

Item 1 – Cover Page

Blackstone Communications Advisors I L.L.C.

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as of March 31, 2017

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

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

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

Item 2 – Material Changes

There has not been any material change to this Brochure since its last filing dated March 30, 2016.

However, please carefully read Items 5, 8 and 10, which describe certain fees and expenses, potential risk of loss and potential conflicts of interest (including, for example, in respect of portfolio company relationships), respectively.

BCOM, at any time, may update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (e-mail) or in hard copy form).

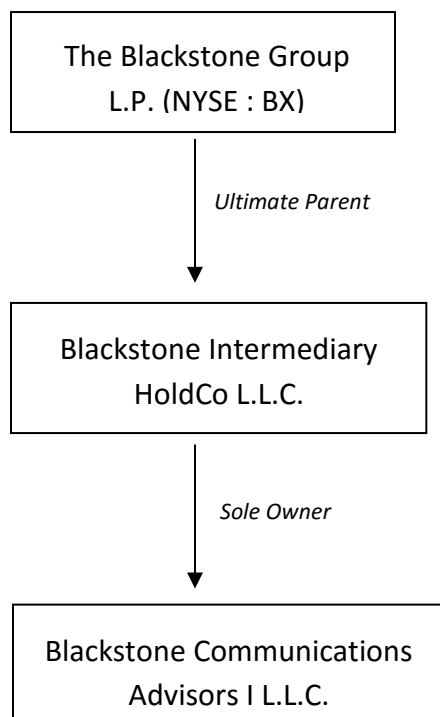
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Item 4 – Advisory Business

Blackstone Communications Advisors I L.L.C. (“BCOM”) is a Delaware limited liability company. BCOM provides investment advisory services to Blackstone Communications Partners I L.P. and any parallel or alternative investment vehicles relating to it (the “Funds” and each a “Fund”), which are investment funds specializing in leveraged buyouts and other principal investments in communications related investments. An affiliate of BCOM serves as the general partner (the “General Partner”) of each of the Funds. BCOM has been in business since July 2000.

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



BCOM's regulatory assets under management ("RAUM") were \$45,304,388 as of December 31, 2016.

Description of Advisory Services:

BCOM serves as investment advisor to the Funds pursuant to the terms of investment advisory agreements (the "Advisory Agreements") between BCOM and each of the Funds, and makes investment decisions for the Funds including by evaluating the Funds' investments.

The individual needs of the investors in the Funds are not the basis of investment decisions by BCOM. Investment advice is provided directly to the Funds by BCOM and not individually to the Funds' investors. The investment period for the Funds ended on June 29, 2006. The Funds' only new commitments of capital are to existing investments.

Item 5 – Fees and Compensation

Management Fees and Performance Fees

Per the Advisory Agreements with each of the Funds, BCOM is entitled to compensation for its services in the form of a management fee (the “Management Fee”), payable quarterly in advance; provided that the Management Fee will cease upon the termination of the term of a Fund. The Management Fee is paid to BCOM directly by the investors, pro rata based on the weighted average of invested capital on a quarterly basis in advance, as the Fund’s investment period ended on June 29, 2006. In general, BCOM’s fee with respect to the Fund varies based upon the aggregate level of the capital invested within the Fund. In no event however, will the Management Fee exceed .75% of invested capital. In certain cases, the Management Fee will be reduced for investments made by an investor in a Fund above a specified dollar amount. Prorated refunds would be provided for partial quarters, if any, to the extent applicable. As set forth in Item 6 below, the General Partners of the Funds are each eligible to receive performance-based or “carried interest” allocations. The Confidential Private Placement Memorandum (“PPM”, as supplemented from time to time) and the Partnership Agreement and Advisory Agreements (the “Organizational Documents”) of each Fund include further details on fees and compensation and related matters.

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

Certain investors in the Funds, which are generally related persons, current or former senior advisors, employees and retired partners of Blackstone, chief executive officers of Blackstone portfolio companies, investment funds advised by Blackstone Multi-Asset Advisors L.L.C. (“BMAA”), employees of PJT Partners Inc. and certain other Blackstone funds and/or charitable programs, endowment funds and related entities established by or associated with any of the foregoing (“Blackstone Investors”), will not pay Management Fees and/or performance-based allocations in connection with their investment in Blackstone-sponsored funds that make investments in or alongside the Funds. Notwithstanding the foregoing, such investors will either directly pay for their pro rata share of certain Fund expenses (as described below), or the pro rata amount of such expenses will be allocated to the General Partner or its affiliates.

Other Fees Payable to BCOM and its Affiliates

In addition to BCOM’s Management Fee and performance-based allocations (see Item 6 below), BCOM and its affiliates will also receive financial advisory fees, monitoring fees, organization

and financing fees and similar fees for arranging acquisitions and other major financial restructurings, commitment, transaction, break-up and topping fees, operational fees, divestment fees and directors' fees, fees for services related to group purchasing, healthcare consulting/brokerage, investment banking, capital markets, credit origination, loan servicing and/or other types of insurance, management consulting and other similar operational and finance matters, and/or other fees and annual retainers from (or, with respect to) the Funds' portfolio companies. The Management Fee paid by the investors in the Funds to BCOM is reduced by (i) 100% of BCOM's share of the net break-up, topping, commitment, monitoring, directors and organization fees received by BCOM or its affiliates up to the amount of the "partnership broken deal expenses" borne by the Funds and allocated to the investors that are not affiliates of the general partner and (ii) 80% of BCOM's share of the net break-up, topping and commitment fees and (iii) 50% of BCOM's share of the net monitoring, directors and organization fees received by BCOM or its affiliates, in each case in excess of the partnership broken deal expense borne by the Funds and allocated to the investors that are not affiliates of the general partner. Any other fees received by BCOM would not offset the Management Fee or performance-based allocations except as specifically provided in the Funds' Organizational Documents. Any such fees that result in an offset to the Management Fee only apply to the extent it is made as part of the Funds' investments in such portfolio companies. As a result, in the case of directors' fees, the Management Fee will not be reduced or offset to the extent any Blackstone employees or professionals receive directors' fees relating to continued director service after the Funds have exited the portfolio companies and/or following the termination of such employee's employment with Blackstone. Fund investors should carefully consult the applicable Fund's offering documents and Organizational Documents to determine the offsetable fees and the management fee offset percentage applicable to the Funds in which they are invested (See "Other Fees Received by BCOM and its Affiliates" in Item 10 below). In addition, BCOM will also engage and retain on behalf of the Funds and/or their portfolio companies senior advisors, consultants, and other similar professionals who are not employees or affiliates of BCOM and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies, and such amounts will not offset the Management Fee paid by the Funds. (See "Advisors" in Item 10 below).

Expenses

The following is a list of expenses that are typically borne by the Funds (and indirectly by the limited partners of the Funds). This list is not intended to be exhaustive; existing investors in the Funds are advised to review the applicable Fund offering materials and Organizational Documents for a more extensive description of the expenses associated with an investment in the Funds. Subject to the limitation set forth in the Organizational Documents, costs, expenses

and charges specifically attributed or allocated by BCOM and its affiliates to the Funds may exceed what would be paid to an unaffiliated third party for substantially similar services.

