

**Item 1 – Cover Page**

**Blackstone Growth Advisors L.L.C.**

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Form ADV, Part 2A; the “Disclosure Brochure” or “Brochure” provides information about the qualifications and business practices of Blackstone Growth Advisors L.L.C. (“BXGA”) and any relying advisers.

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. BXGA is registered with the SEC as an investment adviser. BXGA’s registration as an investment adviser does not imply any level of skill or training.

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

## **Item 2 – Material Changes**

This is BXGA's first brochure filing. In the future, this section will discuss any material changes to this Brochure since its last annual update.

Please carefully read Items 5, 8 and 10, which describe certain fees and expenses, potential risk of loss and potential conflicts of interest, respectively.

BXGA, 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 Growth Advisors L.L.C. (“BXGA”) is a Delaware limited liability company. BXGA will provide investment advisory services to Blackstone Growth L.P., a Delaware limited partnership (together with its parallel funds and any alternative investment vehicles or feeder vehicles, “BXG” or the “Fund”), Comparable Funds (as defined below) and co-investment vehicles in the Blackstone growth program (collectively, with the Fund and each other fund described above, “Blackstone Growth Program” or the “Funds”). The Fund will seek to invest alongside other funds, investment vehicles and / or managed accounts that are part of the Blackstone Growth Program (the “Comparable Funds”). The Funds are investment funds that seek to deliver attractive risk-adjusted returns by investing in dynamic, growth-stage businesses during the phase between venture capital funding and traditional buyouts. The Funds’ investments focus on four core sectors – Consumer, Enterprise Solutions, Financial Services, and Healthcare. Affiliates of BXGA serve as general partners (collectively, the “General Partners” and each a “General Partner”) of the Funds. BXGA has been in business since February 2019, and this is its initial registration as an investment adviser.

References throughout this Brochure to the term “Sponsor” describe, as the context or applicable law requires, individually and collectively, the General Partners and BXGA, and all references herein to the Sponsor or to any rights, powers, responsibilities, or activities of the Sponsor are qualified in all respects by the Organizational Documents (as defined herein), all of which should be carefully reviewed by each potential investor for, among other things, a more detailed description of the relative rights, powers, responsibilities and activities of each of the General Partners and BXGA. References throughout this Brochure to the term “limited partners” refers to investors in the Funds.

The ultimate parent of BXGA is The Blackstone Group Inc. which is a publicly traded corporation listed on the New York Stock Exchange and which trades under the ticker symbol “BX”. The Blackstone Group Inc. (together with its affiliates, “Blackstone”) is a leading global alternative investment manager with investment vehicles focused on private equity, real estate, hedge fund solutions, non-investment grade credit, secondary private equity funds of funds and multi-asset class strategies.

For purposes of this Brochure, (a) “BCEP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Core Equity Advisors L.L.C.; (b) “BCP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Management Partners L.L.C.; (c) “BREP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Advisors L.P.; (d) “BPP Funds” shall be

deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Property Advisors L.P.; (e) “BREDS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Special Situations Advisors L.L.C.; (f) “BTAS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Multi-Asset Advisors L.L.C.; (g) “Tac Opps Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Tactical Opportunities Advisors L.L.C.; (h) “BAAM Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Alternative Asset Management LP; (i) “BIP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Infrastructure Advisors L.L.C.; (j) “BXLS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by either Clarus Ventures, LLC or Blackstone Life Sciences Advisors L.L.C.; (k) “BIS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone ISG-II Advisors L.L.C.; (l) “GSO Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by GSO Capital Partners LP (“GSO”); (m) “Strategic Partners” shall mean Strategic Partners Fund Solutions Advisors L.P.; (n) “BSOF” shall mean Blackstone Strategic Opportunities Fund; (o) “BSCH” shall mean Blackstone Strategic Capital Holdings and its related vehicles/entities and successor funds; and (p) “BXMT Funds” shall mean accounts, clients, funds, vehicles or any other similar arrangements managed by BXMT Advisors L.L.C.

References throughout this Brochure to “Other Blackstone Clients” describes, as the context requires, individually and collectively, any of the following in existence on the date hereof and those that may be formed in the future: (i) the BCP Funds, BCEP Funds, the BREP Funds, the BPP Funds, the BREDS Funds, the BTAS Funds, the Tac Opps Funds, the BAAM Funds, the BIP Funds, the BXLS Funds, the BIS Funds, the GSO Funds, the BXMT Funds, the Strategic Partners funds, the BSOF funds and the BSCH funds, (ii) any successor funds to any of the funds described in (i), (iii) vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto, and (iv) any other funds, vehicles or accounts, including separately managed accounts, managed or advised by Blackstone, other than the Funds.

Please see **Item 10 – Other Financial Industry Activities and Affiliations** for more information.

BXGA currently has no clients or regulatory assets under management. This Brochure generally describes BXGA’s expectations as to its business practices once its anticipated clients, the Funds, are operational, and, unless otherwise noted or the context otherwise requires, all information in this Brochure is prospective and as if BXGA has been engaged for investment

advisory services as of the date of this Brochure. In addition, BXGA investment strategy or the business may change from time to time.

**Description of Advisory Services:**

BXGA serves as investment advisor to the Funds pursuant to the terms of the investment advisory agreements (the “Advisory Agreements”) with respect to each of the Funds, and makes investment decisions for the Funds including by evaluating investments for the Funds.

The individual needs of the investors in the Funds are not the basis of investment decisions by BXGA. Investment advice is provided directly to the Funds by BXGA and not individually to the Funds’ investors.

Through a series of delegation agreements, BXGA also provides specific portfolio management services to certain private investment funds managed by an affiliated alternative investment fund manager for the purposes of the European Union Alternative Investment Fund Managers Directive (“AIFMD”).

## Item 5 – Fees and Compensation

### *Management Fees and Performance Fees*

Per the Advisory Agreements with each of the Funds, BXGA is entitled to compensation for its services in the form of a management fee (the “Management Fee”), payable quarterly. The Management Fee is based on either committed capital or invested capital, depending on whether the Fund’s investment period is currently active. Prorated refunds would be provided for partial quarters, if any, to the extent applicable. BXGA may agree to waive Management Fees for a specified period of time following a Fund’s effective date with respect to investors in such Fund that have certain characteristics, such as if such investor participates in an initial closing of such Fund or makes a commitment to such Fund above a certain threshold. As set forth in Item 6 below, the General Partners of the Funds are eligible to receive performance-based or “carried interest” allocations. The Confidential Private Placement Memorandum (as supplemented from time to time, the “PPM”), partnership agreement and Advisory Agreement (collectively, 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 (in the case of Management Fees).

Certain investors in the Funds, including current and/or former senior advisors, officers, directors and personnel of Blackstone, Portfolio Entities of the Funds and Other Blackstone Clients, including the BTAS Funds and BIS Clients, personnel of PJT Partners Inc. (“PJT”) and charitable programs, endowment funds and related entities established by or associated with any of the foregoing (including any trusts, family members, family investment vehicles, estate planning vehicles, descendants, trusts and other related persons or entities), and other persons related to Blackstone, will not pay Management Fees 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 (See also “—Partnership/Organizational Expenses” herein), or the pro rata amount of such expenses will be allocated to the Sponsor or its affiliates. Such pro rata allocation of Fund expenses may be calculated based on capital commitments, invested capital, available capital or other metrics as determined by the Sponsor in good faith. Any such methodology (including the choice thereof) involves inherent conflicts and may not result in perfect attribution and allocation of expenses. In addition, to the extent current and/or former partners, employees, advisors and other persons referred to above, including their charitable programs, endowment funds, estate planning vehicles (including any trusts, family members, family investment vehicles, descendants, trusts and other related persons and entities) and related entities, make capital commitments and/or otherwise invest

in or alongside the Fund, any such amounts may, in each General Partner's sole discretion, be treated as satisfying the applicable portion of any required capital commitment of such General Partner and/or its affiliates to the applicable Fund (even in circumstances where any such commitments or investments are made following a separation from Blackstone). For more information with respect to the allocation of Fund expenses, please see "Expenses" in Item 5 below.

In addition, Blackstone has entered, and it can be expected that Blackstone in the future will enter into agreements with investors (and/or one or more of their affiliates) in the Funds and/or Other Blackstone Clients, which may include rights and benefits relating to, among other things, discounts on and/or reimbursements of management fees or carried interest. (For further information, see "Blackstone Strategic Relationships" under Item 10.). In addition, from time to time, Blackstone may enter into economic and/or fee sharing arrangements with respect to one or more Funds and/or certain limited partners thereof, which rights will not generally be made available to other limited partners.

#### *Other Fees Payable to BXGA and its Affiliates*

In addition, pursuant to the Advisory Agreements with certain Funds, BXGA may charge investors with capital commitments below a certain threshold a servicing fee (the "Servicing Fee"), subject to the right of the applicable General Partner, in its sole discretion, to reduce or waive such fee. The Servicing Fee is generally equal to a percentage based on capital commitments (and based on invested capital after the end of the investment period) and payable quarterly in arrears.

In addition to BXGA's Management Fee, Servicing Fee and performance-based allocations (see Item 6 below) and other fees, BXGA and its affiliates may receive a variety of other fees as part of the investment activities of the Funds, including, without limitation, financial advisory fees, monitoring fees, investment banking fees, syndication fees, capital markets syndication and advisory fees (including underwriting fees), origination fees, acquisition fees, servicing fees, fees for asset management and/or property management services, mortgage servicing and due-diligence, healthcare consulting/brokerage fees, fees relating to group purchasing and organizational fees, financing fees, divestment fees and other similar fees, break-up and topping fees, commitment fees, divestment fees, organizational, operational, loan servicing and financing fees and similar fees for arranging acquisitions and other major financial restructurings, fees for asset services, title insurance fees, data management and services fees or payments, directors' fees, fees relating to insurance (including title insurance), consulting (including management consulting and other similar operational and finance matters) and other similar matters and other fees and annual retainers from or with respect to Portfolio Entities of the Funds and other persons (including co-investors and joint venture partners).



The Management Fee offset provisions for the Funds may vary based on the terms of the Funds' respective Organizational Documents, but generally 100% of each Fund's *pro rata* share of certain specified fees set forth in the Organizational Documents of such Funds (net of reasonable out of pocket expenses incurred by BXGA or its affiliates) will be applied to reduce Management Fees (not below zero). Any other fees received by BXGA 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 Entities. 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 Entities and/or following the termination of such employee's employment with Blackstone. Limited partners should carefully consult the applicable Fund's offering documents and Organizational Documents to determine the fees that can be offset and the Management Fee offset percentage applicable to the Funds in which they are invested (See "Other Blackstone Business Activities" in Item 10 below).

The Fund bears the cost of fund administration, in-house legal, tax planning and other related services provided by Blackstone personnel and related parties (including the allocation of their compensation and related overhead otherwise payable by Blackstone), as determined by BXGA and as permitted by the Organizational Documents, and/or internal costs attributable to Blackstone's Portfolio Operations Group (which works with Portfolio Entity management to help Portfolio Entities become more productive, efficient and valuable), and except in certain limited circumstances, such amounts will not offset Management Fees. Limited partners should carefully consult the Fund's offering documents and Organizational Documents to determine the fees, if any, that can be offset and the Management Fee offset percentage, if any, applicable to the Fund (See "Other Blackstone Business Activities" in Item 10 below). In addition, BXGA will also engage and retain on behalf of the Funds and/or their Portfolio Entities strategic advisors, consultants, senior advisors, industry experts, executive advisors, consultants, and other similar professionals who are not employees or affiliates of BXGA and who may, from time to time, receive payments from, or allocations with respect to Portfolio Entities, Blackstone or the Funds and such amounts will not offset the Management Fee paid by the Funds. (See "Advisors, Consultants and Partners" in Item 10 below).

The precise amount of, and the manner and calculation of, the fees and compensation described above, including the Management Fee, Servicing Fee and performance-based compensation, are established by BXGA through negotiations with investors in each Fund, and the offering documents, the Organizational Documents and the Advisory Agreement of each Fund include further details on such fees, compensation and related matters.

## *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; prospective and existing investors in the Funds are advised to review the applicable Fund offering materials and Organizational Documents for a more extensive description of the expenses associated with an investment in the Funds. Subject to the limitations set forth in the Organizational Documents, costs, expenses and charges specifically attributed or allocated by BXGA and its affiliates to the Funds may exceed what would be paid to an unaffiliated third party for substantially similar services.

- Legal fees (including costs for in-house transactional legal advice and/or services allocated by the BXGA to the Funds or their Portfolio Entities on matters related to potential or actual investments or transactions).
- Regulatory filing fees of the Funds, including but not limited to compliance with U.S. federal and state securities laws and international laws, such as the AIFMD.
- Expenses related to BXGA's compliance matters and regulatory filings to the extent they relate to the Funds' activities (e.g., Form PF, U.S. Commodity Futures Trading Commission filings, AIFMD filings (including any costs associated with the AIFMD marketing passport)) and any related regulations, including costs and expenses of collecting and calculating data and preparation of regular reports to be filed with EEA member states.
- Expenses relating to Freedom of Information Act and similar requests.
- Administrative fees, expenses and/or charges (See "Other Blackstone Business Activities" in Item 10 below).
- Organizational expenses associated with operating the Funds.
- Operating expenses.
- Costs, fees and expenses of third-party directors and officers.
- Consultant and senior advisor expenses (See "Advisors, Consultants and Partners" in Item 10 below).
- Technology expenses (which may include internally allocated charges for the Funds).
- Accounting fees.
- Taxes, tax-related interest and expenses related to the preparation and delivery of any entity-level taxes.
- Tax advisor fees, including all expenses in connection with any tax audit, examination or investigation.
- Audit fees.
- Brokerage commissions.
- Transaction fees.

- Fees and expenses associated with borrowing, guarantees and other financing, including interest charges and related legal expenses.
- Expenses of loan servicers and other service providers (including, for the avoidance of doubt, the costs and charges allocable with respect to the provision of fund administration or other services and professionals related thereto (including secondees and temporary personnel or consultants) as deemed appropriate by the General Partner).
- 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 or more investments or otherwise facilitating a Fund's investment activities.
- Custodial fees.
- Paying agent fees.
- Depository fees.
- Research-related expenses, including news and quotation equipment and services and data collection and including costs allocated by Blackstone's internal research and third party groups (which are generally based on time spent)), internal and third-party printing (including a flat service fee) and publishing (including time spent performing such internal printing and publishing services).
- Broken deal expenses (See "Broken Deal Expenses" 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 (including preparation and delivery of tax returns, K-1s and other communications or notices relating to the Funds).
- Expenses of the L.P. Advisory Committees or any Independent Client Representative (if any) (each as defined herein).
- Expenses of investor meetings.
- Expenses associated with a Fund's compliance with applicable laws and regulations including regulatory filings.
- Expenses of litigation involving the Funds or entities in which the Funds have investments and the amount of any judgments, fines, other governmental fees or charges, remediation or settlements paid in connection therewith.
- Expenses incurred in connection with complying with provisions in investor side letter agreements, including "most favored nations" provisions.
- In-house fund administration costs and related overhead (See "Other Blackstone Business Activities" in Item 10 below).

