related issuers. From time to time, BAAM and its affiliates also receive material non-public information with respect to issuers of publicly traded securities in the course of BAAM’s activities.	BNAM, NWI, and BAAM maintain policies and procedures relating to the use of private information, information sharing and information walls in general. As a result of information barriers that are in place and policies relating to the sharing of information, BNAM does not expect material non-public information obtained by BAAM and its affiliates to impact BNAM and its Clients.

Non-Investment Related Potential Conflicts

Potential Conflict	Mitigating Policy
BNAM, BAAM, NWI and their employees may invest for their own accounts in various investment opportunities that may be	BNAM’s employees must pre-clear trades in all hedge funds and other securities (subject to limited exceptions) with NWI Compliance

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Potential Conflict	Mitigating Policy
suitable for the BNAM Funds.	and BNAM Compliance. BAAM employees must pre-clear trades in all hedge funds and other securities (subject to certain limited exceptions) with BAAM and Blackstone Compliance. NWI employees must pre-clear trades in all hedge funds and other securities (subject to certain limited exceptions) with NWI Compliance. Upon hire and annually thereafter, all BNAM, BAAM, and NWI employees must report all personal securities holdings.
From time to time, BNAM employees may speak at conferences and programs for potential hedge fund investors, which are sponsored by BNAM's, BAAM's and NWI's third-party service providers for potential hedge fund investors. Through such "capital introduction" events, prospective hedge fund investors have the opportunity to meet with BNAM. Such events and other services (including, without limitation, capital introduction services) provided by service providers, including prime brokers, custodian and administrators, may influence BNAM in deciding whether to use such service provider.	BNAM employees must pre-clear speaking at conferences and other programs with BNAM Compliance. BNAM Compliance must approve all materials provided by BNAM as part of such conferences and other programs. Neither BNAM nor the BNAM Funds compensates the service providers for organizing such events.
Financial institutions, executives of public companies and other "value added investors" may be investors in the BNAM Clients. These persons and their employees are a potential source of information and ideas that could benefit the BNAM Clients.	BAAM Compliance provides a list of BAAM and BNAM potential value added investors to BAAM senior management on a quarterly basis.
BNAM has established and, in its sole discretion, may establish in the future (by way of a side letter or otherwise) additional share classes, series or sub-series in the BNAM Funds that have terms different than,	With respect to creation of additional share classes, series or sub-series in the BNAM Funds, Investors are notified of such potential conflicts.

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Potential Conflict	Mitigating Policy
and/or in addition to, those described in the Client Constituent Documents, including, without limitation, different rates of management fees, information rights, transparency into portfolio holdings, expense terms and withdrawal/redemption rights for certain investors, including, without limitation, investors affiliated with BNAM, BAAM or NWI. BNAM may establish such new classes, series or sub-series in the BNAM Funds without providing prior notice to, or receiving consent from, other Investors. Certain strategic investors receive NAV and portfolio information on a more detailed and more frequent basis than other Investors.	Where additional information is provided, it is available to other Investors upon request.
BNAM incurs common expenses on behalf of the BNAM Clients.	BNAM allocates such expenses in accordance with its expense allocation policies and the Client Constituent Documents.
Certain employees of BNAM, Blackstone, and NWI invest in the BNAM Funds. BNAM typically waives fees charged to such investors. The employees invested in the BNAM Funds include individuals responsible for approving investment opportunities for the BNAM Funds.	Investments in a BNAM Fund by employees of BNAM, Blackstone, and NWI are subject to preclearance by the respective Chief Compliance Officers (“CCOs”).