- Legal fees.
- Expenses related to BCOM's compliance matters and regulatory filings to the extent they relate to the Funds' activities (e.g., Form PF and U.S. Commodity Futures Trading Commission ("CFTC") filings).
- Administrative fees, expenses and/or charges (See "Other Fees Received by BCOM and its Affiliates" in Item 10 below).
- Organizational expenses associated with operating the Funds.
- Operating expenses.
- Consultant and senior advisor expenses (See "Advisors" in Item 10 below).
- Technology expenses.
- Accounting fees.
- Taxes and expenses related to the preparation and delivery of any entity-level taxes.
- Tax advisor fees.
- Audit fees.
- Brokerage commissions.
- Transaction fees.
- Fees and expenses associated with borrowing, guarantees and other financing, including interest charges.
- Expenses of loan servicers and other service providers.
- Expenses associated with the development, negotiation, acquisition, holding, monitoring and disposition of investments.
- Fees, costs and expenses related to the organization or maintenance of any intermediate entity used to acquire, hold or dispose of any one of more investments or otherwise facilitating a Fund's investment activities.
- Custodial fees.
- Investment banker fees.
- Depositary fees.
- Research-related expenses, including news and quotation equipment and services.
- Broken-deal expenses (See "Other Fees Received by BCOM and its Affiliates" in Item 10 below).

- Expenses associated with the preparation, printing and delivery of the Funds' periodic reports and related financial and other statements and investor notices and communications.
- Expenses of the L.P. Advisory Committees.
- Expenses of investor meetings.
- Expenses associated with a Fund's compliance with applicable laws and regulations.
- Expenses of litigation involving the Funds or entities in which the Funds have investments and the amount of any judgments, fines, remediation or settlements paid in connection therewith; taxes, fees and other governmental charges; all expenses in connection with any tax audit, examination or investigation.
- Expenses incurred in connection with complying with provisions in investor side letter agreements, including "most favored nations" provisions.
- Travel and entertainment expenses in connection with the Funds' investment activities (including first class and/or business class airfare (and/or private charter, where appropriate), first class lodging, ground transportation, travel and premium meals (including closing dinners and mementos, cars and meals (outside normal business hours), social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers)).
- Expenses related to hedging arrangements.
- Insurance.
- Indemnification expenses (including advancement of any fees, costs or expenses to persons entitled to such indemnification).
- Expenses of liquidating the Funds.
- Marketing, advertising, printing, wholesaling and other capital raising expenses associated with investor admission/subscription and investor-related services and other similar costs.
- Arbitration expenses.
- Valuation costs.
- Expenses of third-party advisory committees of the Funds as well as of other goods and services provided by third parties and other third party professionals.

Certain Blackstone personnel may be seconded to one or more portfolio companies and provide finance, accounting and other similar services to such portfolio companies and the compensation for such personnel during the secondment will be borne by the portfolio companies. To the extent Blackstone receives any fees or expense reimbursement from the

portfolio companies with respect to such personnel, they will not result in any offset to the Management Fee payable by the relevant Funds.

Investors in a Fund are allocated their pro rata share of such additional fees and expenses.

From time to time, the General Partner will be required to decide whether costs and expenses are to be borne by a Fund, on the one hand, or the General Partner and BCOM, on the other, and/or whether certain costs and expenses should be allocated between or among the Funds, on the one hand, and Other Blackstone Funds (as defined below), on the other. Certain expenses may be suitable for only a particular Fund or parallel fund and borne only by such Fund, or, as is more often the case, expenses may be allocated pro rata among the Fund and all parallel funds even if the expenses relate only to particular vehicle(s) and/or investor(s) therein. The General Partner will make such judgments in a manner that it determines to be fair and reasonable in good faith, notwithstanding its interest in the outcome, and may make corrective allocations should it determine that such corrections are necessary or advisable. However, such determination is inherently subjective and may give rise to conflicts of interest in light of the inherent biases in the process. There can be no assurance that a different manner of allocation would not result in a Fund bearing a greater (or lesser) amount of expenses. Travel and entertainment expenses in connection with a trip taken by employees of BCOM and/or the General Partners for purposes of multiple matters will generally be allocated to each such matter based on the time spent for each matter and then the resulting expenses will be allocated to the Funds, Other Blackstone Funds and/or BCOM as otherwise set forth herein.

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

In addition to the Management Fees and other fees described in Item 5 that are received by BCOM or its affiliates, the General Partner of each Fund receives a portion of the profits of current disposition proceeds from each Fund with respect to each limited partner (other than those that are affiliates of BCOM), which is equal to twenty percent of the amounts otherwise distributable to such limited partner with respect to any particular investment. Such allocation of profits is only allocated to the General Partner when specific conditions are met, including the return to the limited partner of an aggregate amount equal to all capital contributed to the applicable Fund by such limited partner for realized investments, and any writedowns on unrealized investments, fees and expenses allocable to such investment and the receipt of a preferred return on such amounts.

The Funds generally distribute current income from an investment in the manner described above relating to distributions of disposition proceeds except that distributions of current income are made on an investment by investment basis and do not take account of a return of capital and any writedowns, but will take into account actual unrecouped losses from prior dispositions and, in certain circumstances, certain allocated fees and expenses.

The fact that BCOM's affiliate is in part compensated based on the performance of the Funds may create an incentive for BCOM to make investments on behalf of investors that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement, or time the sale of investments in a manner motivated by the personal interests of Blackstone personnel. However, the commitment by Blackstone to invest in the Funds, clawback provisions (which are provisions in the Organizational Documents that require the General Partner to return excess amounts of performance based allocations that have been received) and the fact that the preferred return is calculated on an aggregate basis should tend to reduce the incentive to make more speculative investments or otherwise time the sale of investments in a manner motivated by personal interests of Blackstone personnel. In connection therewith, the General Partner's clawback obligation may create an incentive for the General Partner to defer the disposition of one or more investments if such disposition would result in a realized loss, a return on investment that was less than the preferred return and/or the finalization of dissolution and liquidation of a Fund where a clawback obligation would be owed.

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

Item 7 – Types of Clients

BCOM manages the Funds. The Funds' investors may consist of some or all of the following:

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

All investors are subject to applicable suitability requirements. BCOM and the General Partners require that each investor in the Funds be (i) an “accredited investor” as defined in Regulation D under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and (ii) a “qualified purchaser” as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, and meet other suitability requirements (including, in some circumstances, a person that is not a U.S. Person as defined in Regulation S under the Securities Act). Generally, investors must invest a minimum dollar amount as determined at the General Partner's discretion.

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

Investment Strategies:

BCOM offers advice to the Funds generally to invest in equity and equity-related securities (including (i) preferred stock, debt and other securities relating to common equity investments and (ii) preferred stock, debt and other securities that are expected to produce equity-like returns) in conjunction with privately negotiated transactions. These investments are generally made in connection with acquisitions, dispositions, restructurings, workouts, management acquisitions and other similar situations and utilize some degree of leverage.

BCOM's investment analysis methods include fundamental, technical and cyclical research. BCOM's investment team is responsible for evaluating securities (and other products) for investment. BCOM's investment professionals also review all portfolios for adherence to the investment objectives of each portfolio and the Fund's stated investment strategies. The investment period for BCOM ended on June 29, 2006.

BCOM personnel meet as necessary to discuss the investment activities of the Funds (it being understood that the Funds' investment periods have ended).

Risk of Loss:

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

1. Illiquidity of investments by the Funds
2. Restrictions on transfers of investor interests under the Organizational Documents and/or the Securities Act and lack of public market
3. Changes in legal, fiscal, and regulatory regimes
4. Nature of equity or equity-related investments
5. Non-U.S. investments, including currency fluctuation, exchange controls and political factors
6. Dependence on BCOM's key personnel and portfolio company management
7. Investment environment and market risk

8. Market volatility risks, including interest rate fluctuations
9. Risk of loss of entire investment
10. Policy risks in emerging markets
11. Currency fluctuations
12. Leverage risk
13. Communications industry risk
14. Hedging risks
15. Enhanced scrutiny and potential regulation of the private investment fund industry and the financial services industry (including Dodd Frank)
16. CFTC registration requirements
17. Cyber Security breaches and identity theft
18. Risks arising from ERISA including control group liability
19. Contingent liabilities incurred on dispositions or financings of investments
20. Limited ability to protect the Fund's interest when making non-controlling investments
21. Lack of diversification in investments
22. Operating and financial risks of portfolio companies
23. Cross incurrence of indebtedness or guarantees on a several, joint and several or cross-collateralized basis among the Funds and with Other Blackstone Vehicles

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

Stock markets and bond markets fluctuate substantially over time and performance of any investment is not guaranteed. As a result, there is a risk of loss of value in the assets which BCOM manages that is out of BCOM's control. BCOM cannot guarantee any level of performance or that investors in the Funds will not experience a substantial or complete investment loss. There is no assurance that the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategies. The marketability and value of any such investment will depend upon many factors beyond the

control of the Funds. The expenses of the Funds may exceed their income, and an investor in a Fund could lose the entire amount of its contributed capital. Therefore, an investor should only invest in a Fund if the investor can withstand a total loss of its investment. The past investment performance of the Funds cannot be taken to guarantee future results of the Funds or any investment in the Funds.