- Travel and entertainment expenses in connection with the Funds' fundraising and 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 entity management, customers, clients, borrowers, brokers and service providers)). Travel and entertainment expenses in connection with a trip taken by employees of BXGA 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 among the Funds, Other Blackstone Clients and/or BXGA as otherwise set forth in this Brochure.
- Expenses associated with the acquisition, settling, holding, monitoring, and disposition of investments (including without limitation, any brokerage, custody, or hedging costs and travel and related expenses in connection with the Fund's investment activities).
- Insurance (including cost of title 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.
- Data extraction and management services.
- Expenses related to insurance procurement, brokerage, solutions and risk management services.
- The costs of secondees, including personnel of Portfolio Entities, vendors, service providers (including law firms and accounting firms) and investors of the Funds and Other Blackstone Clients providing services to Blackstone and/or Portfolio Entities .

Investors in a Fund are generally allocated their *pro rata* share of such additional fees and expenses and the Funds generally bear their share of fees and expenses as part of their participation in investments. Pursuant to the Organizational Documents of certain Funds, all expenses (including organizational, legal, reporting and compliance-related expenses and other expenses described in Item 5 above) are generally allocated between such Funds, including parallel funds (including any parallel funds formed in Luxembourg and any related AIFMD and

other marketing and compliance-related expenses) on a pro rata basis. This will result in certain Funds bearing a portion of certain expenses attributable to their parallel funds (including, but not limited to, those expenses for AIFMD) that are not directly connected to such Fund and its activities, and vice versa.

From time to time, the Sponsor will be required to decide whether costs and expenses are to be borne by the Fund, on the one hand, or the Sponsor or Other Blackstone Clients, on the other, and/or whether certain costs and expenses should be allocated between or among the Fund, on the one hand, and Other Blackstone Clients, on the other. Certain expenses may be suitable for only the Funds (or, where applicable, only a certain Fund or Funds) or a participating Other Blackstone Client and may be allocated to and borne only by such vehicle, or, as is more often the case, expenses may be allocated pro rata among each participating Other Blackstone Client and the Fund and all parallel funds even if the expenses relate only to particular vehicle(s) and/or investor(s) therein. With respect to broken deal expenses, the Funds and Blackstone's side-by-side co-investment vehicles (as applicable) will generally be required to bear their pro rata portion of broken deal expenses in accordance with the amount they were expected to invest in the unconsummated deal. Certain co-investment vehicles however, or certain potential co-investors who might have invested in a transaction had it been consummated will not be allocated any share of such break-up or topping fees or broken deal expenses, such as potential investors in co-investment structures relating to a specific investment where the legally binding agreements relating to such co-investment are not executed until the time of deal closing, unless the Sponsor determines otherwise in its discretion or as may be set forth in the relevant operative agreements. The Sponsor will make such judgments in its fair and reasonable discretion, 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 less (or more) expenses.

## **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 BXGA, the General Partner of each Fund receives a portion of the cumulative net profits in respect of investment proceeds from each Fund with respect to each limited partner (other than those that are affiliates of BXGA), which is anticipated to be (based on the type of investments with respect to which such investment proceeds relate and the investor's commitment to the applicable Fund and the terms of the Organizational Documents thereof) twenty percent of the amount of cumulative net profits otherwise distributable to such limited partner. Such allocation of profits is only allocated to the General Partners when specific conditions are met, including, in the case of distributions of disposition proceeds, the return to each of the limited partners of an aggregate amount equal to all capital contributed to the applicable Fund by such limited partner for realized investments and net losses (if any) on writedowns on unrealized investments, fees and expenses allocable to such investments and the receipt of a preferred return (or hurdle) 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 BXGA's affiliates are in part compensated based on the performance of the Funds creates a greater incentive for a General Partner to make more speculative investments on behalf of a Fund or time the purchase or sale of investments in a manner motivated by the personal interest of Blackstone personnel than if such performance-based compensation did not exist. However, the significant commitment by Blackstone to invest in the Funds and the General Partner clawback and related guarantee should reduce the incentives to make more speculative investments or otherwise time the sale of investments based on considerations related to carried interest. The General Partner clawback potentially creates other misalignments of interests between a General Partner and limited partners, such as an incentive for such General Partner to defer disposition of an investment that would result in a realized loss and trigger the clawback, or delay the dissolution and liquidation of a Fund if doing so would trigger a clawback obligation.

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

## Item 7 – Types of Clients

BXGA 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

Investors also include other funds, vehicles and/or accounts managed by affiliates of Blackstone (including investors in funds established for the Blackstone Total Alternatives Solution Program, Blackstone Harrington Partners L.P., Blackstone Insurance Solutions and Strategic Partners funds). All investors are subject to applicable suitability requirements. BXGA 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 in the applicable General Partner’s sole discretion. The General Partner reserves the right, in its sole discretion, to waive the minimum dollar amount.

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

### **Investment Strategies:**

With respect to the Funds, BXGA seeks to deliver attractive risk-adjusted returns by investing in dynamic, growth-stage businesses. BXGA's investments focus on four core sectors – Consumer, Enterprise Solutions, Financial Services, and Healthcare – and target investments in businesses with strong operating performance led by excellent management teams.

BXGA's investment analysis methods include fundamental, technical and cyclical research. BXGA's investment professionals also review investment performance as compared to the investment's original objectives and the Fund's investment strategies.

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

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

After an initial selection, evaluation and diligence process, the deal team will present a proposed transaction at the Review Committee (the "Review Committee") meeting. Review Committee meetings are led by an executive committee of several senior managing directors and managing directors. Additional senior members of the investment team serve on the Review Committee based upon their geographic location and/or industry expertise. After discussing the contemplated transaction with the deal team, the Review Committee decides whether to give its preliminary approval to the deal team to continue pursuing the investment opportunity and the deal team investigates further any particular issues raised by the Review Committee during the process. This high level of interaction between the Review Committee



and investment professionals from inception of a transaction to closing helps identify potential issues early and enables the team to more effectively streamline resources and workflows.

Following assimilation of the Review Committee's input and its decision to proceed with a proposed transaction, the proposed investment will be vetted by the BXGA Investment Committee. The BXGA Investment Committee includes the business leaders of many of Blackstone's investment businesses and certain BXG senior managing directors.

The BXGA Investment Committee is generally responsible for assessing investment opportunities, providing investment guidance and approving all investment decisions. The BXGA Investment Committee may delegate certain responsibilities to a sub-committee thereof consisting of certain members of such committee. Both the Review Committee and the BXGA Investment Committee processes involve a consensus approach to decision making among committee members.

**Risk of Loss:**

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

1. No assurance of investment return
2. No operating history
3. Reliance on the Sponsor
4. Role of investment professionals
5. Broad investment mandate
6. Highly competitive market for investment opportunities; operators and other partners
7. General economic and market conditions
8. Financial market fluctuations; availability of financing
9. Inflation
10. Investments outside the United States generally
11. Economic, political and social risks
12. Regional risk; interdependence of markets
13. Trade policy
14. Terrorist activities
15. Natural disasters
16. Corruption risk; FCPA
17. Foreign investment controls
18. Foreign capital controls

19. Legal framework and corporate governance
20. Accounting, disclosure and regulatory standards
21. Investments in emerging markets and the Asia Pacific region
22. Potential collapse of the Euro
23. United Kingdom exit from the European Union
24. Chinese growth slowdown; Chinese economy
25. Bankruptcy
26. Investments in open market purchases; publicly traded securities
27. Nature of debt securities
28. Convertible securities
29. Illiquid and long-term investments
30. Unionization
31. Future investment techniques and instruments
32. Technological innovations
33. Public company holdings
34. Environmental matters
35. Governmental action risk
36. Force majeure risk
37. Material non-public information
38. Availability of insurance against certain catastrophic losses
39. Credit support
40. Non-U.S. and non-OECD investments
41. Nature of investment
42. Investments in less established companies
43. Investments in junior securities
44. Non-controlling investments; investments with third parties
45. Investments in the technology sector
46. Software code protection
47. Investments in the healthcare industry
48. Certain healthcare reform measures
49. Investments in the financial services industry
50. Investments in the consumer services sector
51. Telecommunications investments
52. Technological innovations
53. Intellectual property risks
54. Investments in regulated industries
55. Development and regulatory risk
56. "Platform" investments; additional capital requirements

57. Adequacy of reserves
58. Deployment of capital
59. Distributions in-kind
60. Failure to make payments
61. Risks relating to due diligence of investments
62. Political activities
63. Reliance on portfolio entity management and third parties
64. Risks in effecting operating improvements
65. Expedited transactions
66. Portfolio Entity liabilities
67. Risks from operations of other Portfolio Entities
68. Volatility of credit markets may affect ability to finance and consummate investments
69. Bridge financings
70. Leverage; subscription line of credit
71. Foreign currency and exchange rate risks
72. Hedging risks/derivatives
73. Risk of limited number of investments; lack of diversification
74. Risks relating to the use of alternative investment vehicles
75. Liabilities on disposition of investments
76. Documentation and legal risks
77. Permits, approvals and licenses
78. Legal, tax and regulatory risks
79. Compliance with OFAC and sanctions considerations
80. Absence of oversight under the Investment Company Act
81. Derivatives; registration under the U.S. Commodity Exchange Act
82. Compliance with Pay-to-Play laws, regulations, and policies
83. Financial industry regulation
84. Change of law risk
85. General tax considerations
86. Compliance with tax law (including FATCA and partnership audit rules)
87. Possible legislative or other developments
88. Legislation adversely affecting Blackstone employees and other service providers
89. Limitations on deductions of business interest
90. Phantom income
91. Taxation in certain jurisdictions
92. UBTI & ECI; tax treatment of non-U.S. feeder vehicles and corporations
93. Provision of managerial assistance

- 94. ERISA considerations
- 95. Risk arising from potential control group liability
- 96. Cyber security breaches
- 97. Operational risk
- 98. No market for limited partnership interests; restrictions on transfers
- 99. Dilution from subsequent closings
- 100. Recycling; Reinvestment
- 101. Possible exclusion
- 102. CFIUS
- 103. Amendments; negative consent
- 104. Sponsor voting
- 105. Annual informational meetings; availability of information to limited partners
- 106. Handling of mail
- 107. Valuation matters
- 108. Uncertainty of projections

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

Stock markets and bond markets, as well as general economic, political, regulatory, technological and industry conditions, 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 BXGA manages that is not in BXGA's control. BXGA 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**

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

On occasion, in the ordinary course of its business, Blackstone is named as a defendant in a legal action. Although there can be no assurance of the outcome of such legal actions, BXGA does not believe that any current legal proceeding or claim to which Blackstone is a party would individually or in the aggregate materially affect BXGA 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](http://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**

Blackstone has conflicts of interest, or conflicting loyalties, as a result of the numerous activities and relationships of Blackstone, BXGA, the Funds, the Other Blackstone Clients, the Portfolio Entities of the Funds and Other Blackstone Clients and affiliates, partners, members, shareholders, officers, directors and employees of the foregoing, some of which are described herein. However, not all potential, apparent and actual conflicts of interest are included below, and additional conflicts of interest could arise as a result of new activities, transactions or relationships commenced in the future. In addition, certain terms described herein may only be applicable to certain of the Funds but not others. Limited partners should review this section and the applicable Fund's Organizational Documents carefully for additional risks and conflicts disclosure before making an investment decision.

Any references to Blackstone and/or BXGA in this section will be deemed to include their respective affiliates (including the General Partners), partners, members, shareholders, officers, directors and employees. References throughout this section to "Portfolio Entity" or "portfolio entity" describes, individually and collectively, any entity owned, directly or indirectly through subsidiaries, by the Funds or Other Blackstone Clients, including, as the context requires, portfolio companies, holding companies, special purpose vehicles and other entities through which Fund investments are held, whether directly or indirectly.

If any matter arises that BXGA determines in its good faith judgment constitutes an actual and material conflict of interest, BXGA will take the actions it determines appropriate to mitigate the conflict, which will be deemed to fully satisfy any fiduciary duties it may have to the Funds or the limited partners. Thereafter, BXGA will be relieved of any liability related to the conflict to the fullest extent permitted by law.

Actions that could be taken by BXGA or its affiliates to mitigate a conflict include, by way of example and without limitation, (i) if applicable, handling the conflict as described in the Organizational Documents; (ii) presenting a material conflict of interest to the L.P. advisory committee of a Fund (an "L.P. Advisory Committee") and/or the limited partners (or representatives) of the Funds as expressly provided for in the Organizational Documents; (iii) disposing of the investment or security giving rise to the conflict of interest; (iv) appointing an independent representative (an "Independent Client Representative") to act or provide consent with respect to the matter giving rise to the conflict of interest; (v) in connection with a matter giving rise to a conflict of interest with respect to an investment, consulting with the L.P. Advisory Committee, the limited partners (or L.P. representatives) of the Funds or Independent Client Representatives (if any) regarding the conflict of interest and either obtaining a waiver or

consent from the limited partners, L.P. Advisory Committee or such Independent Client Representative of the conflict of interest or acting in a manner, or pursuant to standards or procedures, approved by the limited partners, L.P. Advisory Committee or such Independent Client Representative with respect to such conflict of interest; (vi) disclosing the conflict to the limited partners (including, without limitation, in drawdown notices, distribution notices, financial statements, quarterly letters or other communications); (vii) in the case of conflicts among clients, creating groups of personnel within Blackstone separated by information barriers (which may be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients; (viii) implementing policies and procedures reasonably designed to mitigate the conflict of interest or (ix) otherwise handling the conflict as determined appropriate by BXGA in its discretion.

There can be no assurance that BXGA will identify or resolve all conflicts of interest in a manner that is favorable to the Funds.