BAAM and NWI Related Potential Conflicts

Potential Conflict	Mitigating Policy
From time to time, Blackstone and NWI may refer potential investors to BNAM and these investors may become investors in one of the BNAM Funds.	All investors are reviewed for suitability of investments and must satisfy the BNAM Funds’ investment minimums and any investor qualifications.
Certain BAAM Funds may invest a portion of	BAAM maintains policies and procedures

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Potential Conflict	Mitigating Policy
their assets in the BNAM Funds. Conflicts of interest may arise because BAAM may have more detailed information regarding BNAM and the BNAM Funds than other Investors. In addition, BAAM Funds may represent a substantial portion of the assets of the BNAM Funds. Accordingly, redemptions of capital by the BAAM Funds from the BNAM Funds could be materially adverse to non-redeeming Investors. Discretionary funds managed by BAAM are, in the aggregate, significant investors in funds managed by NWI.	designed to limit access to trading and portfolio information with respect to the BNAM Funds. To that end, information available to BAAM beyond that which is available to other Investors is generally accessible only by BAAM personnel directly involved in BNAM matters.
BAAM and its affiliates have financial interests in other asset managers and investment vehicles, which may give rise to conflicts of interest between BAAM, on the one hand, and BNAM, the BNAM Clients and/or NWI on the other. Affiliates of BAAM operate independently of BAAM and are not limited in their investment or business decisions by considerations relating to the best interests of BNAM and the BNAM Clients.	BAAM endeavors to manage these potential conflicts subject to legal, regulatory, contractual or other applicable considerations.
In particular, BAAM and its affiliates hold ownership or other economic interests in various other investment managers. Such ownership interests range from minority to 100%. Some of these other investment managers may invest in areas that overlap with BNAM's investment strategies. Revenues received by BAAM or its affiliates through interests in such investment managers in some instances may be greater than the revenues BAAM receives from its interest in BNAM. This could cause BAAM to devote greater resources to the development of such other managers at the expense of resources devoted to BNAM which could, in turn, have a negative impact	

Blackstone NWI Asset Management L.L.C.

Item 11 – Code of Ethics

Potential Conflict	Mitigating Policy
on the BNAM Clients.	
Certain of the professionals who act on behalf of BNAM carry on investment and other activities for NWI and BAAM unrelated to BNAM and its Clients. These non-BNAM related activities could be viewed as creating a conflict of interest in that certain BNAM professionals will not be devoted exclusively to the business of BNAM.	Investors are notified of such potential conflicts.

You may request a copy of BNAM's Code of Ethics by contacting us at the address, telephone number or e-mail on the cover page of this Brochure.

Blackstone NWI Asset Management L.L.C.

Item 12 – Brokerage Practices

Factors Considered in Selecting Broker-Dealers

BNAM generally has full discretion to determine which securities are bought and sold by the BNAM Clients, the amount and price at which those securities are traded, the brokers or dealers (the “Brokers”) to be used to execute a particular transaction, and to determine whether the commissions or markups / markdowns to be paid by BNAM Clients are reasonable in light of all circumstances.

BNAM will select Brokers to execute portfolio transactions on behalf of BNAM Clients based on, among other things, its duty to seek best execution and in consideration of a Broker's ability to effect the transactions, its infrastructure and systems, reliability and financial responsibility, as well as the provision of research or the payment by the Broker of the costs of third party research and research-related services. In addition, Brokers may provide other services that are beneficial to BNAM, but not necessarily beneficial to BNAM Clients, including, without limitation, capital introduction, marketing assistance, consulting with respect to technology, operations or equipment, and other services or items. Such services and items may influence BNAM's selection of Brokers.

In certain cases, BNAM may determine it appropriate for the BNAM Clients to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with research services or other soft dollar benefits, or pay higher commissions to such firms if BNAM determines such prices or commissions are reasonable in relation to the overall services provided. BNAM need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Generally, neither BNAM nor BNAM Clients separately compensates any Broker for any of these other services.

BNAM maintains policies and procedures to review the quality of executions, including periodic reviews by its trading, investment, and compliance personnel.

Soft Dollars

At present, BNAM has not established any soft dollars arrangements. (Soft dollars refer to the practice of using consideration other than cash to pay for services.) In the future, BNAM may do so but only to the extent that the services in question are considered eligible services under the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e).