Item 9 – Disciplinary Information

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

On October 7, 2015, without admitting or denying any wrongdoing, Blackstone Management Partners L.L.C. (as well as certain of its private equity fund adviser affiliates, “BMP”) consented to the entry of an order to cease and desist from committing or causing any violations and future violations of Sections 206(2) and 206(4) of the Advisers Act and Rules 206(4)-7 and 206(4)-8 thereunder. According to the SEC order, with respect to certain legacy private equity funds, BMP did not provide sufficient pre-commitment disclosure regarding the possibility of accelerating otherwise authorized fees upon termination of monitoring fee agreements with its portfolio companies. The order also found that BMP did not adequately disclose that certain legal fee discounts it received, prior to 2011, were greater than discounts received by its funds. In addition, the order found that BMP did not adopt and implement a written compliance policy or procedure regarding the foregoing. BMP agreed as part of the settlement to pay disgorgement of \$26,225,203 (plus prejudgment interest of \$2,686,553) to limited partners of its funds and a civil monetary penalty of \$10,000,000 to the SEC.

On occasion, in the ordinary course of its business, Blackstone is named as a defendant in a legal action. Although there can be no assurance of the outcome of such legal actions, BCOM does not believe that any current legal proceeding or claim to which Blackstone is a party would individually or in the aggregate materially affect BCOM and/or the Funds’ results of operations, financial position or cash flows. Certain regulatory, litigation and other similar matters are disclosed in (i) Blackstone’s public filings (including, without limitation, its current, periodic and annual reports on Forms 8-K, 10-Q and 10-K), which may be accessed through the web site of the SEC (www.sec.gov) or Blackstone (<http://ir.blackstone.com/investors/annual-reports-and-sec-filings/default.aspx>), and (ii) materials made available through Blackstone’s BXAccess online portal, which is accessible to Blackstone’s limited partners for the funds in which they are invested.

Item 10 – Other Financial Industry Activities and Affiliations

Other Financial Industry Activities

From time to time, various potential and actual conflicts of interest arise from the overall investment activities of BCOM and its affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exclusive list of all such conflicts. Fund investors should consult the applicable Fund's offering documents for a more complete listing of applicable conflicts. Any references to Blackstone and BCOM in this section will be deemed to include their respective affiliates, partners, members, shareholders, officers, directors and employees.

If any matter arises that BCOM determines in its good faith judgment constitutes an actual conflict of interest, BCOM will take such actions as it determines in good faith may be necessary or appropriate to ameliorate the conflict (and upon taking such actions BCOM will be relieved of any liability for such conflict to the fullest extent permitted by law and will be deemed to have satisfied applicable fiduciary duties related thereto to the fullest extent permitted by law). These actions include, by way of example and without limitation, (i) presenting a conflict of interest to the respective L.P. Advisory Committee as expressly provided for in the Organizational Documents, (ii) disposing of the investment or security giving rise to the conflict of interest; (iii) appointing an independent fiduciary to act or provide consent with respect to the matter giving rise to the conflict of interest; (iv) in connection with a matter giving rise to a conflict of interest with respect to an investment, consulting with the respective L.P. Advisory Committee regarding the conflict of interest and either obtaining a waiver or consent from the respective L.P. Advisory Committee of the conflict of interest or acting in a manner, or pursuant to standards or procedures, approved by the respective L.P. Advisory Committee with respect to such conflict of interest, (v) disclosing the conflict to the investors (including, without limitation, in drawdown notices, quarterly letters or other communications), or (vi) implementing certain policies and procedures designed to ameliorate such conflict of interest. There can be no assurance that BCOM will identify or resolve all conflicts of interest in a manner that is favorable to the Funds. By acquiring an interest in a Fund, each Fund investor will be deemed to have acknowledged and consented to the existence or resolution of any such actual, apparent or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Blackstone Policies and Procedures. Specified policies and procedures implemented by Blackstone to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions will from time to time reduce the synergies across

Blackstone's various businesses that the Funds expect to draw on for purposes of pursuing attractive investment opportunities. Because Blackstone has many different asset management businesses, a capital markets group and a real estate advisory business, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, Blackstone has implemented certain policies and procedures (e.g., information walls) that reduce the positive synergies the Funds could otherwise expect to utilize for purposes of identifying and managing attractive investments. For example, Blackstone will from time to time come into possession of material non-public information with respect to companies in which the Funds may be considering making an investment. As a consequence, that information, which could be of benefit to the Funds, might become restricted to those other respective businesses and otherwise be unavailable to the Funds. Additionally, the terms of confidentiality or other agreements with or related to companies in which any Blackstone fund has or has considered making an investment will from time to time restrict or otherwise limit the ability of the Funds and/or their portfolio companies and their affiliates to make investments in or otherwise engage in businesses or activities competitive with such companies. Blackstone may enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although intended to provide greater opportunities for the Funds, may require the Funds to share such opportunities or otherwise limit the amount of an opportunity the Funds can otherwise take.

Performance Allocation. The General Partner's clawback obligation may create an incentive for the General Partner to defer disposition of one or more investments if such disposition would result in a realized loss, a return on investment that was less than the preferred return and/or the finalization of dissolution and liquidation of a Fund where a clawback obligation would be owed.

Allocation of Personnel. BCOM and its affiliates will devote such time as shall be necessary to conduct the business affairs of the Funds in an appropriate manner. However, Blackstone personnel, including certain members of the Investment Committee, will work on other projects, and/or Other Blackstone Funds will serve on other committees and have other responsibilities throughout Blackstone and/or its portfolio companies, and, therefore, conflicts are expected to arise in the allocation of personnel and personnel's time.

Other Fees Received by BCOM and its Affiliates. BCOM and its affiliates may receive fees relating to the Funds' investments or from unconsummated transactions (e.g., directors', topping, break-up, commitment, financing, and other similar fees). To the extent Blackstone charges transaction and/or monitoring fees, in the case of monitoring fees, these may be