***Performance-Based Compensation.*** As noted in Item 6 above, the Sponsor's carried interest creates a greater incentive for the Sponsor to make more speculative investments on behalf of a Fund or time the purchase or sale of investments in a manner motivated by the personal interests of Blackstone personnel than if such performance-based compensation did not exist, as the Sponsor receives a disproportionate share of profits in excess of the required multiple on capital contributions for investments. However, the significant commitment by Blackstone to invest in the Funds and the General Partner clawback and related guarantee should reduce the incentives for the Sponsor to make more speculative investments or otherwise time the purchase or sale of investments based on considerations related to carried interest. The General Partner clawback potentially creates other misalignments of interests between the Sponsor and the limited partners, such as an incentive for the Sponsor to defer disposition of an investment that would result in a realized loss or a return on investment that was less than the required multiple on capital contributions for investments and trigger the clawback, or delay the liquidation of a Fund if doing so would trigger a clawback obligation. In addition, recently enacted tax reform legislation provides for a lower capital gains tax rate on performance-based compensation from investments held for at least three years, which may incentivize the Sponsor to cause a Fund to accelerate deployment of capital at the beginning of such Fund's investment period, hold investments longer to ensure long-term capital gains treatment or dispose of investments prior to any change in law that would result in a higher effective income tax rate on carried interest. Furthermore, upon a withdrawal by a limited partner from a Fund in certain circumstances and upon the liquidation of a Fund, the Sponsor may receive carried interest distributions with respect to a distribution in-kind of non-marketable securities. The amount of carried interest will be dependent on the valuation of the non-marketable securities distributed, which will be determined by the Sponsor and could incentivize the Sponsor to value

the securities higher than if there were no carried interest. The Sponsor can engage a third party to determine the value of securities distributed in-kind or non-marketable securities and rely upon the third party opinion of value, but there can be no assurance such an opinion will reflect value accurately. Moreover, under the terms of the Organizational Documents, the Sponsor is entitled to elect to receive its carried interest in the form of an in-kind distribution of marketable securities, including if the purpose of such election is to permit Blackstone personnel to donate such securities to charity (which may include private foundations, funds or other charities associated with any such personnel). The tax benefit derived from charitable giving has the effect of reinforcing and enhancing the incentives otherwise resulting from the existence of the Sponsor's carried interest described above. In addition, the Sponsor may be incentivized to make certain determinations under the Organizational Documents in a manner that results in its receipt of a greater amount of, or earlier payment of, carried interest. For example, unlike disposition proceeds, distributions of current income will not take into account a return of capital from the respective investment or allocable fees or expenses thereto, which creates an incentive for the Sponsor to determine that a recapitalization, refinancing or other similar transaction was not a "Disposition" (in whole or in part) for purposes of the Organizational Documents (including for purposes of calculating the Sponsor's carried interest). Additionally, regardless of whether a recapitalization, refinancing or other similar transaction is treated as a "Disposition" (in whole or in part) for purposes of determining the Sponsor's carried interest, such recapitalization, refinancing or other similar transaction are not expected to be treated as a "Disposition" (in whole or in part) for purposes of calculating Invested Capital under the Organizational Documents.

***Allocation of Personnel.*** The Sponsor will devote such time to the Blackstone Growth Program as it determines to be necessary to conduct its business affairs in an appropriate manner. However, Blackstone personnel, including members of the BXGA Investment Committee and Review Committee, will work on other projects, serve on other committees and source potential investments for and otherwise assist the investment programs of Other Blackstone Clients and their Portfolio Entities, including other investment programs to be developed in the future. Certain members of the Blackstone Growth Program investment team are also members of the Tac Opps' investment team and will continue to serve in that role and as a result, not all of their business time will be devoted to the Blackstone Growth Program. Non-investment professionals may not be dedicated solely to BXGA and may perform work for Other Blackstone Clients which is expected to detract from the time such persons devote to BXGA. Time spent on these other initiatives diverts attention from the activities of the Funds, which could negatively impact the Funds and limited partners. Furthermore, Blackstone and Blackstone personnel derive financial benefit from these other activities, including fees and performance-based compensation. Blackstone personnel outside the Blackstone Growth Program share in the fees and performance-based compensation from the Blackstone Growth Program; similarly, the



Blackstone Growth Program group personnel share in the fees and performance-based compensation generated by Other Blackstone Clients. These and other factors create conflicts of interest in the allocation of time by Blackstone personnel. The Sponsor's determination of the amount of time necessary to conduct the Blackstone Growth Program's activities will be conclusive, and limited partners rely on the Sponsor's judgment in this regard.

***Outside Activities of Principals and Other Personnel and their Related Parties.*** Certain personnel of Blackstone may be subject to a variety of conflicts of interest relating to their responsibilities to the Funds, Other Blackstone Clients and their respective Portfolio Entities, and their outside business activities as members of investment or advisory committees or boards of directors of or advisors to investment funds, corporations, foundations or other organizations. Such positions create a conflict if such other entities have interests that are adverse to those of the Funds, including if such other entities compete with the Funds for investment opportunities or other resources. The Blackstone personnel in question may have a greater financial interest in the performance of the other entities than the performance of the Funds. This involvement may create conflicts of interest in making investments on behalf of the Funds and such other funds, accounts and other entities. Although BXGA will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds. Also, Blackstone personnel are generally permitted to invest in alternative investment funds, private equity funds, real estate funds, hedge funds and other investment vehicles, as well as securities of other companies, some of which will be competitors of the Funds. Limited partners will not receive any benefit from any such investments, and the financial incentives of Blackstone personnel in such other investments could be greater than their financial incentives in relation to the Funds.

Additionally, certain personnel and other professionals of Blackstone have family members or relatives that are actively involved in industries and sectors in which the Funds invest or have business, personal, financial or other relationships with companies in such industries and sectors (including the advisors and service providers described above) or other industries, which gives rise to potential or actual conflicts of interest. For example, such family members or relatives might be officers, directors, personnel or owners of companies or assets which are actual or potential investments of the Funds or other counterparties of the Funds and their Portfolio Entities and/or assets. Moreover, in certain instances, the Funds or their Portfolio Entities may purchase or sell companies or assets from or to, or otherwise transact with, companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. In most such circumstances, the Organizational Documents will not preclude the Funds from undertaking any of these investment activities or transactions. To the extent Blackstone determines appropriate, conflict mitigation strategies may be put in place with respect to a particular circumstance, such as

internal information barriers or recusal, disclosure or other steps determined appropriate by the Sponsor. Limited partners rely on the Sponsor to manage these conflicts in its sole discretion.

One or more Portfolio Entities (the “Designated Portfolio Entities”) may employ certain personnel (the “Dedicated Portfolio Entity Personnel”) who devote substantially all of their business time to such Designated Portfolio Entities. Dedicated Portfolio Entity Personnel may have certain qualities of and/or may perform certain functions which were previously performed by Blackstone employees. For example, Dedicated Portfolio Entity Personnel may include a chief investment officer or another individual who will evaluate and source investments with respect to the applicable Designated Portfolio Entity. This person would be an employee of the Designated Portfolio Entity (and receive payments, including salaries, benefits and other compensation (which could include performance-based compensation) from the Designated Portfolio Entity instead of from Blackstone), but he/she could also be expected to meet in regular meetings pertaining to the Designated Portfolio Entity with Blackstone personnel. He/she could also be delegated authority by the investment committee of the Designated Portfolio Entity to make certain investment decisions or otherwise perform management functions with respect to the Designated Portfolio Entity. Dedicated Portfolio Entity Personnel may be offered the ability to invest in (or co-invest alongside) the Funds on preferential terms.

***Secondments and Internships.*** Certain personnel of Blackstone and its affiliates, including Consultants (as defined herein), will, in certain circumstances, be seconded to one or more Portfolio Entities, vendors, service providers and vendors or limited partners of the Funds and Other Blackstone Clients to provide services, including the sourcing of investments for the Funds or other parties. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment could be borne by Blackstone and its affiliates or the organization for which the personnel are working or both. In addition, personnel of Portfolio Entities, vendors, service providers (including law firms and accounting firms) and investors of the Funds and Other Blackstone Clients will, in certain circumstances, be seconded to, serve internships at or otherwise provide consulting services to, Blackstone and Portfolio Entities of the Funds and Other Blackstone Clients. While often the Funds, Other Blackstone Clients and their Portfolio Entities are the beneficiaries of these types of arrangements, Blackstone is from time to time a beneficiary of these arrangements as well, including in circumstances where the vendor or service provider also provides services to the Funds, Other Blackstone Clients or Blackstone in the ordinary course. Blackstone, the Funds, Other Blackstone Clients or their Portfolio Entities could receive benefits from these arrangements at no cost, or alternatively could pay all or a portion of the fees, compensation or other expenses in respect of these arrangements. The Management Fee will not be offset or reduced as a result of these

arrangements or any fees, expense reimbursements or other costs related thereto. The personnel described above may provide services in respect of multiple matters, including in respect of matters related to Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities, each of their respective affiliates and related parties, and Blackstone will endeavour in good faith to allocate the costs of these arrangements, if any, to Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities and other parties based on time spent by the personnel or another methodology Blackstone deems appropriate in a particular circumstance.

**Other Benefits.** BXGA, its affiliates and their personnel and related parties will receive intangible and other benefits, discounts and perquisites arising or resulting from their activities on behalf of the Funds, which will not offset or reduce Management Fees or otherwise be shared with the Funds, their Portfolio Entities or the limited partners. For example, airline travel or hotel stays will result in “miles” or “points” or credit in loyalty or status programs, and such benefits will, whether or not *de minimis* or difficult to value, inure exclusively to the benefit of BXGA, its affiliates or their personnel or related parties receiving it, even though the cost of the underlying service is borne by the Funds as partnership expenses or by Portfolio Entities. (See also “—Service Providers, Vendors and Other Counterparties Generally” herein.) Similarly, BXGA, its affiliates and their personnel and related parties, and third parties designated by the foregoing, also receive discounts on products and services provided by Portfolio Entities and customers or suppliers of such Portfolio Entities. The limited partners consent to the existence of these arrangements and benefits.

**Advisors, Consultants and Partners.** BXGA, its affiliates and their personnel and related parties engage and retain strategic advisors, consultants, senior advisors, industry experts, joint venture and other partners and professionals, any of whom might be current or former executives or other personnel of BXGA, its affiliates or Portfolio Entities of the Funds or Other Blackstone Clients (collectively, “Consultants”), to provide a variety of services. Similarly, the Funds, Other Blackstone Clients and their Portfolio Entities retain and pay compensation to Consultants to provide services, or to undertake a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. Any amounts paid by the Funds or a Portfolio Entity to Consultants in connection with the above, including performance-based compensation (e.g., promote), retainers and expense reimbursements, will be treated as partnership expenses or expenses of a Portfolio Entity, as the case may be, and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by BXGA, be chargeable to BXGA or deemed paid to or received by BXGA, or offset or reduce any Management Fees to BXGA or be subordinated to return of the limited partner’s capital. Amounts charged by Consultants will not necessarily be confirmed as being comparable to market rates for such services. Also, Consultants often co-invest alongside the Funds in Portfolio Entities and investments of the Funds, participate in long-term incentive plans of a

Portfolio Entity, and invest directly in the Funds or in vehicles controlled by the Funds, with reduced or waived management fees and carried interest and such co-investment or participation (which generally will result in the Funds being allocated a smaller share of an investment and less co-investment being available to limited partners) may or may not be considered part of Blackstone's side-by-side co-investment rights, as determined by BXGA in its sole discretion. Consultants' benefits described in this paragraph may continue after termination of status as a Consultant.

The time, dedication and scope of work of a Consultant varies considerably. In some cases, a Consultant provides BXGA with industry-specific insights and feedback on investment themes, assists in transaction due diligence, and makes introductions to, and provides reference checks on, management teams. In other cases, Consultants take on more extensive roles, including serving as executives or directors on the boards of Portfolio Entities and contributing to the identification and origination of new investment opportunities. The Funds may rely on these Consultants to recommend BXGA and the Funds as a preferred investment partner and carry out its investment program, but there is no assurance that any Consultant will continue to be involved with the Funds for any length of time. BXGA and the Funds may have formal or informal arrangements with Consultants that may or may not have termination options and may include compensation, no compensation, or deferred compensation until occurrence of a future event, such as commencement of a formal engagement. In certain cases, Consultants have attributes of Blackstone "employees" (e.g., they may have dedicated offices at Blackstone, receive administrative support from Blackstone personnel, participate in general meetings and events for Blackstone personnel or work on Blackstone matters as their primary or sole business activity, have Blackstone-related e-mail addresses or business cards and participate in certain benefit arrangements typically reserved for Blackstone employees), even though they are not Blackstone employees, affiliates or personnel for purposes of the Organizational Documents, and their salary and related expenses are paid by the Funds as partnership expenses or by Portfolio Entities without any reduction or offset to Management Fees. Some Consultants work only for a Fund and their Portfolio Entities, while other Consultants may have other clients. In particular, in some cases, Consultants, including those with a "Senior Advisor" title, have been and will be engaged with the responsibility to source and recommend transactions to BXGA potentially on a full-time and/or exclusive basis and, notwithstanding any overlap with the responsibilities of BXGA under the Organizational Documents, the compensation to such Consultants may be borne fully by the Funds and/or Portfolio Entities (with no reduction or offset to Management Fees) and not BXGA. Consultants could have conflicts of interest between their work for a Fund and their Portfolio Entities, on the one hand, and themselves or other clients, on the other hand, and BXGA is limited in its ability to monitor and mitigate these conflicts.

As an example of the foregoing, in certain investments by the Funds including involving a “platform company”, the Funds will from time to time enter into an arrangement with one or more individuals (who may be former personnel of Blackstone or current or former personnel of Portfolio Entities of the Funds or Other Blackstone Clients, may have experience or capability in sourcing or managing investments, and may form a management team) to undertake a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. The services provided by such individuals or relevant Portfolio Entity, as the case may be, could include the following with respect to investments of the Funds: origination or sourcing, due diligence, evaluation, negotiation, servicing, development, management (including turnaround) and disposition. The individuals or relevant Portfolio Entity could be compensated with a salary and equity incentive plan, including a portion of profits derived from the Funds or a Portfolio Entity or asset of the Fund, or other long term incentive plans. Compensation could also be based on assets under management, a waterfall similar to a carried interest, respectively, or other similar metric. The Fund could initially bear the cost of overhead (including rent, utilities, benefits, salary or retainers for the individuals or their affiliated entities) and the sourcing, diligence and analysis of investments, as well as the compensation for the individuals and entity undertaking the build-up strategy. Such expenses could be borne directly by the Funds as partnership expenses (or broken deal expenses, if applicable) or indirectly through expenditures by a Portfolio Entity. None of such Portfolio Entities or Consultants will be treated as affiliates of BXGA for purposes of the Organizational Documents and none of the fees, costs or expenses described above will reduce or offset the Management Fee with respect to a Fund.

