

**G S O**

**CAPITAL PARTNERS**

**Blackstone / GSO Debt Funds Management Europe Limited (“DFME”)**

**RTS 28 Report for the period ending 31 December 2018**

We note below the information required to be provided under Article 3(3) of RTS 28 providing a summary of the analysis and conclusions drawn from DFME’s detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year.

<b>Requirement under Article 3(3)</b>	<b>DFME response</b>
(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;	<p>When executing orders, DFME will take all reasonable steps to obtain the best possible result under the circumstances for its clients, taking into account the following execution factors:</p> <ul style="list-style-type: none"><li>(a) Price – this is the price at which a transaction in a financial instrument is executed;</li><li>(b) Costs – including internal and external costs such as venue costs;</li><li>(c) Speed – the length of time it takes to execute an order or transaction;</li><li>(d) Likelihood of execution and settlement – the probability that an order or transaction can be completed;</li><li>(e) Size – the size of the order or transaction to be executed, which may impact the execution price obtained and the executing brokers used, depending on the liquidity of the financial instrument;</li><li>(f) Nature – the type of order you have placed; and</li><li>(g) Any other factor that we consider relevant to the execution of the order – including, but not limited to, the complexity of the financial instrument that is the subject of your instruction, the liquidity of the relevant market and operational risks associated with the financial instrument that is the subject of your instruction.</li></ul> <p>Generally speaking, DFME will regard price as the most significant execution factor in the execution of a client’s order. In some circumstances, DFME may use their discretion to place a higher importance on one or more of the other execution factors (set out above) in order to provide the client with the best possible result.</p> <p>Further detail is as set out in the applicable best execution policies and procedures.</p>

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;	DFME does not have any close links, conflicts of interests or common ownerships with respect to any execution venues used to execute orders. Any potential conflicts of interest which may arise are handled in accordance with DFME's Conflicts of Interest Policy.
(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;	DFME does not have any arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received. Any potential conflicts of interest which may arise are handled in accordance with DFME's Conflicts of Interest Policy.
(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;	No changes have been made to the execution venues.
(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;	All DFME clients are treated the same.
(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;	This is not applicable to DFME, as it does not execute retail client orders.
(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575 [RTS27];	This is not applicable to DFME. Due to the nature of OTC Derivative transactions, DFME did not utilise any third party data and/or tools relating to quality of execution during the relevant period.
(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.	This is not applicable as no such data has yet been published under Article 65 of Directive 2014/65/EU.