payable as fixed dollar amounts or may be calculated as a percentage of EBITDA (or other similar metric). In the case of transaction fees, often times these will be calculated as a percentage of the total enterprise valuation of the transaction, which is generally the aggregate amount of funds raised (including invested capital, rolled over equity and debt assumed or financed by the Fund and/or the portfolio company and its subsidiaries and affiliates. Additionally, BCOM and its affiliates may receive fees from or with respect to portfolio companies and/or other persons (including co-investors and joint venture parties) as part of the investment activities of the Funds, including fees relating to compensation for capital markets transactions and advice, real estate advisory, operational and other services. With respect to fees received by Blackstone relating to the Funds' investments or from unconsummated transactions, Fund investors will not receive the benefit of any fees relating to the Funds' investments or paid by portfolio companies other than as set forth in the offering documents of a Fund. For example, investment banking, capital markets, debt syndication and/or real estate advisory, where applicable, fees paid to Blackstone from portfolio companies will not result in any offset to the Management Fee payable by Fund investors. To the extent the receipt by BCOM of any such fees results in an offset of the Management Fee payable by a Fund's investors as provided in applicable Organizational Documents of such Fund, such fees will first be allocated among such Fund, any other investment funds and collective investment vehicles and/or accounts managed by affiliates of Blackstone (including vehicles in existence as of the date hereof and those that may be formed in the future, collectively, "Other Blackstone Funds") and/or accounts participating (or intending to participate) in such investment, any co-investment vehicles (including any vehicles established in connection with Blackstone's side-by-side co-investment rights as provided in the applicable Fund's Organizational Documents) participating (or intending to participate) in such investment (including any vehicles established to facilitate the investment by Blackstone Investors). The amount of such fees allocable to such Other Blackstone Funds and/or accounts and co-investment vehicles will generally not result in an offset of the Management Fee payable by Fund investors, even if such Other Blackstone Funds and/or accounts and co-investment vehicles provide for lower or no management fees for the investors or participants therein (such as the vehicles established in connection with Blackstone's side-by-side co-investment rights, which generally do not provide for a management fee or carried interest payable by participants therein), subject to certain limitations. Moreover, Blackstone and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds which will not be subject to management fee offset or otherwise shared with the Funds, limited partners and/or portfolio companies. For example, airline travel or hotel stays incurred as partnership expenses may result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or

difficult to value, inure exclusively to Blackstone and/or such personnel (and not the Funds, limited partners and/or portfolio companies) even though the cost of the underlying service is borne by the Funds and/or portfolio companies.

The Funds will bear the costs and expenses related to the organization or maintenance of any entity used to directly or indirectly acquire, hold or dispose of any investment or otherwise facilitating the Funds' investment activities (including, without limitation, travel and related expenses related to such entity and the salary and benefits of any personnel (including personnel of BCOM or its affiliates) reasonably necessary and/or advisable for the maintenance and operation of such entity), including overhead expenses in connection therewith, expenses of liquidating the Fund, capital raising and investor-related services and other similar costs, expenses of administering side letters entered into with limited partners (including legal and other expenses in connection with the process of distributing and implementing applicable elections pursuant to any "most-favored-nations" clauses in side letters) and to the extent not reimbursed by a third-party, all third-party expenses incurred in connection with a proposed Investment that is not ultimately made or a proposed disposition that is not actually consummated, (including legal, tax, administrative, accounting, travel and entertainment, advisory and, consulting and printing expenses, reverse termination fees and any liquidated damages, forfeited deposits, reverse termination fees or similar payments).

The Funds may be required to make contingent funding commitments or guarantees to its portfolio companies or other vehicles or entities in or alongside which the Funds invest and to provide other credit support arrangements in connection therewith. Such credit support may take the form of a guarantee, a letter of credit or other forms of promise to provide funding. Such credit support may result in fees, expenses and interest costs to the Funds, which could adversely impact the results of the Funds, subject to certain limitations set forth in the Organizational Documents.

Certain Blackstone personnel may be seconded to one or more portfolio companies and provide finance, accounting and other similar services with respect to such portfolio companies and the compensation for such personnel during the secondment will be borne by the portfolio companies. To the extent Blackstone receives any fees or expense reimbursement from the portfolio companies with respect to such personnel, they will not result in any offset to the Management Fee payable by the relevant Funds and the limited partners of the Funds may not receive the benefit of such fees or compensation.

Advisors. Blackstone engages and retains strategic advisors, consultants, senior advisors, executive advisors/or and other professionals who are not employees or affiliates of Blackstone (which may include former Blackstone employees as well as current and former executive

officers of Blackstone portfolio companies) and who are expected, from time to time, to receive payments from, or allocations or performance-based compensation with respect to, portfolio companies (as well as from Blackstone or the Funds). In such circumstances, such payments from, or allocations or performance-based compensation with respect to, portfolio companies and/or the Funds may be treated as partnership expenses and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by Blackstone, be deemed paid to or received by Blackstone and such amounts will not be subject to the offset of any Management Fee otherwise due. These strategic advisors, senior advisors, consultants, executive advisors and/or other professionals (which may include certain former Blackstone employees) often have the right or may be offered the ability to co-invest alongside the Funds, including in those investments in which they are involved (and for which they may be entitled to receive performance-related incentive fees, which will reduce the Funds' returns and will not necessarily be subordinated to the return of Fund investors' capital contributions), or otherwise participate in equity plans for management of any such portfolio company or invest directly in the Funds or in a vehicle controlled by the Funds subject to reduced or waived management fees and/or carried interest, including after the termination of their engagement by or other status with Blackstone, and such co-investment and/or participation (which generally will result in the Funds being allocated a smaller share of an investment) will not be considered as part of Blackstone's side-by-side co-investment rights. Additionally, and notwithstanding the foregoing, these strategic advisors, executive advisors, senior advisors, consultants and/or other professionals, as well as current and former chief executive officers of Blackstone portfolio companies, are expected to be (or have the preferred right to be) investors in Blackstone portfolio companies (which, in some cases, may involve agreements to pay performance fees to such persons in connection with the Funds' investments therein, which will reduce the Funds' returns and will not necessarily be subordinated to the return of Fund investors' capital contributions) and/or Other Blackstone Funds, and may be permitted to participate in Blackstone's side-by-side co-investment rights, which generally do not provide for a management fee or carried interest payable by participants therein and generally result in the Funds being allocated a smaller share of an investment than would otherwise be the case in the absence of such side-by-side co-investment rights. The nature of the relationship with each of the strategic advisors, senior advisors, consultants, executive advisors and/or other professionals and the amount of time devoted or required to be devoted by them varies considerably. In certain cases, they provide the General Partner and/or BCOM with industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and provide reference checks on management teams. In other cases, they take on more extensive roles and serve as executives or directors on the boards of portfolio companies. In certain instances, Blackstone has formal arrangements with these senior

advisors, executive advisors, consultants, management teams for operating platforms and/or other professionals (which may or may not be terminable upon notice by any party), and in other cases the relationships are more informal. They are either compensated (including pursuant to retainers and expense reimbursement, and, in any event, pursuant to negotiated arrangements that will not be confirmed as being comparable to the market rates for such services) from Blackstone, one or more Funds, Other Blackstone Funds and/or portfolio companies or otherwise uncompensated unless and until an engagement with a portfolio company develops. Payments or allocations to Blackstone's strategic advisors, executive advisors, consultants, senior advisors and other similar professionals, will not be subject to the Management Fee offset provisions, and can be expected to increase the overall costs and expenses borne indirectly by investors in the Funds. There can be no assurance that any of the executive advisors, senior advisors, consultants and/or other professionals will continue to serve in such roles and/or continue their arrangements with Blackstone, the Funds and/or any portfolio companies throughout the term of the Funds.

Portfolio Company Relationships. Certain of the Funds' portfolio companies are or will be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other investment funds managed by BCOM or other Blackstone affiliates, or certain third-party service providers that, although BCOM determines to be consistent with the requirements of such Funds' Organizational Documents, would not have otherwise been entered into but for the affiliation or relationship with Blackstone, and which involve fees, commissions, servicing payments, discounts, rebates and/or other benefits to BCOM, Blackstone, a Blackstone affiliate and/or a portfolio company, which are not subject to the Management Fee offset provisions described herein. For example, certain portfolio companies of one or more Blackstone funds enter into agreements regarding group procurement (such as a group purchasing organization), benefits management, purchase of title and/or other insurance policies (which will from time to time be pooled across portfolio companies and discounted due to scale) and other operational, administrative or management related matters from a third party or a Blackstone affiliate, and other similar operational initiatives that result in fees, commissions or similar payments and/or discounts being paid to BCOM or its affiliates or a portfolio company, including fees related to a portion of the savings achieved by the portfolio company. To the extent that a portfolio company of an Other Blackstone Fund is providing such a service, such portfolio company and such Other Blackstone Fund will benefit. Further, the benefits received by the particular portfolio company providing the service may be greater than those received by the Fund(s) and their portfolio companies receiving the service.