In addition, the General Partner may engage third parties as senior advisors (or another similar capacity) in order to advise it with respect to existing investments, specific investment opportunities, and economic and industry trends. Such senior advisors may receive reimbursement of reasonable related expenses by Portfolio Entities or the Funds and may have the opportunity to invest in a portion of the equity available to the Funds for investment which may be taken by the General Partner and its affiliates. If such senior advisors generate investment opportunities on the Fund’s behalf, such members may receive special additional fees or allocations comparable to those received by a third party in an arm’s length transaction.

**Multiple Blackstone Business Lines.** Blackstone has multiple business lines, including the Blackstone Capital Markets Group, which Blackstone, the Funds, Other Blackstone Clients, Portfolio Entities of the Funds and Other Blackstone Clients and third parties may engage for debt and equity financings and to provide other investment banking, brokerage, investment advisory or other services. As a result of these activities, Blackstone is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than if it had one line of business. For example, Blackstone may come

into possession of information that limits the Funds' ability to engage in potential transactions. Similarly, other Blackstone businesses and their personnel may be prohibited by law or contract from sharing information with BXGA that would be relevant to monitoring the Funds' investments and other activities. Additionally, Blackstone or Other Blackstone Clients can be expected to enter into covenants that restrict or otherwise limit the ability of the Funds or their Portfolio Entities and their affiliates to make investments in, or otherwise engage in, certain businesses or activities. For example, Other Blackstone Clients could have granted exclusivity to a joint venture partner that limits the Funds and Other Blackstone Clients from owning assets within a certain distance of any of the joint venture's assets, or Blackstone or an Other Blackstone Client could have entered into a non-compete in connection with a sale or other transaction. These types of restrictions may negatively impact the ability of a Fund to implement its investment program. (See also "—Other Blackstone Clients; Allocation of Investment Opportunities." herein.) Finally, Blackstone personnel who are members of the investment team or investment committee may be excluded from participating in certain investment decisions due to conflicts involving other Blackstone businesses or for other reasons, in which case the Funds will not benefit from their experience. The limited partners will not receive a benefit from any fees earned by Blackstone or its personnel from these other businesses.

Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to the Funds. Blackstone has long-term relationships with a significant number of corporations and their senior management. BXGA will consider those relationships when evaluating an investment opportunity, which may result in BXGA choosing not to make such an investment due to such relationships (e.g., investments in a competitor of a client or other person with whom Blackstone has a relationship). The Funds may be forced to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone and its affiliates may have or transactions or investments that Blackstone and its affiliates may make or have made. Therefore, there can be no assurance that all potentially suitable investment opportunities that come to the attention of Blackstone will be made available to the Funds. (See "—Other Blackstone Clients; Allocation of Investment Opportunities" and "Portfolio Entity Relationships Generally" herein.) The Funds may also co-invest with clients of Blackstone or other persons with whom Blackstone has a relationship in particular investment opportunities, and other aspects of these Blackstone relationships could influence the decisions made by BXGA with respect to the Funds' investments and otherwise result in a conflict (See also "—Other Blackstone Clients; Allocation of Investment Opportunities" herein.)

Finally, Blackstone and Other Blackstone Clients could acquire limited partner interests in the Funds in the secondary market. Blackstone and Other Blackstone Clients would generally have

greater information than counterparties in such transactions, and the existence of such business could produce conflicts, including in the valuation of the Funds' investments.

***Minority Investments in Asset Management Firms.*** Blackstone and Other Blackstone Clients, including Blackstone Strategic Capital Holdings ("BSCH") and its related parties, regularly make minority investments in alternative asset management firms that are not affiliated with Blackstone, the Funds, Other Blackstone Clients and their respective Portfolio Entities, and which may from time to time engage in similar investment transactions, including with respect to purchase and sale of investments, with these asset management firms and their sponsored funds and Portfolio Entities. Typically, the Blackstone related party with an interest in the asset management firm would be entitled to receive a share of carried interest/performance based incentive compensation and net fee income or revenue share generated by the various products, vehicles, funds and accounts managed by that third party asset management firm that are included in the transaction or activities of the third party asset management firm, or a subset of such activities such as transactions with a Blackstone related party. In addition, while such minority investments are generally structured so that Blackstone does not "control" such third party asset management firms, Blackstone may nonetheless be afforded certain governance rights in relation to such investments (typically in the nature of "protective" rights, negative control rights or anti-dilution arrangements, as well as certain reporting and consultation rights) that afford Blackstone the ability to influence the firm. Although Blackstone and Other Blackstone Clients, including BSCH, do not intend to control such third party asset management firms, there can be no assurance that all third parties will similarly conclude that such investments are non-control investments or that, due to the provisions of the governing documents of such third party asset management firms or the interpretation of applicable law or regulations, investments by Blackstone and Other Blackstone Clients, including BSCH, will not be deemed to have control elements for certain contractual, regulatory or other purposes. While such third party asset managers will not be deemed "affiliates" of Blackstone for any purpose, Blackstone may, under certain circumstances, be in a position to influence the management and operations of such asset managers and the existence of its economic/revenue sharing interest therein may give rise to conflicts of interest. Participation rights in a third party asset management firm (or other similar business), negotiated governance arrangements and/or the interpretation of applicable law or regulations could expose the investments of the Funds to claims by third parties in connection with such investments (as indirect owners of such asset management firms or similar businesses) that may have an adverse financial or reputational impact on the performance of the Fund. The Fund, its affiliates and their respective Portfolio Entities may from time to time engage in transactions with, and buy and sell investments from, any such third party asset managers and their sponsored funds and transactions and other commercial arrangements between such third party asset managers and the Funds and their Portfolio Entities are not subject to L.P.

Advisory Committee approval. There can be no assurance that the terms of these transactions between parties related to Blackstone, on the one hand, and the Funds and their Portfolio Entities, on the other hand, will be at arm's length or that Blackstone will not receive a benefit from such transactions, which may incentivize Blackstone to cause these transactions to occur.

***Blackstone Policies and Procedures; Information Walls.*** Blackstone has implemented policies and procedures to address conflicts that arise as a result of its various activities, as well as regulatory and other legal considerations. Some of these policies and procedures, such as Blackstone's information wall policy, also have the effect of reducing firm-wide synergies and collaboration that the Funds could otherwise expect to utilize for purposes of identifying and managing attractive investments. Personnel of Blackstone may be unable, for example, to assist with the activities of the Funds as a result of these walls. There can be no assurance that additional restrictions will not be imposed that would further limit the ability of Blackstone to share information internally.

***Data.*** Blackstone receives or obtains various kinds of data and information from the Funds, Other Blackstone Clients and their Portfolio Entities, including data and information relating to business operations, trends, budgets, customers and other metrics, some of which is sometimes referred to as "big data". Blackstone can be expected to be better able to anticipate macroeconomic and other trends, and otherwise develop investment themes, as a result of its access to (and rights regarding) this data and information from the Funds, Other Blackstone Clients and their Portfolio Entities. Blackstone has entered and will continue to enter into information sharing and use arrangements with the Funds and Other Blackstone Clients, and their Portfolio Entities, related parties and service providers, which may give Blackstone access to (and rights regarding) data that it would not otherwise obtain in the ordinary course. Although Blackstone believes that these activities improve Blackstone's investment management activities on behalf of the Funds and Other Blackstone Clients, information obtained from the Funds and their Portfolio Entities also provides material benefits to Blackstone, Comparable Funds or Other Blackstone Clients without compensation or other benefit accruing to the Funds or limited partners. For example, information from Portfolio Entities owned by the Funds can be expected to enable Blackstone to better understand a particular industry and execute trading and investment strategies in reliance on that understanding for Blackstone, Other Blackstone Clients that do not own an interest in the Portfolio Entity, without compensation or benefit to the Funds or their Portfolio Entities.

Furthermore, except for contractual obligations to third parties to maintain confidentiality of certain information, and regulatory limitations on the use of material non-public information, Blackstone is generally free to use data and information from the Funds' activities to assist in the pursuit of Blackstone's various other activities, including to trade for the benefit of Blackstone or an Other Blackstone Client. Any confidentiality obligations in the Organizational



Documents do not limit Blackstone's ability to do so. For example, Blackstone's ability to trade in securities of an issuer relating to a specific industry may, subject to applicable law, be enhanced by information of a Portfolio Entity in the same or related industry. Such trading can be expected to provide a material benefit to Blackstone without compensation or other benefit to the Funds or the limited partners.

The sharing and use of "big data" and other information presents potential conflicts of interest and the limited partners acknowledge and agree that any benefits received by Blackstone or its personnel (including fees (in cash or in kind), costs and expenses) will not be subject to the Management Fee offset provisions or otherwise shared with the Funds or limited partners. As a result, BXGA has an incentive to pursue investments that have data and information that can be utilized in a manner that benefits Blackstone, the Funds or Other Blackstone Clients. (See also "—Blackstone Affiliated Service Providers" herein.)

***Blackstone Strategic Relationships.*** Blackstone has entered, and it can be expected that Blackstone in the future will enter, into strategic relationships with investors (and/or one or more of their affiliates) that involve an overall relationship with Blackstone that could incorporate one or more strategies in addition to the Funds' strategy ("Strategic Relationships"). A Strategic Relationship often involves an investor agreeing to make a capital commitment to multiple Blackstone funds, one of which may be a Fund. Limited partners will not receive a copy of any agreement memorializing a Strategic Relationship program (even if in the form of a side letter) and will be unable to elect in the "most-favored nations" election process any such rights or benefits afforded through a Strategic Relationship. Specific examples of such additional rights and benefits include, among others, specialized reporting, discounts on and/or reimbursement of Management Fees or carried interest, secondment of personnel from the investor to Blackstone (or vice versa), targeted amounts for co-investments alongside Blackstone funds (including, without limitation, preferential or favorable allocation of co-investment, and preferential terms and conditions related to co-investment or other participation in Blackstone funds (including any carried interest and/or Management Fees to be charged with respect thereto, as well as any additional discounts or rebates thereof or other penalties that may result if certain target co-investment allocations or other conditions under such arrangements are not achieved)). The co-investment that is part of a Strategic Relationship may include co-investment in investments made by the Funds. Blackstone, including its personnel (including Blackstone Growth Program personnel), may receive compensation from Strategic Relationships and be incentivized to allocate investment opportunities away from the Funds to or source investment opportunities for Strategic Relationships. Strategic Relationships may therefore result in fewer co-investment opportunities (or reduced allocations) being made available to limited partners. (See also "—Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment" herein.).

***Buying and Selling Investments or Assets from Certain Related Parties.*** The Funds and their Portfolio Entities may purchase investments or assets from or sell investments or assets to limited partners, Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties. Purchases and sales of investments or assets between the Funds or their Portfolio Entities, on the one hand, and the investors and/or Portfolio Entities of other Funds or Other Blackstone Clients or their respective related parties, on the other hand, are not subject to the approval of the L.P. Advisory Committee or the limited partners. These transactions involve conflicts of interest, as Blackstone may receive fees and other benefits, directly or indirectly, from or otherwise have interests in both parties to the transaction, including different financial incentives Blackstone may have with respect to the parties to the transaction. For example, there can be no assurance that any investment or asset sold by a Fund to a limited partner, Portfolio Entity of Other Blackstone Clients or any of their respective related parties will not be valued or allocated a sale price that is lower than might otherwise have been the case if such asset were sold to a third party rather than to a limited partner, Portfolio Entity of Other Blackstone Clients or any of their respective related parties. Blackstone will not be required to solicit third party bids or obtain a third party valuation prior to causing the Funds or any of their Portfolio Entities to purchase or sell any asset or investment from or to a limited partner, Portfolio Entity of Other Blackstone Clients or any of their respective related parties as provided above.

***Blackstone's Relationship with Pátria.*** Blackstone owns 40% of the equity interests in Pátria Investimentos Ltd. ("Pátria"), a leading Brazilian alternative asset manager and advisory firm. Pátria's alternative asset management businesses include the management of private equity funds, real estate funds, infrastructure funds and hedge funds (e.g., a multi-strategy fund and a long/short equity fund). Each of Blackstone's and Pátria's respective investment funds continues to pursue investment opportunities in accordance with their existing mandates. While it is not expected that there will be material overlap between the Funds' investment programs and Pátria's investment activities, there may be instances in which investment opportunities otherwise appropriate for the Funds will be shared with (or allocated in their entirety to) Pátria. Therefore, there may be opportunities available to Pátria that are not shared with the Funds, and there may be opportunities available to the Funds that are shared with one or more Pátria funds. Blackstone generally expects, with respect to certain types of investments in Brazil otherwise suitable for the Funds, to permit such investments to be shared with and/or pursued by Pátria, which may be on a priority basis and may result in the Funds not participating in any such investments or participating therein to a lesser extent. In addition, the Funds may invest in companies or other entities in which Pátria sponsored investment funds make an investment in a different part of the capital structure (and vice versa). In such situations, the Funds and such other Pátria sponsored investment funds (and therefore Blackstone through its indirect minority interest in Pátria) may have conflicting interests (e.g.,

over the terms of their respective investments). Pátria is not considered an “affiliate” of Blackstone under the Organizational Documents, and therefore these transactions will not be subject to approval of the limited partners or an L.P. Advisory Committee.

***Other Blackstone Clients; Allocation of Investment Opportunities.*** Blackstone invests its own capital and third-party capital on behalf of Other Blackstone Clients and the Funds in a wide variety of investment opportunities throughout the world. While the Blackstone Growth Program pursues privately negotiated equity or equity-related investments in growth-stage companies on a global basis, certain Other Blackstone Clients may have investment objectives, and a history of investing in investments that are a subset of or overlap with the investment objectives of the Blackstone Growth Program, such as, but not limited to, Blackstone Tactical Opportunities Fund III L.P. and its related vehicles and successor funds (the “TacOpps Funds”), Blackstone Capital Partners VIII, L.P. and its related vehicles and successor funds (the “BCP Funds”) and the BMLS Funds (as defined below) and may pursue investment strategies which otherwise overlap with those of the Funds. Such Other Blackstone Clients may be sponsored and managed by BXGA or its affiliates and may participate alongside the Blackstone Growth Program with respect to investments within such shared investment objectives (which may reduce, in whole or in part, the allocation thereof to the Funds). Blackstone may from time to time make and hold investments of various types with or in lieu of Other Blackstone Clients. Although such investments would be limited or restricted by the Organizational Documents or the agreements for Other Blackstone Clients, to the extent Blackstone does make or hold such investments, many of the conflicts of interest associated with the activities of Other Blackstone Clients also apply to such investment activities of Blackstone. It is expected that some activities of Blackstone, the Other Blackstone Clients and their Portfolio Entities will compete with the Funds and their Portfolio Entities for one or more investment opportunities that are consistent with the Funds’ investment objectives, and as a result such investment opportunities may only be available on a limited basis, or not at all, to the Fund. The Blackstone Growth Program operates inside the Blackstone Tactical Opportunities (“Tac Opps”) business unit and will share personnel (including Investment Committee members, Review Committee members and investment team members) and resources with Tac Opps. Tac Opps has a history of investing in growth companies and will continue to invest in such companies, which may result in the Funds participating to a lesser degree or not at all in such investments that are allocated to Tac Opps. BXGA has conflicting loyalties in determining whether an investment opportunity should be allocated to the Funds, Blackstone or an Other Blackstone Clients, and these conflicts may not necessarily be resolved in favor of the Funds. The fact that the Blackstone Growth Program sits inside of Tac Opps furthers this conflict given the overlap in senior leadership. Blackstone has adopted guidelines and policies, which it may update from time to time, regarding allocation of investment opportunities.