Also, consistent with Section 28(e), BNAM may use research products or services obtained with "soft dollars" generated by one BNAM Client to service one or more other BNAM Clients including BNAM Clients that may not have paid for the soft dollar benefits. BNAM will not seek to allocate soft dollar benefits to BNAM Clients in proportion to the soft dollar credits that each BNAM Client generated. Where a product or service obtained with soft dollars provides both research and non-research assistance to BNAM (*i.e.*, a "mixed use" item), BNAM will make a good faith allocation of the cost that may be paid with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of BNAM's allocation of the costs of such benefits and

Blackstone NWI Asset Management L.L.C.

Item 12 – Brokerage Practices

services between those that primarily benefit BNAM and those that primarily benefit BNAM Clients.

When BNAM uses soft dollars generated by BNAM Clients to obtain research or other products or services, BNAM receives a benefit because it does not have to produce or pay for such products or services itself. Therefore, BNAM may have an incentive to select or recommend a broker-dealer based on its interest in receiving research or other products or services, rather than solely on BNAM Clients interest in receiving the most favorable execution.

Periodically, in connection with allocating BNAM Clients' trades to brokerage firms, BNAM considers the amount and nature of research and research services provided by brokers and the value of such services in formulating investment decisions. Brokers sometimes suggest a level of business that they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but may also exceed the suggested level, as total brokerage is allocated on the basis of all of the considerations described above.

Cross Transactions – Agency Cross Transactions

BNAM Clients may engage in cross transactions in accordance with the terms of the Client Constituent Documents and all applicable laws and regulations. As it has no affiliated broker-dealer engaged in the trading of securities, BNAM does not engage in agency cross transactions.

Trade Errors

Trade errors are evaluated on a case-by-case basis. In the case of a trade error committed by BNAM, the gain or loss from the error will be allocated to the BNAM Clients; provided, however, if BNAM determines that its gross negligence, willful misconduct or fraud was the direct cause of the trade error, BNAM will compensate the BNAM Clients for any losses resulting from the error. BNAM will have a potential conflict of interest in determining whether a trade error should be borne by BNAM or allocated to the BNAM Clients.

If a third party causes a trade error for a BNAM Client, BNAM may seek to recover the amount of loss from such third party for the BNAM Clients. However, BNAM does not assume responsibility and has no obligation for compensating the BNAM Clients and / or making any third party compensate the BNAM Clients in such case.

Order Aggregation and Allocation of Investment Opportunities

BNAM typically will aggregate a BNAM Client's purchase and sale orders in securities, commodities, or other financial instruments with orders placed contemporaneously for other BNAM Clients (including NWI Clients) in the same securities, commodities, or other financial instruments (a "Bunched Order"), so long as, in BNAM's reasonable judgment, such aggregation would result in an overall economic benefit to all participating BNAM Clients based on more favorable purchase or sale prices, lower commission expenses, beneficial timing of transactions, or a combination of these and other factors. However, BNAM is not obligated or required to aggregate BNAM Client orders.

Blackstone NWI Asset Management L.L.C.

Item 12 – Brokerage Practices

In the unlikely instance where BAS believes that the aggregation of trades for multiple BNAM Clients would cause the BNAM Clients' cost of execution to be increased, BNAM will not aggregate such trades.

While BNAM generally makes portfolio decisions for similarly situated BNAM Clients on an aggregated basis, it is not required to do so if portfolio management decisions for different BNAM Clients are made separately, or if BNAM determines that bunching or aggregating would be inconsistent with its obligation to seek best execution for BNAM Client orders.

When allocating investments among BNAM Clients and, in particular, when determining whether to allocate to a BNAM Client, to include a particular BNAM Client in an aggregated order involving multiple BNAM Clients, and/or each BNAM Client's percentage participation in a Bunched Order, BNAM will consider a number of allocation factors. In general, BNAM Clients that participate in a Bunched Order will be allocated on a pro rata average price basis, subject to these allocation factors.

Blackstone NWI Asset Management L.L.C.