As a part of such benefits management, certain portfolio companies of the Funds may enter into an employer health program arrangement or similar arrangements with Equity Healthcare LLC ("Equity Healthcare"), a Blackstone affiliate which negotiates with providers of standard

administrative services and insurance carriers for health benefit plans and other related services for cost discounts, quality of service monitoring, data services and clinical consulting. Because of the combined purchasing power of its client participants, Equity Healthcare is able to negotiate pricing terms from providers that are believed to be more favorable than the companies could obtain for themselves on an individual basis. The payments made to Blackstone in connection with Equity Healthcare, group purchasing, insurance and benefits management will not be subject to the Management Fee offset provisions. As further described herein, Blackstone, the Fund and/or Other Blackstone Funds will hold equity or other investments in companies or businesses (even if they are not “affiliates” of Blackstone) in the information technology and other industries that provide products or services to or otherwise contract with portfolio companies of the Fund and Other Blackstone Funds. In connection with any such investment, Blackstone, the Fund or Other Blackstone Funds (or their respective portfolio companies) may make referrals or introductions to other portfolio companies in an effort, in part, to increase the customer base of such companies or businesses, and therefore the value of the investment, or because such referrals or introductions may result in financial incentives (including additional equity ownership) and/or milestones benefitting the referring or introducing party that are tied or related to participation by portfolio companies. Except as described in the following sentence, where Blackstone or any Other Blackstone Fund (or its portfolio company) is the referring or introducing party, the Fund and the Limited Partners will not share in any fees, economics or equity accruing to Blackstone or such Other Blackstone Fund (or its portfolio company) as a result of these relationships and/or participation by the Fund’s portfolio companies. There may, however, be instances where the applicable arrangements provide that the Fund or its portfolio companies may share in some or all of any resulting financial incentives (including, in some cases, equity ownership) based on structures and allocation methodologies as determined in the sole discretion of Blackstone or its affiliates. Conversely, where the Fund or one of its portfolio companies is the referring or introducing party, rather than receiving all of the financial incentives (including, in some cases, additional equity ownership) for similar types of referrals and/or introductions, such financial incentives (including, in some cases, equity ownership) may be similarly shared with the participating Other Blackstone Funds or their respective portfolio companies.

It is possible that certain portfolio companies of the Other Blackstone Funds or companies in which the Other Blackstone Funds have an interest will engage in activities that may have adverse consequences on the Funds and/or its portfolio companies (including, by way of example only, as a result of laws and regulations of certain jurisdictions (e.g., bankruptcy, environmental, consumer protection and/or labor laws) that may not recognize the segregation of assets and liabilities as between separate entities and may permit recourse against the assets of not just the entity that has incurred the liabilities, but also the other entities that are under

common control with, or part of the same economic group as, such entity, which may result in the assets of the Funds and/or its portfolio companies being used to satisfy the obligations or liabilities of one or more Other Blackstone Funds, their portfolio companies and/or affiliates).

With respect to transactions or agreements with portfolio companies (including, for the avoidance of doubt, long-term incentive plans), at times if unrelated officers of a portfolio company have not yet been appointed Blackstone may negotiate and execute agreements between BCOM and/or the Fund on the one hand, and the portfolio company or its affiliates, on the other hand, which could entail a conflict of interest in relation to efforts to enter into terms that are arm's length. While fees received in connection with any such transactions or agreements may be subject to an L.P. Advisory Committee objection right as provided in the Organizational Documents, in the absence of any such objection the amounts determined by the Funds are conclusive. Among the measures Blackstone may use to mitigate such conflicts involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms. It is also possible that the Funds or the Funds' portfolio companies will be counterparties (such counterparties dealt with on an arm's-length basis) or participants in agreements, transactions or other arrangements with a Fund investor or an affiliate of a Fund investor. Such transactions as described in the immediately preceding sentence may include agreements to pay performance fees to certain persons in connection with the Funds' investment therein, which will reduce the Funds' returns and will not necessarily be subordinated to the return of the limited partners' capital contributions.

Moreover, in connection with seeking financing or refinancing of portfolio companies and their assets, it may be the case that better financing terms are available when more than one portfolio company provides collateral, particularly in circumstances where the assets of each portfolio company are similar in nature. As such, rather than seeking such financing or refinancing on their own, portfolio companies of the Funds may enter into cross collateralization arrangements with each other, other portfolio companies of the Funds or portfolio companies of one or more Other Blackstone Funds. While Blackstone would expect any such financing arrangements to generally be non-recourse to the Funds and the Other Blackstone Fund, as a result of any cross-collateralization, the Funds could also lose their interests in otherwise performing investments due to poorly performing or non-performing investments of the other Funds or the Other Blackstone Funds.

It is also possible that a counterparty, lender or other unaffiliated participant in such transaction requires or desires facing only one fund entity or group of entities, which may result in (i) any of the Funds and/or Other Blackstone Funds being solely liable with respect to its own, as applicable, such Other Blackstone Fund's or other Funds' share of the applicable obligation and therefore, being required to contribute amounts in excess of their pro rata share, including

additional capital to make up for any shortfall if such vehicles are unable to repay their pro rata share of such indebtedness and/or (ii) with respect to any of the Funds' portfolio companies and such Other Blackstone Funds, jointly and severally liable for the full amount of such applicable obligation or liable on a cross-collateralized basis on an investment-by-investment or portfolio wide basis, in each case which may result in the Funds' portfolio companies and such Other Blackstone Fund's portfolio company entering into a back-to-back or other similar reimbursement agreement.

Other Blackstone Businesses and Activities. As part of its regular business, Blackstone provides a broad range of services. In addition, from time to time, Blackstone and its affiliates will provide services in the future beyond those currently provided. Fund investors will not receive a benefit from such fees.

In connection with its capital markets, investment banking, real estate advisory and other businesses, Blackstone may determine that there are conflicts of interest or come into possession of information that limits its and its affiliates' ability to engage in potential transactions. The Funds' activities may be constrained as a result of these conflicts of interest and Blackstone personnel's inability to use such information. Additionally, there may be circumstances in which one or more individuals associated with Blackstone will be precluded from providing services to the General Partner or BCOM because of certain confidential information available to those individuals or to other parts of Blackstone. The Funds may be forced to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone may have or transactions or investments Blackstone and its affiliates may make or have made.

Blackstone will from time to time participate in underwriting or lending syndicates with respect to portfolio companies of a Fund, or otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, a Fund's portfolio companies, or otherwise in arranging financing (including loans) for portfolio companies or advising on such transactions. Such underwritings will be either on a firm commitment basis or may be on an uncommitted "best efforts" basis. In certain cases, a Blackstone broker-dealer will from time to time act as the managing underwriter or a member of the underwriting syndicate and purchase securities from the Funds or such portfolio companies or advise on such transaction. Blackstone will also from time to time, on behalf of a Fund or other parties to a transaction involving a Fund, effect transactions, including transactions in the secondary markets where it will from time to time nonetheless have a potential conflict of interest regarding a Fund and the other parties to those transactions to the extent it receives commissions or other compensation from a Fund and such other parties. Subject to applicable law, Blackstone will from time to time receive underwriting fees,

discounts, placement commissions, loan modification or restructuring fees, servicing fees, advisory fees, lending arrangement and consulting, monitoring, commitment, syndication, origination, organizational, operational, loan servicing, financing and divestment fees (or, in each case, rebates of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where Blackstone or an Other Blackstone Fund or account is purchasing debt) or other compensation with respect to the foregoing activities, which are, along with certain other fees set forth in “Other Fees Received by BCOM and its Affiliates”, not required to be shared with the Funds or BCOM and the Management Fee with respect to a Fund investor generally will not be reduced by such amounts. Blackstone will from time to time nonetheless have a potential conflict of interest regarding Funds and the other parties to those transactions to the extent it receives commissions, discounts, fees or such other compensation from such other parties. BCOM will approve any transactions in which a Blackstone broker-dealer acts as an underwriter, as broker for a Fund, or as dealer, broker or advisor, on the other side of a transaction with a Fund only where BCOM believes in good faith that such transactions are appropriate for a Fund and, by executing a subscription agreement for interests in such Fund, a Fund investor consents to all such transactions, along with the other transactions involving conflicts of interest described herein, to the fullest extent permitted by law. From time to time, sales of securities for the account of the Funds (particularly marketable securities) will be bunched or aggregated with orders for other accounts of Blackstone including Other Blackstone Funds. It is frequently not possible to receive the same price or execution on the entire volume of securities sold, and the various prices may be averaged which may be disadvantageous to the Funds.