- Overlapping Objectives and Strategies: In circumstances in which any Other Blackstone Clients have investment objectives or guidelines that overlap with those of the Funds, in whole or in part, Blackstone generally determines the relative allocation of investment opportunities among such vehicles and/or Other Blackstone Clients on a fair and reasonable basis in good faith according to guidelines and factors determined by it. However, the application of those guidelines and factors may result in the Funds not participating, or not participating to the same extent, in investment opportunities in which they would have otherwise participated, or participated to a greater extent, had the related allocations been determined without regard to such guidelines. BXGA could also determine not to pursue opportunities as discussed below in “Certain Investments inside the Funds’ Mandate that are not Pursued by the Funds”. Among the factors that BXGA considers in making investment allocations among the Funds and Other Blackstone Clients are the following: (i) any applicable investment strategies, investment mandates, objectives, focus, parameters, guidelines, investor preferences, limitations, guidelines and other contractual provisions, obligations and terms relating to the Funds and such Other Blackstone Clients and the duration of their respective investment periods and holding periods, (ii) available capital of the Funds and such Other Blackstone Clients, (iii) legal, tax, accounting, regulatory and other considerations deemed relevant by BXGA, including, without limitation, (iv) primary and permitted investment strategies, mandates, focus and objectives of the Funds and the Other Blackstone Clients, including, without limitation, with respect to Other Blackstone Clients that expect to invest in or alongside other funds or across asset classes based on expected return (such as the BTAS Funds, the BIS Funds, the BAAM Funds (including BSOF), the BCP Funds, the TacOpps Funds, BXLS and certain managed accounts with similar investment strategies and objectives)), (v) sourcing of the investment and the nature and extent of involvement of the respective teams of investment professionals dedicated to the funds, (vi) the sector and geography/location of the investment, (vii) the specific nature (including size, type, amount, liquidity, holding period, anticipated maturity and minimum investment criteria) of the investment, (viii) expected investment return, (ix) risk/return profile of the investment, (x) expected leverage on the investment, (xi) expected cash characteristics (such as cash-on-cash yield, distribution rates or volatility of cash flows), (xii) capital expenditure required as part of the investment, (xiii) portfolio diversification concerns (including, but not limited to, whether a particular fund already has its desired exposure to the investment, sector, industry, geographic region or markets in question), (xiv) relation to existing investments in a fund, if applicable (e.g., “follow on” to existing investment, joint venture or other partner to existing investment, or same security as existing investment), (xv) avoiding allocation that could result in *de minimis* or odd lot investments, (xvi) co-investment arrangements, (xvii) anticipated tax treatment of the investment, and (xviii) other considerations deemed relevant by BXGA in good faith. Moreover, under certain circumstances, investment opportunities sourced and/or identified by the Blackstone Growth Program and that fall within the Blackstone Growth Program’s investment strategy and objective may be allocated in whole or in part to Portfolio Entities, Other Blackstone Clients or Portfolio Entities of Other Blackstone Clients, or Blackstone. The allocation of investments to Other Blackstone

Clients, including as described above, may result in fewer co-investment opportunities (or reduced allocations) being made available to the limited partners.

Blackstone has adopted “first-call” guidelines in connection with determining allocations of investment opportunities among its business groups. The “first-call” guidelines are non-exclusive and subject to the provisions of the Organizational Documents, including the factors described above. The application of such guidelines may result in the Funds not participating, or not participating to the same extent, in investment opportunities in which they would have otherwise participated had the guidelines not existed.

In connection with the Funds’ investment activities, the BXGA Investment Committee (or a sub-committee thereof consisting of one or more individuals of the BXGA Investment Committee or a chief investment officer) generally reviews and approves potential investments. The allocation of investment opportunities among the Funds and the Other Blackstone Clients is initially formulated by an allocation committee comprised of the Tac Opps Chief Operating Officer and Chief Compliance Officer as well as representatives of Investor Relations/Business Development, Operations and Legal and Compliance (the “Allocation Committee”). The Allocation Committee meets and prepares recommendations for the allocation of each transaction to present to the Investment Committee (or a sub-committee thereof) for approval. There is no guarantee that the Allocation Committee will recommend an allocation of any potential investment to the Funds. A portion of certain investments may be allocated to Blackstone and Other Blackstone Clients, and Other Blackstone Clients may have primary contractual investment mandates that grant exclusive or priority allocation rights over certain investments made by the Funds.

- Comparable Funds: The Funds will be operated as part of the Blackstone Growth Program, which is expected to be composed of the Funds and a number of Comparable Funds alongside which the Funds will generally participate in investments. As part of the Blackstone Growth Program, the Sponsor and its affiliates may close on one or more new investment vehicles (including one or more managed accounts (or other similar arrangements, including those that may be structured as one or more entities) for the benefit of one or more specific investors (or group of specific investors)) having the same or similar investment objectives as the Funds and having terms as determined by the Sponsor in its sole discretion and such Comparable Funds may invest alongside the other Funds. The Sponsor and its affiliates may in their discretion accept capital commitments from investors in Comparable Funds while designating all or only a portion of such capital commitments as “available” or “active” at any time, such that only the “available” or “active” portions of capital commitments will be taken into account for purposes of allocating investments amongst the Funds. Comparable Funds may be established for investors that are affiliates of Blackstone, including Other

Blackstone Clients (such as the BTAS Funds and Blackstone Harrington Partners L.P. and Strategic Partners funds). To the extent that an investment falls within the investment objectives of certain Funds and such Funds invest in such investment, then such Funds will generally invest their available capital on *pari passu* basis based on their relative available capital taking into account the remaining investment periods of such Funds, subject to the investment limitations and terms of such Funds, legal, regulatory, tax, accounting and other considerations, including any investment preferences (including over- or under-weighting certain assets classes, incorporating a geographic focus or limitations, target size of the investment and/or risk / return profile preference) articulated in advance by one or more investors in such Funds and other considerations (including the availability of any credit facility and the allocation considerations described above). For purposes of determining “available capital” the Sponsor expects to formulaically take into account the remaining duration of each account’s investment period. Under this allocation methodology, capital deployment is allocated by calculating each account’s available capital, which is then weighted by the remaining time in each account’s investment period. The “weighting factor” is expected to be calculated by dividing the account’s available capital by the percentage of days left in the account’s investment period. While the Sponsor will seek to allocate investments among the Funds, it is acknowledged and agreed that certain Funds may not necessarily participate in each investment as a result of legal, tax, regulatory or other considerations, which will from time to time result in an increase in the other Funds’ allocable share of such investment. The Sponsor and its affiliates may adopt policies and procedures to promote diversification (or other portfolio allocation and management considerations) and/or generally limit each Fund’s investment to a certain percentage of commitments (or of the relevant investment) below the contractual diversification limit for such investment (e.g., 20%). In connection with the Funds’ participation in investments as part of the Blackstone Growth Program, the Funds may from time to time make investments in or relating to Portfolio Entities of the Blackstone Growth Program (including, for example, investments that represent follow-on investment opportunities relating to such Portfolio Entities) where the Sponsor determines that doing so is appropriate for the Funds under the circumstances, taking into account the allocation considerations described above. Relatedly, Comparable Funds or successor funds to the Funds may make investments in or relating to Portfolio Entities of the Funds. Any follow-on investments are expected to be allocated first among the Funds participating in the investment giving rise to the follow-on opportunity pro rata based on their invested capital in such investment, up to the amount of any specific reserves taken by such vehicle in respect of such investment at the time it was made or otherwise prior to the end of the investment period, subject to legal, regulatory, tax, accounting and other similar considerations (the portion of any such follow-on investment in excess of such reserves may be allocated to Comparable Funds, Other Blackstone Clients and/or third parties on any other basis that the Sponsor determines appropriate in its discretion (which may result in the Fund not participating in all or a portion of such follow-on investment opportunity or in a larger portion of such follow-

on investment opportunity), which may result in such Fund's interest in such investment being diluted).

The Sponsor or an affiliate may agree with one or more investors in certain Funds (or Other Blackstone Clients) to seek for such Funds (or Other Blackstone Clients) to qualify as "venture capital operating companies" within the meaning of United States Department of Labor regulations. As a result, such Funds (or Other Blackstone Clients) may invest in and divest from certain investment opportunities alongside the other Funds at different times or on different terms, and may not participate in a substantial portion of investment opportunities alongside the other Funds, and therefore the other Funds will be allocated a larger portion of such opportunities (and consequently bear a greater share of expenses and liabilities related thereto) than would otherwise be the case. In connection with the foregoing, BXGA may negotiate or assign certain management rights with respect to a Portfolio Entity (including the right to appoint a board member) to such Funds or Other Blackstone Clients, as opposed to the Funds and Other Blackstone Clients as a whole.

In addition to different investor preferences, potential investors should also note that the terms of the Funds (including with respect to the economic terms such as management fees and carried interest and the calculations, timing and amount thereof, investment limitations, co-investment arrangements, geographic focus/limitations, veto rights with respect to investments, diversification parameters and any governance rights, reporting rights or information rights afforded to limited partnership of such Funds and other matters) may materially differ, and may in some instances be materially more favorable to the limited partners of certain Funds than the terms of other Funds. Such different terms will from time to time create potential conflicts of interests for the Sponsor or its affiliates, including with respect to the allocation of investment opportunities and may otherwise impact the calculation and presentation of investment returns. In particular, the existence of different rates of carried interest may create a potential conflict of interest for the Sponsor in connection with the allocation of investment opportunities.

In addition, in connection with the Fund's participation in the Blackstone Growth Program, it is understood and/or agreed, for the avoidance of doubt, that the Fund may from time to time participate in investments in or relating to Portfolio Entities of the Comparable Funds and that the Comparable Funds and/or any successor fund of the Funds may also participate in investments relating to Portfolio Entities in which the Fund and the Comparable Funds may have an investment (or vice versa), including, for example, investments in or relating to Portfolio Entities that represent "platform" investments where additional opportunities to invest are made available to the

Blackstone Growth Program where BXGA and/or its affiliates determine that doing so is appropriate under the circumstances. Such arrangements may give rise to additional conflicts of interest in relation to the Funds and their participation in any such investments may give rise to material conflicts of interest with between or among the Funds and such other funds and vehicles, and there can be no assurance that any such conflicts of interest will be resolved in favor of the Funds.

- Certain Investments inside the Funds' Mandate that are not Pursued by the Funds: Certain Other Blackstone Clients may contractually or legally limit the investment opportunities available to the Funds. For example, certain Other Blackstone Clients may agree with investors that co-investment opportunities first be offered to the investors in such product prior to any such opportunity being offered to the Funds. In particular, control investments where the amount available for common or preferred equity investment by the Sponsor (and Other Blackstone Clients, if appropriate) would be in excess of than \$200 million will be presumptively allocated to the BCP Funds as a result of its contractual priority thereto. As a result of the foregoing, the Funds will not necessarily receive an allocation of each investment opportunity within its mandate. To the extent such Other Blackstone Clients elect not to invest in such investment opportunity (or elect to invest in only a portion of such opportunity), such investment opportunity (or the remainder of such investment opportunity) may be allocated to the Funds. The arrangements described herein may result in investments that fit within the primary investment mandates of the Funds being wholly or partially allocated to one or more Other Blackstone Clients, joint venture partners, related parties or third parties, and such parties may pursue such opportunity. Any such Other Blackstone Clients may be advised by a different Blackstone business group with a different investment committee, which could determine an investment opportunity to be more attractive than the Sponsor believes to be the case. In any event, there can be no assurance that the Sponsor's assessment will prove correct or that the performance of any investments actually pursued by the Funds will be comparable to any investment opportunities that are not pursued by the Funds. Blackstone, including its personnel, may receive compensation from any such party that makes the investment, including an allocation of carried interest or referral fees, and any such compensation could be greater than amounts paid by the Funds to the Sponsor. In some cases, Blackstone earns greater fees when Other Blackstone Clients participate alongside or instead of a Fund in an investment.
- Financial Compensation to Allocate Investment Opportunities to Other Blackstone Clients: When BXGA determines not to pursue some or all of an investment opportunity for a Fund that would otherwise be within such Fund's objectives and strategies, and Blackstone provides the opportunity or offers the opportunity to Other Blackstone Clients, Blackstone, including its personnel (including growth personnel) may receive compensation from the Other Blackstone Clients, whether or not in respect of a particular investment, including an allocation of carried interest or referral fees, and any such compensation could be greater than amounts paid by a Fund to BXGA. As a result,



BXGA (including growth personnel who receive such compensation) could be incentivized to allocate investment opportunities away from such Fund to or source investment opportunities for Other Blackstone Clients. In addition, in some cases Blackstone may earn greater fees when Other Blackstone Clients participate alongside or instead of a Fund in an investment.