Item 13 – Review of Client Accounts

BNAM Client accounts are reviewed on an ongoing basis by the BNAM Investment Committee, Chief Risk Officer, Compliance and Operations personnel. The reviews include, but are not limited to performance, asset allocation, risk exposure, valuations, allocation of investment opportunities between accounts, best execution and operational review.

BNAM Investment Committee

BNAM's Investment Committee is responsible for the investment and hedging decisions made on behalf of BNAM Clients. The Investment Committee makes its investment decisions based on a variety of criteria including, but not limited to:

- ▶ The expected performance of the investment
- ▶ Marginal and overall risk of the investment
- ▶ Market conditions (both security specific as well as broader market)
- ▶ Availability of cash
- ▶ Liquidity needs
- ▶ Client investment objectives
- ▶ Client risk parameters
- ▶ General capacity
- ▶ Withholding tax consideration
- ▶ Tax efficiency
- ▶ Investment limits and Client-imposed investment restrictions
- ▶ Diversification consideration
- ▶ Operational factors
- ▶ Legal and regulatory factors

The Investment Committee also reviews the information presented to assess the allocation of investment opportunities, particularly with respect to any potential conflicts of interest.

There is significant overlap among the members of the BNAM investment committee and the NWI investment committee.

Monitoring Process

The BNAM Investment Committee monitors the performance of the Clients on an ongoing basis. This monitoring includes, but is not limited to, reviewing for:

- ▶ Potential conflicts
- ▶ Market conditions
- ▶ Adherence to investment guidelines

Blackstone NWI Asset Management L.L.C.

Item 13 – Review of Client Accounts

- ▶ Performance attribution
- ▶ Portfolio and security specific risk
- ▶ Portfolio holdings
- ▶ Performance deviation

BNAM Operations Team

The BNAM Operations team oversees and reviews all activities performed by the Administrator on a daily basis. At month end, the BNAM Operations team performs a review of the BNAM Funds' NAV in order to sign off on the month end NAV, including the capital / shareholder statements.

Certain strategic investors receive NAV and portfolio information on a more detailed and more frequent basis than other Investors. All such information is available to other Investors upon request.

BNAM Funds' Administrator

The BNAM Funds' Administrator is responsible for maintaining the official books and records of the BNAM Funds. This responsibility includes, but is not limited to, performing daily cash and position reconciliations to custodians, prime brokers and counterparties, and valuation of investments. At month end, the Funds' Administrator independently determines the NAV of the Funds, including income and expense / fee accruals, and produces the final investor allocations and capital / shareholder statements.

Blackstone NWI Asset Management L.L.C.

Item 14 - Client Referrals and Other Compensation

Blackstone Advisory Partners L.P., an affiliate of BAAM, serves as a placement agent for the BNAM Funds in the U.S. but is not compensated for such services. BNAM may enter distribution/placement arrangements with other unaffiliated third parties in the future.

In a typical distribution / placement arrangement, BNAM agrees to pay a third-party solicitor a portion of the management and/or performance fee (if any) paid to BNAM by the referred investors (although other payment arrangements could exist). A prospective Investor solicited by a third party will be informed of (and will be asked to acknowledge in writing its understanding of) any such arrangement. All fees for such solicitation services will be paid by BNAM and the Investor will not be subject to any increased or additional fees or charges. Third-party solicitors engaged by BNAM in the U.S. will be registered as broker-dealers with the SEC. Third-party solicitors engaged by BNAM 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.

Blackstone NWI Asset Management L.L.C. (“BNAM”) is a joint venture between Blackstone Alternative Asset Management L.P. (“BAAM”) and NWI Management, LP (“NWI”). It is currently anticipated that NWI will replace BNAM as the investment manager of the funds currently managed by BNAM (the “Funds”) in the next three to six months, subject to the relevant consent requirements under the Advisers Act and the Funds’ constituent documents. At such time as NWI becomes the investment manager of the Funds, BNAM will be dissolved and BAAM will have no further involvement with the management or operations of the Funds.