Where Blackstone serves as underwriter with respect to a portfolio company’s securities, Funds will from time to time be subject to a “lock-up” period following the offering under applicable regulations during which time their ability to sell any securities that they continue to hold is restricted. This may prejudice the Funds’ ability to dispose of such securities at an opportune time. (See also “—Other Trading and Investing Activities” below.)

Blackstone employees, including employees of BCOM, are generally permitted to invest in alternative investment funds real estate funds, hedge funds or other investment vehicles, including potential competitors of the Funds. Investors will not receive any benefit from any such investments.

On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners Inc. (“PJT”), an independent financial advisory firm founded by Paul J. Taubman. While the new combined business operates independently from Blackstone and is not an affiliate thereof, nevertheless conflicts may arise in connection

with transactions between or involving the Funds and their portfolio companies on the one hand and PJT on the other. Specifically, given PJT will not be an affiliate of Blackstone, there may be fewer or no restrictions or limitations placed on transactions or relationships engaged in by the new advisory business as compared to the limitations or restrictions that might apply to transactions engaged in by an affiliate of Blackstone. It is expected that there will be substantial overlapping ownership between Blackstone and PJT for a considerable period of time going forward. Therefore, conflicts of interest in doing transactions involving PJT will still arise. The pre-existing relationship between Blackstone and its former personnel involved in such financial and strategic advisory services, the overlapping ownership, co-investment and other continuing arrangements, may influence Blackstone and/or BCOM in deciding to select or recommend PJT to perform such services for BCOM or for the Funds (or a portfolio company) (the cost of which will generally be borne directly or indirectly by the Funds or such entities, as applicable). Nonetheless, the General Partner and its affiliates will be free to cause the Funds and portfolio companies to transact with PJT generally without restrictions under the applicable Organizational Documents notwithstanding such overlapping interests in, and relationships with, PJT. (See also “Service Providers” below).

In addition, other present and future activities of Blackstone and its affiliates (including BCOM) will from time to time give rise to additional conflicts of interest relating to the Funds and their investment activities. In the event that any such conflict of interest arises, Blackstone will attempt to resolve such conflicts in a fair and equitable manner. Investors should be aware that conflicts will not necessarily be resolved in favor of the Funds’ interests.

Other Blackstone Funds; Allocation of Investment Opportunities. The investment period for the Funds has ended and as a result, future investments will be limited to add-on and follow-on transactions. Through its other investment funds and collective investment vehicles (including Other Blackstone Funds), Blackstone currently invests and plans to continue to invest third-party capital in a wide variety of investment opportunities globally. BCOM may, in its sole discretion, give the investors in the Funds or third parties the opportunity to co-invest in particular investments alongside the Funds.

Service Providers and Other Counterparties. Certain advisors and other service providers, or their affiliates (including accountants, administrators, paying agents, depositaries, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms) to the Funds and/or certain entities in which the Funds have an investment also provide goods or services to, or have business, personal, financial or other relationships with, Blackstone, its affiliates and portfolio companies. For example, certain portfolio companies enter into agreements regarding group procurement (such as the group purchasing organization), benefits management, purchase of title and/or other insurance policies (which will from time to time be

pooled across portfolio companies and discounted due to scale) from a third party or a Blackstone affiliate, and other similar operational, administrative or management related initiatives that result in commissions or similar payments to Blackstone or its affiliates, including related to a portion of the savings achieved by the portfolio company, and such commissions or payments will not be subject to the Management Fee offset provisions. Such advisors and service providers referred above may be investors in the Funds, affiliates of the General Partner, sources of financing and investment opportunities or co-investors or commercial counterparties or entities in which Blackstone and/or Other Blackstone Funds have an investment, and payments by the Funds and/or such portfolio companies may benefit Blackstone and/or such Other Blackstone Funds.

Additionally, certain employees of BCOM may have family members or relatives employed by such advisors and service providers. These relationships may influence Blackstone, the General Partner and/or BCOM in deciding whether to select, recommend or create such service providers to perform services for the Funds or portfolio companies (the cost of which will generally be borne directly or indirectly by the Funds or such entities, as applicable) and may incentivize Blackstone to engage such service provider over a third party. The fees for services provided by such service providers may or may not be at the same rate charged by other third parties and the General Partner undertakes no obligations to select service providers who may have lower rates. Such affiliated service providers include, without limitation:

Intertrust Group. In 2013, certain Blackstone private equity funds acquired Intertrust Group. From time to time, Intertrust Group is expected to perform corporate and trust services on an arms-length basis for the Funds, intermediate entities or portfolio companies.

BTIG. In December 2016 certain Funds made a strategic minority investment in BTIG. BTIG is a global financial services firm which provides institutional trading, investment banking, research and related brokerage services and may provide goods and services for the Funds or the portfolio companies and the Blackstone Tactical Opportunities Program.

Optiv. Optiv is a portfolio company held by certain Blackstone private equity funds that provides a full slate of information security services and solutions and may provide goods and services for the Funds and their portfolio companies.

BPM. Blackstone Property Management ("BPM") is a Blackstone affiliate that may provide property management, environmental, leasing oversight and development management services to certain of the Funds' investment properties primarily located in the United Kingdom and continental Europe.

Advisors and service providers, or their affiliates, often charge different rates or have different arrangements for specific types of services. With respect to service providers, for example, the fee for a given type of work may vary depending on the complexity of the matter as well as the expertise required and demands placed on the service provider. Therefore, to the extent the types of services used by the Funds and/or portfolio companies are different from those used by Blackstone and its affiliates (including personnel), BCOM or its affiliates (including personnel) may pay different amounts or rates than those paid by the Funds and/or portfolio companies. However, BCOM and its affiliates have a longstanding practice of not entering into any arrangements with advisors or service providers that could provide for lower rates or discounts than those available to the Funds, Other Blackstone Funds and/or or portfolio companies for the same services. In addition, Blackstone and its affiliates, including without limitation, the Funds, the Other Blackstone Funds and/or their portfolio companies, may enter into agreements or other arrangements with vendors and other similar counterparties (whether such counterparties are affiliated or unaffiliated with Blackstone) from time to time whereby such counterparty may charge lower rates and/or provide discounts or rebates for such counterparty's products and/or services depending on certain factors, including without limitation, volume of transactions entered into with such counterparty by Blackstone, its affiliates, the Funds, the Other Blackstone Funds and their portfolio companies in the aggregate.