- Basis for Investment Allocation Determinations: BXGA makes good faith determinations for allocation decisions based on expectations that may prove inaccurate and such determinations require it to make subjective judgments regarding application of the guidelines and arrangements described herein. Information unavailable to BXGA, or circumstances not foreseen by BXGA at the time of allocation, may cause an investment opportunity to yield a different return than expected. For example, an investment opportunity that BXGA determines to be consistent with the return objectives of a TacOpps fund rather than the Funds may not match BXGA's expectations and underwriting and generate an actual return that would have been appropriate for the Funds. Conversely, an investment that BXGA expects to be consistent with the Funds' return objectives may fail to achieve them. Any such judgments and application involves inherent conflicts and risks that assumptions regarding investment opportunities may not ultimately prove correct. As such, there can be no assurance that the subjective judgments made by BXGA will prove correct in hindsight.
- Investment alongside Other Blackstone Clients: The Funds will also invest alongside Other Blackstone Clients (including other vehicles in which Blackstone or its personnel invest) in investments that are suitable for one or more of the Funds and such Other Blackstone Clients. To the extent a Fund jointly holds securities with any other Fund or Other Blackstone Client that has a different expected duration or liquidity terms, conflicts of interest will arise between the Fund, such other Fund and such Other Blackstone Client with respect to the timing and manner of disposition of opportunities. In order to mitigate any such conflicts of interest, the Funds may recuse itself from participating in any decisions relating or with respect to the investment by the Funds or the Other Blackstone Client. If the Other Blackstone Client maintains voting rights with respect to the securities it holds, or if a Fund does not recuse itself, Blackstone may be required to take action where it will have conflicting loyalties between its duties to the Fund and such Other Blackstone Clients, which may adversely impact such Fund. Even if the Funds and such Other Blackstone Clients (including co-investment or other vehicles) invest in the same securities, conflicts of interest may still arise. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for the Funds and/or such other funds and vehicles may not be the same. Additionally, the Funds and/or such Other Blackstone Clients and/or vehicles will generally have different expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may also impact the allocation of investment opportunities. As such, the Funds and/or such Other Blackstone Clients may dispose of any such shared investment at different times and on different terms.

- Investment alongside Blackstone Affiliates: The Organizational Documents specify that Blackstone (which includes participation by Blackstone affiliates, professionals, employees and related parties, and entities and other key advisors and relationships (including, without limitation, executives, founders and entrepreneurs relating to the Funds' strategy and/or investments) of Blackstone, including in certain circumstances, Other Blackstone Clients) will be permitted to make investments alongside the Funds up to a maximum specified percentage of the total investment amount through Blackstone's side-by-side investment rights. In addition, subject to the terms of the Organizational Documents, the Sponsor may permit certain Blackstone personnel and other professionals responsible for portfolio operations and other similar operational initiatives with respect to one or more Portfolio Entities and/or other key advisors/relationships of Blackstone (including, without limitation, executives, founders and entrepreneurs) actively involved in one or more Portfolio Entities to participate in these side-by-side rights on an investment by investment basis. The Sponsor intends to limit participation by any such persons to investments involving Portfolio Entities with respect to which the Sponsor expects in good faith that such persons will be materially involved following the consummation of such investment. Such side-by-side investments 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 investment rights, Blackstone generally receives no fees in relation to side-by-side investments, but will often receive additional income in fees and performance compensation from Other Blackstone Clients in connection with such investments. Additionally, Other Blackstone Clients and former Blackstone employees and professionals (and their relatives and related endowment funds) will be permitted (or have the preferred right) to participate in Blackstone's side-by-side co-investment rights (and may be allocated a substantial portion of Blackstone's side-by-side co-investment rights (and in some cases, a majority)). In particular, the BTAS Funds, which invest in, or alongside, multiple Blackstone funds, will participate in investments alongside the Funds pursuant to Blackstone's side-by-side investment rights, and in such cases Blackstone would be eligible to receive fees and carried interest from the investors in such vehicles (as determined in Blackstone's sole discretion). Additionally, the BTAS Funds may participate in investments alongside the Fund through one or more Comparable Funds. The Funds may lend an amount to Blackstone and its affiliates with respect to their *pro rata* share of such investments; *provided*, that any such amounts so borrowed shall be on no more favorable terms than those applicable to the Funds' borrowing of the related proceeds. The amount of carried interest charged and/or Management Fees paid by the Funds may be less than or exceed the amount of carried interest charged and/or management fees paid by such Other Blackstone Clients (including BTAS). Such variation may create an incentive for Blackstone to allocate a greater percentage of an investment opportunity to the Funds or such Other Blackstone Clients, as the case may be.

The BTAS Funds are part of a multi-strategy program designed to provide investors with exposure to a broad mix of Blackstone's key investment programs (e.g., private equity,

real estate, credit and opportunistic). The BTAS Funds will seek to invest substantially all of their assets in investments in which Other Blackstone Clients participate, and as part of their investment program may seek to invest in opportunistic investments that are also appropriate for the Funds. While such opportunistic investments are expected to represent a small portion of the overall portfolio allocation of the BTAS Funds, the BTAS Funds may nonetheless participate in investments alongside the Funds and certain Other Blackstone Clients with overlapping investment objectives (including through Blackstone's side-by-side co-investment rights, as described below), which will from time to time result in the BTAS Funds receiving a share of a substantial portion of investments by the Funds. The overlapping objectives of the BTAS Funds may also give rise to conflicts of interest relating to the allocation of investment opportunities, which Blackstone will seek to resolve in a fair and equitable manner although there is no assurance that Blackstone will be able to do so.

The amount of carried interest charged and/or Management Fees paid by the Funds may be less than or exceed the amount of carried interest charged and/or management fees paid by an Other Blackstone Clients, including the BTAS Funds. Such variation may create an incentive for Blackstone to allocate a greater percentage of an investment opportunity to the Funds or such Other Blackstone Clients, as the case may be.

Furthermore, the Blackstone Life Sciences private investment platform ("BXLS") was initiated with Blackstone's acquisition in November 2018 of Clarus, which sponsors and manages funds, vehicles and accounts ("Legacy Clarus Funds"). The active Legacy Clarus Funds invest opportunistically in the life sciences, health care and pharmaceutical industry in certain royalties and other structured investments in which funding requirements, success milestones and contractual return parameters are pre-negotiated prior to the initial investment ("Defined Exit Investments"). Blackstone has also established new investment funds under the BXLS platform (the "BXLS Funds") whose investment objective is largely consistent with that of the Legacy Clarus Funds. While the investment strategy of the Funds would not typically include Defined Exit Investments, the Legacy Clarus Funds have made in the past and the BXLS Funds are expected to make in the future certain growth investments in clinical stage biopharmaceutical businesses and it is possible that certain of those investment opportunities (or other investment opportunities within the investment objectives of the BXLS Funds) may fit within, or overlap with, the investment objectives of the Funds and such investment opportunities may be allocated in whole or in part to such other funds and may result in the Funds participating less or not participating at all in such investment opportunities. None of the Legacy Clarus Funds, the BXLS Funds or their

respective successor funds will be considered “Comparable Funds” for purposes of the Organizational Documents.

Blackstone has also entered into an investment management arrangement whereby it provides investment management services for compensation to Fidelity & Guaranty Life Insurance Company, a Portfolio Entity of an Other Blackstone Client, which will involve investments across a variety of asset classes (including investments that may otherwise be appropriate for the Funds), and in the future Blackstone may enter into similar arrangements with other Portfolio Entities of the Funds or Other Blackstone Clients. Such arrangements may reduce the allocations of investments to the Funds, and Blackstone may be incentivized to allocate investments away from the Funds to the counterparties to such investment management arrangements or other vehicles/accounts to the extent the economic arrangements related thereto are more favorable to Blackstone relative to the terms of the Funds.

***Allocation of Portfolios.*** Blackstone may have an opportunity to acquire a portfolio or pool of assets, securities and instruments that it determines should be divided and allocated among the Funds and Other Blackstone Clients. Such allocations generally would be based on Blackstone’s assessment of the expected returns and risk profile of each of the assets. For example, some of the assets in a pool may have a higher return profile, while others may have a lower return profile not appropriate for the Funds. Also, a pool may contain both debt and equity instruments that Blackstone determines should be allocated to different funds. In all of these situations, the combined purchase price paid to a seller would be allocated among the multiple assets, securities and instruments in the pool and therefore among the Funds and Other Blackstone Clients acquiring any of the assets, securities and instruments. Similarly, there will likely be circumstances in which the Funds and Other Blackstone Clients will sell assets in a single or related transactions to a buyer. In some cases a counterparty will require an allocation of value in the purchase or sale contract, though Blackstone could determine such allocation of value is not accurate and should not be relied upon. Blackstone will generally rely upon internal analysis to determine the ultimate allocation of value, though it could also obtain third party valuation reports. Regardless of the methodology for allocating value, Blackstone will have conflicting duties to the Funds and Other Blackstone Clients when they buy or sell assets together in a portfolio, including as a result of different financial incentives Blackstone has with respect to different vehicles, most clearly when the fees and compensation, including performance-based compensation, earned from the different vehicles differ. There can be no assurance that an investment of the Funds will not be valued or allocated a purchase price that is higher or lower than it might otherwise have been allocated if such investment were acquired or sold independently rather than as a component of a portfolio shared with Other Blackstone Clients.

***Investments in Which Other Blackstone Clients Have a Different Principal Investment Generally.***

A Fund may hold an interest in a Portfolio Entity that is different (including with respect to relative seniority) than the interests held by Other Blackstone Clients. In these situations, conflicts of interest will arise. In order to mitigate any such conflicts of interest, such Fund may recuse itself from participating in any decisions relating or with respect to such investment by such Fund or the applicable investments by the Other Blackstone Clients, or by establishing groups separated by information barriers (which may be temporary and limited purpose in nature) within Blackstone to act on behalf of each of the clients. Despite these, Blackstone may be required to take action when it will have conflicting loyalties between its duties to such Fund and such Other Blackstone Clients, which may adversely impact such Fund. If such Fund recuses itself from decision-making, it will generally rely upon a third party to make the decisions, and the third party could have conflicts or otherwise make decisions that Blackstone would not have made. Except to the extent expressly subject to the Management Fee offset provisions of the Organizational Documents, the limited partners will in no way receive any benefit from fees paid to any affiliate of BXGA from a Portfolio Entity in which any Other Blackstone Client also has an interest (including, for greater certainty, any fees Blackstone received as a result of the provision of services by such affiliates).

***Related Financing Counterparties.*** A Fund may invest in companies or other entities in which Other Blackstone Clients make an investment in a different part of the capital structure (and vice versa). BXGA requests in the ordinary course proposals from lenders and other sources to provide financing to the Funds and their Portfolio Entities. BXGA takes into account various facts and circumstances it deems relevant in selecting financing sources, including whether a potential lender has expressed an interest in evaluating debt financing opportunities, whether a potential lender has a history of participating in debt financing opportunities generally and with Blackstone in particular, the size of the potential lender's loan amount, the timing of the relevant cash requirement, the availability of other sources of financing, the creditworthiness of the lender, whether the potential lender has demonstrated a long-term or continuing commitment to the success of Blackstone and its funds, and such other factors that Blackstone deems relevant under the circumstances. The cost of debt alone is not determinative.

Debt financing to the Funds and their Portfolio Entities is expected to be provided, from time to time, by limited partners, Other Blackstone Clients (such as the GSO Funds, BREDS Funds and BXMT Funds) and investors therein, their Portfolio Entities and other parties with material relationships with Blackstone, such as shareholders of and lenders to Comparable Funds, Blackstone and lenders to Other Blackstone Clients and their Portfolio Entities, as well as by Blackstone itself in accordance with the terms of the Organizational Documents. Blackstone could have incentives to cause the Funds and their Portfolio Entities to accept less favorable financing terms from a limited partner, Other Blackstone Clients, their Portfolio Entities,

investors therein, Blackstone, and other parties with material relationships with Blackstone than it would from a third party. The same concerns apply when any of these other parties invest in a more senior position in the capital structure of a Portfolio Entity than the Funds, even if the form of the transaction is not a financing. Although less common, a Fund or a Portfolio Entity could also occupy a different position in the capital structure than a limited partner, Other Blackstone Client, their Portfolio Entities and other parties with material relationships with Blackstone, in which case Blackstone could have an incentive to cause the Funds or Portfolio Entity to offer more favorable terms to such parties. In the case of a related party financing between the Funds or their Portfolio Entities, on the one hand, and Blackstone, Other Blackstone Clients or their Portfolio Entities, on the other hand, BXGA could, but is not obligated to, rely on a third party agent to confirm the terms offered by the counterparty are consistent with market terms, or BXGA could instead rely on its own internal analysis, which BXGA believes is often superior to third party analysis given Blackstone's scale in the market. If however any of Blackstone, a Fund, an Other Blackstone Client or any of their Portfolio Entities delegates to a third party, such as another member of a financing syndicate or a joint venture partner, the negotiation of the terms of the financing, the transaction will be assumed to be conducted on an arms-length basis, even though the participation of the Blackstone related vehicle impacts the market terms. For example, in the case of a loan extended to the Funds or a Portfolio Entity by a financing syndicate in which an Other Blackstone Client has agreed to participate on terms negotiated by a third party participant in the syndicate, it may have been necessary to offer better terms to the financing provider to fully subscribe the syndicate if the Other Blackstone Client had not participated; it is also possible that the frequent participation of Other Blackstone Clients in such syndicates could dampen interest among other potential financing providers, thereby lowering demand to participate in the syndicate and increasing the financing costs to the Funds. Blackstone does not believe either of these effects is significant, but no assurance can be given to limited partners that these effects will not be significant in any circumstance. BXGA will not be required to obtain any consent or seek any approvals from the limited partners, the Independent Client Representative (if any) or the L.P. Advisory Committee in the case of any of these conflicts.

Blackstone could cause actions adverse to the Funds to be taken for the benefit of Other Blackstone Clients that have made an investment more senior in the capital structure of a Portfolio Entity than the Funds (e.g., provide financing to a Portfolio Entity, the equity of which is owned by a Fund) and, *vice versa*, actions may be taken for the benefit of the Funds and their Portfolio Entities that are adverse to Other Blackstone Clients. Blackstone could seek to implement procedures to mitigate conflicts of interest in these situations such as (i) a forbearance of rights, including some or all non-economic rights, by the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be) by, for example,

causing such Other Blackstone Client to decline to exercise certain control- and/or foreclosure-related rights with respect to a Portfolio Entity by agreeing to follow the vote of a third party in the same tranche of the capital structure, or otherwise deciding to recuse itself with respect to decisions on defaults, foreclosures, workouts, restructurings and other similar matters, (ii) causing the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be) to hold only a non-controlling interest in any such Portfolio Entity, (iii) retaining a third party loan servicer, administrative agent or other agent to make decisions on behalf of the Funds or relevant Other Blackstone Client (or their respective Portfolio Entities, as the case may be), or (iv) create groups of personnel within Blackstone separated by information barriers (which may be temporary and limited purpose in nature), each of which would advise one of the clients that has a conflicting position with other clients. As an example, to the extent an Other Blackstone Client holds an interest in a loan or security that is different (including with respect to relative seniority) than those held by the Funds or their Portfolio Entities, Blackstone may decline to exercise, or delegate to a third party, certain control, foreclosure and other similar governance rights of the Other Blackstone Client. In these cases, Blackstone would generally act on behalf of one of its clients, though the other client would generally retain certain control rights, such as the right to consent to certain actions taken by the trustee or administrative or other agent of the investment, including a release, waiver, forgiveness or reduction of any claim for principal or interest; extension of maturity date or due date of any payment of any principal or interest; release or substitution of any material collateral; release, waiver, termination or modification of any material provision of any guaranty or indemnity; subordination of any lien; and release, waiver or permission with respect to any covenants.