At such time as BAAM is no longer involved with the Funds, Blackstone Advisory Partners will cease to serve as a placement agent of the Funds.

Blackstone NWI Asset Management L.L.C.

Item 15 – Custody

Rule 206(4)-2 of the Advisers Act (the “Custody Rule”) defines custody as holding client securities or assets or having any authority to obtain possession of them. BNAM Funds domiciled in the U.S. generally have a BNAM affiliate acting as general partner and, as such, BNAM is deemed to have custody of the BNAM Funds’ assets. In the case of BNAM Funds domiciled outside the U.S. (*i.e.*, the Cayman Islands), BNAM serves as discretionary investment manager and, therefore, is deemed to have custody of the BNAM Funds’ assets. With respect to the BNAM Funds, BNAM complies with the Custody Rule by providing Investors with audited financial statements within the period of time required by such rules.

Unless an exception applies, a BNAM Fund’s assets (which are typically comprised of investments in securities, other financial instruments and cash) will be held in the name of the BNAM Fund with a Qualified Custodian such as a bank or broker-dealer in the name of the BNAM Fund.

Blackstone NWI Asset Management L.L.C.

Item 16 – Investment Discretion

Investment Guidelines

BNAM's Investment Committee is responsible for investment decisions made on behalf of BNAM Funds, including compliance with any client-imposed investment restrictions or guidelines as described in each BNAM Fund's Constituent Documents.

Types of Investments

BNAM generally has broad discretion to make investments within the guidelines of the Client Constituent Documents. BNAM seeks to provide capital appreciation and income by investing in a global portfolio of fixed income securities and derivatives of issuers primarily located in emerging markets. The BNAM Funds are generally long-biased and primarily invest in long positions in the following sectors: sovereign credit, corporate credit, foreign exchange, and local interest rates. BNAM Funds also take short positions in these sectors from time to time. The BNAM Funds invest, directly or indirectly, on margin or otherwise, in interests commonly referred to as securities and other financial instruments of United States and non-U.S. entities, including but not limited to Options, Futures, Options on futures, or Other derivative contracts and similar instruments, which may be listed or unlisted and rated or unrated. BNAM attempts to mitigate risk through its trade construction, risk specific hedges and its global macroeconomic approach to investing in emerging markets which, among other things, takes into account the risks that markets in developed countries pose to emerging markets.

Blackstone NWI Asset Management L.L.C.

Item 17 – Voting of Client Securities

Although proxies generally are not applicable given the BNAM Fund's investment strategy and underlying portfolio holdings, BNAM has adopted Proxy Voting Policies and Procedures that are designed to ensure that in cases in which BNAM votes proxies with respect to BNAM Client securities, such proxies are voted in the best interests of its Clients. BNAM Clients cannot direct BNAM's vote with respect to a particular proxy solicitation.

BNAM will seek to vote proxies in the best interests of each particular BNAM Client, which may result in different voting results for proxies for the same issuer. BNAM believes that voting proxies in accordance with the following guidelines is in the best interests of its Clients. If BNAM believes that the issue being voted upon is not material for BNAM and its Clients, BNAM will not be obligated to vote on such matter.

- ▶ Generally, BNAM will vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.
- ▶ Generally, BNAM will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, or create supermajority voting.

BNAM will attempt to identify any conflicts of interest between BNAM and its Clients with respect to any proxy statements received by BNAM. If a material conflict of interest exists, BNAM will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of the client or take some other appropriate action.

Investors may request a copy of the Proxy Policy and the proxy voting records by contacting BNAM at the address, phone number or email address on the cover of this Brochure.

Blackstone NWI Asset Management L.L.C.

Item 18 – Financial Information

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

As of the date of this Brochure, BNAM is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to the BNAM Clients.

Blackstone NWI Asset Management L.L.C.

Item 19 – Requirements for State Registered Advisers

This item is not applicable as BNAM is not registered in any states.