Line of Credit. The Funds are typically parties to one or more subscription-based credit facilities and borrowings by the Funds under such facilities will generally be secured by the Funds' investors' capital commitments as well as by the Funds' assets, subject to certain limitations, and the terms of such facilities may provide that during the continuance of a default under such facilities, the interests and distributions of the Funds' investors may be subordinated to such facilities. Investors may be required to execute an investor acknowledgement for the benefit of the lenders under the subscription credit facility and may be required to acknowledge their obligations to pay their share of indebtedness up to their unused capital commitment. Use of a subscription-based credit facility may result in a higher reported IRR for a Fund than if the facility had not been utilized, and as a result of this and other factors (including that the interest rate on such borrowings is typically less than the rate of the preferred return (if any) and that such preferred return (if any) does not accrue on such borrowings, and only accrues on capital contributions when made) may present conflicts of interest and the General Partners may make distributions prior to the repayment of outstanding borrowings. As a result, use of such facilities or other long-term leverage arrangements with respect to investments may reduce or eliminate the preferred return (if any) received by the Fund investors and provide the General Partner with an incentive to fund investments through long-term borrowings in lieu of capital

contributions. Subject to the limitations in the Organizational Documents, the use of a subscription-based credit facility by a Fund is within the applicable General Partner's discretion.

Investments in Which Other Blackstone Funds Have a Different Principal Investment. To the extent a Fund holds securities in investments that are different (including with respect to their relative seniority) than those held by Other Blackstone Funds in the same investment, the General Partner and its affiliates may be presented with decisions when the interests of the two funds are in conflict. For example, if such a Fund has an investment in a company in which an Other Blackstone Fund has a mezzanine, senior debt or distressed debt investment, Blackstone will generally have conflicting loyalties between its duties to such Fund and to Other Blackstone Funds. In that regard, actions may be taken for the Other Blackstone Funds that are adverse to such Fund. In addition, it is possible that in a bankruptcy proceeding a Fund's interests may be subordinated or otherwise adversely affected by virtue of such Other Blackstone Funds' involvement and actions relating to its investment. In connection with negotiating senior loans and bank financings in respect of Blackstone-sponsored transactions, from time to time Blackstone will obtain the right to participate on its own behalf (or on behalf of vehicles that it manages) in a portion of the senior term financings with respect to such Blackstone-sponsored transactions on an agreed upon set of terms. Blackstone does not believe that the foregoing arrangements have an effect on the overall terms and conditions negotiated with the arrangers of such senior loans. Except to the extent expressly subject to the Management Fee offset provisions of the Advisory Agreements, the limited partners will in no way receive any benefit from fees paid to any affiliate of BCOM from a Fund portfolio company in which any Other Blackstone Fund also has an interest (including, for greater certainty, any fees received as a result of the provision of services by such affiliates).

Insurance. The General Partner has caused and will cause in the future one or more Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the General Partner, BCOM, Blackstone and/or their respective directors, officers, employees, agents, representatives, members of the L.P. Advisory Committees and other indemnified parties, against liability in connection with the activities of the Funds. This includes a portion of any premiums, fees, costs and expenses for one or more "umbrella" or other insurance policies maintained by Blackstone that cover one or more Funds, Other Blackstone Funds, BCOM and/or Blackstone (including their respective directors, officers, employees, agents, representatives, members of the L.P. Advisory Committees and other indemnified parties). The General Partner will make judgments about the allocation of premiums, fees, costs and expenses for such "umbrella" or other insurance policies among one or more Funds, Other Blackstone Funds, BCOM and/or Blackstone on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no

assurance that a different allocation would not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

Diverse Investor Group. The Fund investors may have conflicting investment, tax, and other interests with respect to their investments in the Funds and with respect to the interests of investors in other investment vehicles managed or advised by Blackstone that may participate in the same Investments as the Funds. The conflicting interests of individual Fund investors with respect to other Fund investors and investors in other investment vehicles would generally relate to or arise from, among other things, the nature of Investments made by the Funds and such other investment vehicles, the structuring or the acquisition of investments, and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the General Partner or BCOM, including with respect to the nature or structuring of investments, which may be more beneficial for one or more (but not all) Fund investors than for another Fund investor, especially with respect to Fund investors' individual tax situations. In addition, the Funds may make investments that may have a negative impact on related investments made by the Fund investors in separate transactions. In selecting and structuring investments appropriate for the Funds, the General Partner and BCOM will consider the investment and tax objectives of the Funds and its investors as a whole (and those of investors in such other investment vehicles managed or advised by Blackstone that participate in the same investments as the Funds), not the investment, tax, or other objectives of any Fund investor individually. In addition, certain Fund investors may also be limited partners in other investment funds sponsored or managed by Blackstone, including co-investment vehicles that may invest alongside the Funds in one or more investments. Fund investors may also include affiliates of Blackstone, such as Other Blackstone Funds, charities or foundations associated with Blackstone personnel and/or current or former Blackstone employees, Blackstone's senior advisors and any such affiliates, funds or persons may also invest through the vehicles established in connection with Blackstone's side-by-side co-investment rights. Such Fund investors described in the previous sentences may therefore have different information about Blackstone and the Funds than Fund investors not similarly positioned. Similarly, not at all Fund investors monitor their investments in vehicles such as the Funds in the same manner. For example, certain Fund investors may periodically request from the General Partner information regarding the Funds and investments and/or portfolio companies that is not otherwise set forth in (or has yet to be set forth) in the reporting and other information required to be delivered to all Fund investors. In such circumstances, the General Partner may provide such information to such Fund investor, but because it has provided such information upon request by one or more Fund investors does not mean the General Partner will be obligated to affirmatively provide such information to all Fund investors (although the General Partner will generally provide the same information upon request and

treat Fund investors equally in that regard). As a result, certain Fund investors may have more information about the Funds than other Fund investors, and the General Partner will have no duty to ensure all Fund investors seek, obtain or process the same information regarding the Funds and its investments and/or portfolio companies.

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

Valuation Matters. The fair value of all investments or of property received in exchange for any Investments will be determined by the General Partner in accordance with the applicable Organization Documents of the relevant Fund. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of such investments will be determined by the General Partner in accordance with procedures set forth in the Fund’s Organizational Documents. The valuation of investments will affect the amount and timing of the General Partner’s performance allocation and, under certain circumstances, the amount of Management Fees payable to BCOM. The valuation of investments may also affect the ability of Blackstone to raise successor funds to the Funds. As a result, there may be circumstances where the General Partner is incentivized to determine valuations that are higher than the actual fair value of investments.

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

Other Financial Industry Affiliations

BCOM is an affiliate of the following entities:

Broker-Dealer Entities	
Blackstone Advisory Partners L.P. (“BAP”)	Provides a variety of limited investment banking services
FEF Distributors LLC*	Serves as distributor and principal underwriter to the First Eagle mutual funds and private investment funds

Incenter Securities Group LLC***	Provides a variety of limited investment banking services
Investment Advisor Entities	
Blackstone Alternative Asset Management L.P.	Manages a series of private and closed-end funds engaged in multi-manager investment programs (<i>i.e.</i> , fund of hedge funds)
Blackstone Alternative Investment Advisors L.L.C.	Provides investment advisory services to open end mutual funds
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 Clean Technology Advisors L.L.C.	Provides investment advisory services to private investment funds specializing in the cleantech energy sector
Blackstone Core Equity Advisors L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Debt Advisors L.P.	Provides investment advisory services to a number of debt-focused private investment funds
Blackstone Management Partners L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Management Partners IV L.L.C.	Provides investment advisory services to various private equity funds
Blackstone Mezzanine Advisors L.P.	Provides investment advisory services to private investment funds specializing in mezzanine financing
Blackstone Multi-Asset Advisors L.L.C.	Provides investment advisory services to various private investment funds focusing on investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic alternative asset management strategies
Blackstone Property Advisors L.P.	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 Income Advisors L.L.C.	Provides investment advisory services to one or more registered closed-end 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 L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors IV L.L.C.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Advisors V L.P.	Provides investment advisory services to various private real estate investment funds
Blackstone Real Estate Special Situations Advisors L.L.C.	Provides investment advisory services to various private real estate investment funds
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
Blackstone Strategic Alliance Advisors L.L.C.	Manages a series of private funds engaged in a hedge fund “seeding” program
Blackstone Strategic Capital Advisors L.L.C.	Manages private funds engaged in acquisitions of minority interests in alternative asset managers
Blackstone Tactical Opportunities Advisors L.L.C.	Provides investment advisory services to multi-discipline, multi-asset class private funds
Blackstone Treasury Solutions Advisors L.L.C.	Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products
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 / GSO Debt Funds Management Europe II Limited	Provides investment advisory services to a number of debt-focused private 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.
BXMT Advisors L.L.C.	Provides investment advisory services to a REIT and other investment vehicles
BX REIT Advisors L.L.C.	Provides investment advisory services to a public, non traded REIT
CT High Grade Mezzanine Manager, LLC	Provides investment advisory services to assets owned by a third party insurance company
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 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
First Eagle Investment Management, LLC*	Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals
GSO Capital Advisors LLC	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 separately managed accounts
GSO Capital Partners International LLP	Provides investment advisory services to a number of debt-focused separately managed accounts
GSO Capital Partners LP	Provides investment advisory services to a number of debt-focused private Investment funds and closed-end funds