In connection with negotiating loans and bank financings in respect of Blackstone-sponsored transactions, Blackstone will generally obtain the right to participate (for its own account or an Other Blackstone Client) in a portion of the financings with respect to such Blackstone-sponsored transactions on the same terms negotiated by third parties with Blackstone or other terms BXGA determines to be consistent with the market. Although Blackstone could rely on third parties to verify market terms, Blackstone may nonetheless have influence on such third parties. No assurance can be given that negotiating with a third party, or verification of market terms by a third party, will ensure that the Funds and their Portfolio Entities receive market terms.

In certain circumstances, the Funds may be required to commit funds necessary for an investment prior to the time that all anticipated debt (senior and/or mezzanine) financing has been secured. In such circumstance, an Other Blackstone Client and/or Blackstone itself (using, in whole or in part, its own balance sheet capital), may provide bridge or other short-term financing and/or commitments, which at the time of establishment are intended to be replaced and/or syndicated with longer-term financing. Such bridge financing and/or commitment would

not be considered “co-investment” under the Organizational Documents and would be sold down ahead of equity invested by the Funds. In any such circumstance, the Other Blackstone Client and/or Blackstone itself may receive compensation for providing such financing and/or commitment (including ticking or commitment fees), which fees will not be shared with and/or otherwise result in an offset of management fees payable by any investor. The conflicts applicable to Other Blackstone Clients who invest in different securities of Portfolio Entities will apply equally to Blackstone itself in such situations. (See also “—Securities and Lending Activities” and “—Syndication; Warehousing” herein.)

In addition, it is anticipated that in a bankruptcy proceeding a Fund’s interests will likely be subordinated or otherwise adverse to the interests of Other Blackstone Clients with ownership positions that are more senior to those of such Fund. For example, an Other Blackstone Client that has provided debt financing to an investment of a Fund may take actions for its benefit, particularly if such Fund’s investment is in financial distress, which adversely impact the value of the Fund’s subordinated interests.

Although Other Blackstone Clients, such as the GSO Funds, can be expected to provide financing to the Funds and their Portfolio Entities, there can be no assurance that any Other Blackstone Client will indeed provide any such financing with respect to any particular investment. Participation by Other Blackstone Clients such as the GSO Funds in some but not all financings of the Funds and their Portfolio Entities may adversely impact the ability of the Funds and their Portfolio Entities to obtain financing from third parties when Other Blackstone Clients do not participate, as it may serve as a negative signal to market participants.

Any financing provided by a limited partner or an affiliate to the Funds or a Portfolio Entity is not a capital contribution to the Funds and does not reduce the unpaid Capital Commitment of such limited partner. To the extent any limited partner (or limited partner in any Other Blackstone Client) or any of its affiliates provides debt financing to the Funds or their Portfolio Entities, it will not be considered a “co-investment” and any applicable covenants regarding co-investments in the Organizational Documents do not apply.

In addition, the Organizational Documents allows BXGA or its affiliates to lend funds to the Funds, subject to the limitations therein. If the Sponsor or any of its affiliates lends funds to the Funds, the terms of such lending (i) will be disclosed to the L.P. Advisory Committee and (ii) must be as favorable to the Funds as terms that could have been obtained at the time of such lending from a person that was not the Sponsor or its affiliate. Although these conditions will apply, potential or actual conflicts may arise in connection with any such lending including, without limitation, in determining comparable terms.



***Conflicting Fiduciary Duties to Debt Funds.*** Other Blackstone Clients include funds and accounts that make investments in senior secured loans, distressed debt, subordinated debt, high-yield securities, CMBS and other debt instruments, including any of the investment funds or vehicles sponsored or managed by GSO Capital Partners LP, an affiliate of Blackstone. As discussed above, it is expected that these Other Blackstone Clients or investors therein will be offered the opportunity to provide financing with respect to investments made by the Funds and their Portfolio Entities. Blackstone owes a fiduciary duty to these Other Blackstone Clients and investors therein as well as to the Funds and will encounter conflicts in the exercise of these duties. For example, if an Other Blackstone Client purchases high-yield securities or other debt instruments of a Portfolio Entity of the Funds, or otherwise occupies a senior (or other different) position in the capital structure of an investment relative to the Funds, Blackstone will encounter conflicts in providing advice to the Funds and to these Other Blackstone Clients with regard to appropriate terms of such high-yield securities or other instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies, among other matters. Less commonly, the Funds could hold an investment that is senior in the capital structure, such as a debt instrument, to an Other Blackstone Client. Although measures described above in “Related Financing Counterparties” can mitigate these conflicts, they cannot completely eliminate them.

Similarly, certain Other Blackstone Clients, including, but not limited to GSO Funds, BAAM Funds and BREDS Funds (including BXMT Funds) may invest in securities of publicly traded companies that are actual or potential investments of the Funds or their Portfolio Entities. The trading activities of Other Blackstone Clients may differ from or be inconsistent with activities that are undertaken for the account of the Funds or their Portfolio Entities in any such securities. In addition, the Funds may not pursue an investment in a Portfolio Entity otherwise within the investment mandate of the Funds as a result of such trading activities by Other Blackstone Clients.

***Related Financing of Counterparties to Acquire Investments or Assets from the Funds and their Portfolio Entities.*** In certain transactions, Other Blackstone Clients will commit to and/or provide financing to third parties that bid for and/or purchase assets of the Funds and their Portfolio Entities. Although Blackstone believes that the participation by Other Blackstone Clients in such debt financings could be beneficial to the Funds by supporting third parties in their efforts to bid on the sale of investments or assets by the Funds, Blackstone will have an incentive to cause the Funds or relevant Portfolio Entity to select to sell an asset to a third party that obtains debt financing from an Other Blackstone Client to the potential detriment of the Funds. Often price is the deciding factor in selecting a winning bid, but other factors at times cause a seller to select another bid. BXGA could thereafter cause the Funds or a Portfolio Entity to sell an investment or asset of the Fund to a bidder that has received financing from an Other

Blackstone Client, even when the bidder has not offered the most consideration for the asset. Limited partners rely on BXGA to select in its sole discretion the best overall bidder in sales of the Funds' investments or assets, despite any conflict related to the parties financing the bidder.

***Co-Investment Opportunities.*** The Funds will co-invest with limited partners, limited partners of the Other Blackstone Clients, Blackstone affiliates and other parties with whom Blackstone has a material relationship. The allocation of co-investment opportunities is entirely and solely in the discretion of BXGA, and it is expected that many investors who may have expressed an interest in co-investment opportunities will not be allocated any co-investment opportunities or may receive a smaller amount of co-investment opportunities than the amount requested. Furthermore, co-investment offered by Blackstone will be on such terms and conditions (including with respect to management fees, performance-based compensation and related arrangements and/or other fees applicable to co-investors) as Blackstone determines to be appropriate in its sole discretion on a case-by-case basis, which may differ amongst co-investors with respect to the same co-investment. In addition, the performance of Other Blackstone Clients co-investing with a Fund is not considered for purposes of calculating the carried interest payable by such Fund to the Sponsor. Furthermore, the Funds and co-investors will often have different investment objectives and limitations, such as return objectives and maximum hold period. Blackstone, as a result, will have conflicting incentives in making decisions with respect to such opportunities. Even if the Funds and any such parties invest in the same securities on similar terms, conflicts of interest will still arise as a result of differing investment profiles of the investors, among other items.

- ***General Co-Investment Considerations:*** There are expected to be circumstances where an amount that would have otherwise been invested by a Fund is instead allocated to co-investors (who may or may not be limited partners or limited partners of Other Blackstone Clients) or supplemental capital vehicles, and there is no guarantee that any limited partner will be offered any particular co-investment opportunity. BXGA will take into account various facts and circumstances deemed relevant by BXGA in allocating co-investment opportunities, including, among others, whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, BXGA's assessment of a potential co-investor's ability to invest an amount of capital that fits the needs of the investment (taking into account the amount of capital needed as well as the maximum number of investors that can realistically participate in the transaction) and BXGA's assessment of a potential co-investor's ability to commit to a co-investment opportunity within the required timeframe of the particular transaction. Additional considerations may also include, among others and without limitation, the size of a potential co-investor's commitments to the Funds, Other Blackstone Clients and strategic third-party investors; whether a potential co-investor has a history of participating in co-investment opportunities with Blackstone; whether a potential co-investor has committed to an Other Blackstone Client; the size of the potential co-investor's interest to be held in the

underlying Portfolio Entity as a result of the Funds' investment (which is likely to be based on the size of the potential co-investor's capital commitment and/or investment in the Funds); whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of Blackstone, the Funds and/or Other Blackstone Clients (including whether a potential co-investor will help establish, recognize, strengthen or cultivate relationships that may provide indirectly longer-term benefits to the Funds or Other Blackstone Clients and their Portfolio Entities, or whether the co-investor has significant capital under management by Blackstone or intends to increase such amount); whether the potential co-investor has an overall strategic relationship (including a Strategic Relationship) with Blackstone that provides it with more favorable rights with respect to co-investment opportunities; whether the co-investor is considered "strategic" to the investment because it is able to offer the Funds certain benefits, including, but not limited to, the ability to help consummate the investment, the ability to aid in operating or monitoring the Portfolio Entity or the possession of certain expertise, the transparency, speed and predictability of the potential co-investor's investment process, whether Blackstone has previously expressed a general intention to seek to offer co-investment opportunities to such potential co-investor, whether a potential co-investor has the financial and operational resources and other relevant wherewithal to evaluate and participate in a co-investment opportunity, the familiarity Blackstone has with the personnel and professionals of the potential co-investor in working together in investment contexts (which may include such potential co-investor's history of investment in the Blackstone Growth Program or Other Blackstone Clients and/or other Blackstone co-investment opportunities), the extent to which a potential co-investor has been provided a greater amount of co-investment opportunities relative to others, the ability of a potential co-investor to invest in potential follow-on or add-on acquisitions for the Portfolio Entity or participate in defensive investments, the likelihood that the potential co-investor would require governance rights that would complicate or jeopardize the transaction (or, alternatively, whether the potential co-investor would be willing to defer to Blackstone and assume a more passive role in governing the Portfolio Entity), any interests a potential co-investor may have in any competitors of the underlying Portfolio Entity, the tax profile of the potential co-investor and the tax characteristics of the investment (including whether or not the potential co-investor would require particular structuring implementation or covenants that would not otherwise be required but for its participation or whether such co-investor's participation is beneficial to the overall structuring of the investment), whether a potential co-investor's participation in the transaction would subject the Funds and/or any of their Portfolio Entities to additional regulatory requirements, review and/or scrutiny, including any necessary governmental approvals required to consummate the investment, the potential co-investor's relationship with the potential management team of the Portfolio Entity, whether the potential co-investor has any existing positions in the Portfolio Entity (whether in the same security in which the Funds are investing or otherwise), whether there is any evidence to suggest that there is a heightened risk with respect to the potential co-investor maintaining confidentiality, whether the potential co-investor has

demonstrated a long-term and/or continuing commitment to the potential success of the Funds, other affiliated funds and/or other co-investments, including the size of such commitment, whether the potential co-investor has any known investment policies and restrictions, guideline limitations or investment objectives that are relevant to the transaction, including the need for distributions, whether the expected holding period and risk-return profile of the investment is consistent with the stated goals of the potential co-investor, and such other factors that Blackstone may in good faith deem relevant and believe to be appropriate in the circumstances. In addition, BXGA and/or its affiliates may be incentivized to offer the other co-invest vehicles and/or other certain potential co-investors opportunities to co-invest since the amount of carried interest and/or Management Fee to which BXGA and/or its affiliates are entitled under the arrangements with such co-investors, including with respect to such co-investor's participation in the Funds and/or Other Blackstone Clients, may depend on, among other things, the extent to which such co-investors participate in co-investments. Blackstone may in the future establish more co-investment vehicles (including dedicated or "standing" co-investment vehicles) for one or more investors (including third party investors and investors in the Funds) in order to co-invest alongside the Funds in one or more future investments. The existence of these vehicles could reduce the opportunity for the limited partners to receive allocations of co-investment, and the amount and frequency of co-investment by any such co-investment vehicles would be at the discretion of BXGA. Also, Blackstone may agree with investors (including limited partners, Blackstone strategic relationships (including Strategic Relationships) and third party investors) to more favorable rights or pre-negotiated terms with respect to co-investment opportunities, including with respect to discounts or rebates of performance-based compensation or Management Fees. To the extent any such arrangements are entered into, they may result in fewer co-investment opportunities being made available to the limited partners. In addition, the allocation of investments to Other Blackstone Clients, including as described under "—Other Blackstone Clients; Allocation of Investment Opportunities" herein, may result in fewer co-investment opportunities to investors who do not participate therein and allocations to the co-investment vehicle may result in the Funds investing less than they would have in the related investments.

Additionally, it can be expected that Blackstone will, from time to time, enter into arrangements or strategic relationships with third parties, including other asset managers, financial firms or other businesses or companies, which, among other things, provide for referral, sourcing or sharing of investment opportunities. Blackstone may pay management fees and performance-based compensation in connection with such arrangements. Blackstone may also provide for or receive reimbursement of certain expenses incurred or received in connection with these arrangements, including diligence expenses and general overhead, administrative, deal sourcing and related corporate expenses. The amount of these rebates may relate to allocations of co-investment opportunities. While it is possible that the Funds will, along with Blackstone

itself, benefit from the existence of those arrangements and / or relationships, it is also possible that investment opportunities that would otherwise be presented to or made by the Funds would instead be referred (in whole or in part) to such third party.