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
Incenter Capital Management LLC***	Provides investment advisory services to mortgage related asset private funds
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 Advisors India Private Limited	India investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Singapore Pte Ltd	Singapore investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group (Australia) Pty Limited	Australian investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group (HK) Limited	Hong Kong investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group International Partners LLP	U.K. investment advisory firm, which serves as a sub-advisor to the registrant
The Blackstone Group Japan K.K.	Japanese investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone (Shanghai) Equity Investment Management Co. Ltd.	Chinese investment advisory firm, which serves as sub-advisor to the Registrant
Blackstone (Shanghai) Equity Investments Management Co. Ltd. – Beijing Branch Office	Chinese investment advisory firm, which serves as sub-advisor to the Registrant
The Blackstone Group Spain SLU	Spain investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Assessoria em Investimentos Ltda.	Brazilian investment advisory firm, which serves as a sub-advisor to the registrant
BX Real Estate Canada ULC	Canadian investment advisory firm, which serves as a sub-advisor to the registrant
BX Real Estate Mexico, S.C.	Mexican investment advisory firm, which serves as a sub-advisor to the registrant
Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities	

Blackstone Alternative Investment Advisors LLC (CTA/CPO)	Provides investment advisory services to open end mutual funds
Blackstone Alternative Solutions L.L.C. (CTA/CPO)	Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities
Blackstone Strategic Alliance Advisors L.L.C. (CTA/CPO)	Manages a series of private funds engaged in a hedge fund “seeding” program
Blackstone Strategic Capital Advisors L.L.C. (CTA/CPO)	Manages private funds engaged in acquisitions of minority interests in alternative asset managers
First Eagle Investment Management, LLC* (CTA/CPO)	Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals
Blackstone Alternative Asset Management Associates L.L.C. (CPO)	Serves as general partner of BAAM Funds which are structured as limited partnerships
Blackstone Treasury Solutions Advisors L.L.C. (CPO)	Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products
Insurance Entities	
Boston National Holdings LLC***	A wholly owned subsidiary of Incenter and is a title insurance agency
Lexington National Land Services**	Places title insurance and provide title services for real property owned by various funds and/or their portfolio companies
Rothsay Life Plc***	Life insurer specializing in bulk annuities and other de-risking solutions for defined benefit pension schemes and insurance companies

*Portfolio company of affiliated private equity fund

****Joint venture between Blackstone and an existing title agent**

*****Portfolio company of affiliated Tactical Opportunities funds**

Various management and marketing personnel are registered with our broker-dealer, BAP, which may serve as placement agent to the Funds in the U.S. but is not compensated for such services. We do not believe these registrations, in and of themselves, create conflicts for the Funds' investors.

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

Item 11 – Code of Ethics

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

BCOM is governed by the Blackstone Code of Ethics (the “Code”). The Code governs a number of potential conflicts of interest which exist in connection with the Funds it manages. The Code is designed to ensure that BCOM meets its fiduciary obligation to BCOM’s investors and to instill a culture of compliance within BCOM. An additional benefit of the Code is to detect and prevent violations of securities laws.

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

The Code includes, among other items, the following:

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

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

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

BCOM's related persons from time to time have bought or sold, or may in the future buy or sell, for their personal accounts, securities which are also purchased or sold for the account of our clients. BCOM and its related personnel are subject to guidelines governing the ability to trade in personal accounts. The guidelines generally require that such trading be conducted for investment rather than speculative purposes (including by having minimum holding periods) and that all such personal securities transactions receive pre-clearance from the Blackstone Legal and Compliance Department. These guidelines are designed to comply with SEC requirements that registered investment advisors have a Code. In addition, Blackstone has implemented certain policies and procedures (e.g., information walls) to restrict access to material non-public information. The Code is available for review upon request.

You may request a copy of the Code by contacting Vikrant Sawhney - Senior Managing Director; 212-583-5487; sawhney@blackstone.com.

Item 12 – Brokerage Practices

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

Item 13 – Review of Accounts

Review of Accounts

Currently, the only accounts under the supervision of BCOM are the Funds' accounts. The Funds' accounts and investment positions are monitored by BCOM personnel on a regular and current basis. BCOM's Investment Committee meets as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent trading activities. BCOM might periodically review on an expedited basis the assets of the Fund following a unique occurrence in the financial industry or market generally.

Reports to Investors

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

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

Item 14 – Client Referrals and Other Compensation

While it is the case that the Funds are no longer being actively marketed, there were placement arrangements in place with affiliated and non-affiliated third-party solicitors pursuant to which on-going payments may still be due and owing.

Item 15 – Custody

Rule 206(4)-2, as amended (the “Custody Rule”), of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) defines custody as holding client securities or funds or having any authority to obtain possession of them. The Funds generally have a BCOM affiliate acting as general partner and, as such, BCOM is deemed to have custody of the Funds’ funds. BCOM complies with the Advisers Act custody rule by, among other things, providing all investors in the Funds with audited financial statements.

Item 16 – Investment Discretion

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

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

Proxy Policy

Rule 206(4)-6 under the Advisers Act (the “Proxy Rule”) requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Because BCOM will generally be deemed to have authority to vote proxies relating to the companies in which its clients invest, BCOM has adopted a set of policies and procedures (together, the “Policy”) in compliance with the Proxy Rule. To the extent that BCOM exercises or is deemed to be exercising voting authority over its clients’ securities, the Policy is designed and implemented in a manner reasonably expected to ensure that voting with respect to proxy proposals, amendments, consents or resolutions (collectively, “proxies”) is exercised in a manner that serves the best interest of the Funds, as determined by BCOM in its sole discretion. Notwithstanding the foregoing, because proxy proposals and individual company facts and circumstances may vary, BCOM may not always vote proxies in accordance with the Policy. In addition, many possible proxy matters are not covered in the Policy. Generally, BCOM will vote proxies (i) in favor of management’s recommendation for the election of the board of directors and (ii) to approve the financial statements as presented by management.

From time to time, conflicts may arise between the interests of the investor, on the one hand, and the interests of BCOM or its affiliates, on the other hand. If BCOM determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, BCOM will address matters involving such conflicts of interest on a case-by-case basis by consulting with the Chief Compliance Officer to determine how to vote in the best interests of the investors, subject to legal, regulatory, contractual or other applicable considerations. The analysis will be documented. BCOM, in its sole discretion, may elect not to vote certain routine proxies if unduly burdensome.

Investors may request a copy of the Policy and the voting records relating to proxies as provided by the Rule by contacting Vikrant Sawhney - Senior Managing Director; 212-583-5487; sawhney@blackstone.com.

Item 18 – Financial Information

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

Item 19 – Requirements for State Registered Advisers

This item is not applicable as BCOM is not registered in any state.