- Additional Potential Conflicts of Interest with respect to Co-Investment; Strategic Relationships Involving Co-Investment: BXGA and its affiliates will in certain circumstances be incentivized to offer certain potential co-investors (including, by way of example, as a part of an overall strategic relationship (including a Strategic Relationship) with Blackstone) opportunities to co-invest in priority or on more favorable terms than other potential co-investors due to the amount of performance-based compensation or Management Fees or other fees paid by the co-investor receiving the priority allocation or better terms (as well as any additional discounts or rebates avoided by allocating co-investments to such co-investor) or other aspects of such co-investor's relationship with Blackstone. The Management Fees, carried interest and other fees received by Blackstone from and the amount of expenses charged to the Funds may be less or more than such amounts paid by or charged to co-investment vehicles pursuant to the terms of such vehicles' partnership agreements and other agreements with co-investors, and such variation in the amount of fees and expenses may create an economic incentive for Blackstone to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles or co-investors, as the case may be. In addition, other terms of existing and future co-investment vehicles may differ materially, and in some instances may be more favorable to Blackstone, than the terms of the Funds, and such different terms may create an incentive for Blackstone to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles, as the case may be. Such incentives will from time to time give rise to conflicts of interest, and there can be no assurance that any investment opportunities that would have otherwise been offered to the Funds or limited partners through co-investment will be made available. Additionally, it can be expected that Blackstone will, from time to time, enter into arrangements or strategic relationships with third parties, including other asset managers, financial firms or other businesses or companies, which, among other things, provide for referral, sourcing or sharing of investment opportunities. Blackstone may pay management fees and performance-based compensation in connection with such arrangements. Blackstone may also provide for or receive reimbursement of certain expenses incurred or received in connection with these arrangements, including diligence expenses and general overhead, administrative, deal sourcing and related corporate expenses. The amount of these rebates may relate to allocations of co-investment opportunities and increase if certain co-investment allocations are not made. While it is possible that the Funds will, along with Blackstone itself, benefit from the existence of those arrangements and relationships, it is also possible that investment opportunities that would otherwise be presented to or made by the Funds would instead be referred (in whole or in part) to such third party, either as a contractual obligation or otherwise, resulting in fewer opportunities (or reduced allocations) being made available to the Funds and/or limited partners.

***Liability Arising From Transactions Entered into Alongside Other Blackstone Clients.***

In addition to regularly participating in investments alongside the Comparable Funds as part of the Blackstone Growth Program, because of the opportunistic and flexible nature of the Blackstone Growth Program investment strategy, Funds may also co-invest from time to time with one or more Other Blackstone Clients (including co-investment or other vehicles in which Blackstone or its personnel invest and that co-invest with such Other Blackstone Clients) in investments that are suitable for both the Funds and such Other Blackstone Clients. Participating in investments alongside Other Blackstone Clients will subject the Funds to a number of risks and conflicts. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for the Funds and Other Blackstone Clients may not be the same. Additionally, the Funds and such Other Blackstone Clients will generally have different investment periods or expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may also impact the allocation of investment opportunities. As such, the Funds and/or such Other Blackstone Clients may dispose of any such shared investment at different times and on different terms.

At times, a transaction counterparty may require facing only one fund entity, which may result in, (i) if a Fund is a direct counterparty to a transaction, such Fund being solely liable with respect to its own share as well as other Funds' and Other Blackstone Clients' shares of any applicable obligations, or (ii) if a Fund is not the direct counterparty, such Fund having a contribution obligation to the relevant other Funds and Other Blackstone Clients. Alternatively, a counterparty may agree to face multiple funds, which could result in a Fund being jointly and severally liable alongside other Funds and Other Blackstone Clients for the full amount of the applicable obligations. In cases in which the Funds could be responsible for the liability of other Funds or an Other Blackstone Client, or vice versa, the applicable parties would generally enter into a back-to-back or other similar contribution or reimbursement agreement.

Likewise, for certain investment-related hedging transactions, it may be advantageous for counterparties to trade solely with the Funds. For these transactions, it is anticipated that the Funds would then enter into back-to-back trade confirmations or other similar arrangements with the relevant other Funds and Other Blackstone Clients. The party owing under such an arrangement may not have resources to pay its liability, however, in which case the other party will bear more than its *pro rata* share of the relevant loss. It is not expected that the Funds or Other Blackstone Clients will be compensated for agreeing to be primarily liable vis-à-vis a third party counterparty. Moreover, in connection with the divestment of all or part of a Portfolio Entity (e.g., an initial public offering), Blackstone will seek to track the ownership interests, liabilities and obligations of the Funds and any Other Blackstone Clients owning an interest in

the Portfolio Entity comprising such operating business, but it is possible that the Funds and Other Blackstone Clients may incur shared, disproportionate or crossed liabilities. Furthermore, depending on various factors including the relative assets, expiration dates, investment objectives and return profiles of each of the Funds and Other Blackstone Clients, it is possible that one or more of them will have greater exposure to legal claims and that they will have conflicting goals with respect to the price, timing and manner of disposition opportunities.

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

***Syndication; Warehousing.*** Blackstone, the Funds, Other Blackstone Clients, joint venture partners, or affiliates or related parties of the foregoing could acquire an investment as principal and subsequently sell some or all of it to other Funds, Other Blackstone Clients and/or co-investment vehicles in an affiliate or related party transaction. Similarly, the Funds may acquire an investment and subsequently syndicate, or sell some or all of it, to Blackstone, other Funds, Other Blackstone Clients, co-investment vehicles (including committed co-investment vehicles), joint venture partners, or affiliates or related parties of the foregoing or other third parties, notwithstanding the availability of capital from the limited partners and other investors thereof or applicable credit facilities. For the avoidance of doubt, certain Funds participating in such investment may not take part in any such syndication in the same manner or to the same extent (if at all) due to legal, regulatory, accounting, administrative or other considerations. BXGA may cause these transfers to be made at cost, or cost plus an interest rate or carrying cost charged from the time of acquisition to the time of transfer, notwithstanding that the fair market value of any such investments may have declined below or increased above cost from the date of acquisition to the time of such transfer. BXGA may also determine another methodology for pricing these transfers, including fair market value at the time of transfer. Also, BXGA may charge fees on these transfers to either or both of the parties to them. Conflicts of interest are expected to arise in connection with these affiliate transactions, including with respect to timing, structuring, pricing and other terms. For example, BXGA will have a potential conflict of interest when BXGA receives fees, including carried interest, from a

Fund or an Other Blackstone Client acquiring from or transferring to the Funds all or a portion of an investment. Furthermore, BXGA and its affiliates have the right to commit to or initially acquire a portion of an investment alongside the Funds if it intends to syndicate such amounts to third parties (which may include one or more limited partners), and to retain such amounts not ultimately syndicated after having used reasonable efforts to syndicate. The equity committed/used in any such underwriting by BXGA and its affiliates may come from Blackstone's own balance sheet and/or from one or more third parties that enter into arrangements with Blackstone with respect thereto, and may come from an Other Blackstone Client. In such circumstances, Blackstone will have the right to earn underwriting and/or syndication fees from the Funds, the portfolio company, or the purchasers of such equity, and the Funds and limited partners will not be entitled to share in or receive the benefit of any such underwriting and/or syndication fees. As a result, BXGA may be incentivized to underwrite and/or syndicate amounts of equity in investments due to the right to earn fees not subject to offset in favor of the limited partners, even if the capital used to underwrite such amounts do not come entirely from the Blackstone's own balance sheet as described above, and Blackstone may share such fees with one or more third parties that commit to such equity investments and may charge purchasers of the equity fees and carried interest with respect thereto. (See also "—Securities and Lending Activities" herein.)

More specifically, the Funds could initially acquire a portion of certain investments (including through borrowings on a subscription based credit facility or from Blackstone itself) intended as co-investments as described herein and syndicate all or part of such co-investments to one or more co-investors (in accordance with the terms of the Organizational Documents within 180 days of the closing of such acquisition at a price equal to the sum of (i) the relevant Fund's acquisition cost for the transferred portion of such co-investment, including any allocable expenses relating thereto and (ii) interest on such amount from the date the partnership acquired such co-investment through the date of such syndication at a rate at least equal to (A) the relevant Fund's cost of funds for the period of time during which such transferred portion was funded by borrowing by such Fund or (B) only to the extent the relevant Fund's acquisition of such co-investment is funded by capital contributions and not, for the avoidance of doubt, borrowings, 8% per annum, prorated based upon the actual number of days elapsed from the date such Fund acquired such co-investment through the date of such syndication). The value of the investment during such period could increase by a greater amount, but the relevant Fund will not receive the full benefit of such increase.

***Break-up and other Similar Fees.*** Break-up or topping fees with respect to the Fund's investments can be paid to BXGA, in which case Management Fees will be offset by the amount of break-up or topping fees attributable to a potential investment by the Funds, but not to any amount attributable to a potential investment by Other Blackstone Clients, Blackstone's side-



by-side co-investment vehicles, permanent capital vehicles, and/or accounts (including Fidelity and Guaranty Life Insurance Company) managed by affiliates of Blackstone and related entities or third parties (See “—Other Blackstone Business Activities” herein). Alternatively, the Funds could receive the break-up or topping fees directly, in which case there will be no Management Fee offset. Break-up or topping fees paid to BXGA or the Funds in connection with a transaction could be allocated, or not, to Other Blackstone Clients or co-investment vehicles that invest (or are expected to invest) alongside the Funds, as determined by BXGA to be appropriate in the circumstances. Generally, BXGA would not allocate break-up or topping fees with respect to a potential investment to the Funds, an Other Blackstone Client or co-investment vehicle unless such person would also share in broken deal expenses related to the potential investment. 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). With respect to fees received by Blackstone relating to the Funds’ investments or from unconsummated transactions, limited partners will not receive the benefit of any fees relating to the Funds’ investments (including, without limitation, as described above). Any fees that result in an offset of the Management Fee only apply to the extent it is made as part of the Funds’ investment in such company. Also, in the case of fees for services as a director of a Portfolio Entity, the Management Fee will not be reduced or offset to the extent any Blackstone personnel continues to serve as a director after the Funds have exited (or is in the process of exiting) the applicable Portfolio Entity and/or following the termination of such employee’s employment with Blackstone. For the avoidance of doubt, although the financial advisory and restructuring business of Blackstone has been spun out, to the extent any investment banking fees, consulting (including management consulting) fees, syndication fees, capital markets syndication and advisory fees (including underwriting fees), origination fees, servicing fees, healthcare consulting / brokerage fees, fees relating to group purchasing, financial advisory fees and similar fees for arranging acquisitions and other major financial restructurings, loan servicing and/or other types of insurance fees, operations fees, financing fees, fees for asset services, title insurance fees, data management and services fees or payments and other similar fees and annual retainers (whether in cash or in kind) are received by Blackstone, such fees will not be required to be shared with the Funds or the limited partners and will not result in any offset to the Management Fee payable by the limited partners.

In connection with certain investments in certain jurisdictions, the Funds may contribute capital contributions made by limited partners for the payment of Management Fees to a holding vehicle formed in connection with such investment to enable such holding vehicle to pay management fees to an affiliate of the BXGA. To the extent the Funds makes such contributions to any such holding vehicle, the Funds will be credited with such amounts as if they had been paid by the Funds to BXGA under the Organizational Documents (and such amounts paid to an

affiliate of BXGA by such holding vehicle will not, for greater certainty, constitute an additional fee that would offset the Management Fee with respect to the Funds, as such amounts do not result in an increase in the total amount of Management Fee paid to BXGA and their affiliates had the Funds paid the entirety of the Management Fee to BXGA).

***Broken Deal Expenses.*** BXGA is not required to and in most circumstances will not seek reimbursement of broken deal expenses (i.e., expenses incurred in pursuit of an investment that is not consummated) from third parties, including counterparties to the potential transaction or potential co-investors (including standing co-invest vehicles established to participate in co-investment opportunities alongside the Funds on a regular or periodic basis and/or as part of an overall co-investment program or arrangement related to the Blackstone Growth Program). Examples of such broken deal expenses include, but are not limited to, reverse termination fees, extraordinary expenses such as litigation costs and judgments, travel and entertainment expenses incurred, costs of negotiating co-investment documentation, and legal, accounting, tax and other due diligence and pursuit costs and expenses). Any such broken deal expenses could, in the sole discretion of BXGA, be allocated solely to the applicable Funds and not to Other Blackstone Clients or co-investment vehicles (including committed co-investment vehicles) that could have made the investment, even when the Other Blackstone Client or co-investment vehicle commonly invests alongside the Funds in its investments or Blackstone or Other Blackstone Clients in their investments (including such standing co-invest vehicles). In such cases the Funds' shares of expenses would increase. In the event broken deal expenses are allocated to an Other Blackstone Client or a co-investment vehicle, BXGA or the applicable Funds may advance such fees and expenses without charging interest until paid by the Other Blackstone Client or co-investment vehicle, as applicable.

***Other Blackstone Business Activities.*** Blackstone, Other Blackstone Clients, their Portfolio Entities, and personnel and related parties of the foregoing will receive fees and compensation, including performance-based and other incentive fees, for products and services provided to the Funds and their Portfolio Entities, such as fees for asset and property management; underwriting, syndication or refinancing of a loan or investment; loan servicing; special servicing; administrative services; advisory services on purchase or sale of an asset or company; investment banking services; placement agent services; fund administration; internal legal and tax planning services; information technology products and services; insurance procurement, brokerage, solutions and risk management services; data extraction and management products and services; and other products and services. Such parties will also provide products and services for fees to Blackstone, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties, as well as third parties. Through its Innovations group, Blackstone incubates businesses that can be expected to provide goods and services to the Funds and Other Blackstone Clients and their Portfolio Entities, as well as other Blackstone

related parties and third parties. By contracting for a product or service from a business related to Blackstone, the Funds and their Portfolio Entities would provide not only current income to the business and its stakeholders, but could also create significant enterprise value in them, which would not be shared with the Funds or limited partners and could benefit Blackstone directly and indirectly. Also, Blackstone, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties may receive compensation or other benefits, such as through additional ownership interests or otherwise, directly related to the consumption of products and services by the Funds and their Portfolio Entities. The Funds and their Portfolio Entities will incur expenses in negotiating for any such fees and services, which will be treated as partnership expenses.

The Funds will, as determined by BXGA and as permitted by the Organizational Documents, bear the cost of fund administration, in-house legal, tax planning and other related services provided by Blackstone personnel and related parties to the Funds and their Portfolio Entities, including the allocation of their compensation and related overhead otherwise payable by Blackstone, or pay for their services at market rates. Such allocations or charges can be based on any of the following methodologies: (i) requiring personnel to periodically record or allocate their historical time spent with respect to the Funds or Blackstone approximating the proportion of certain personnel's time spent with respect to the Funds, and in each case allocating their compensation and allocable overhead based on time spent, or charging their time spent at market rates, (ii) the assessment of an overall dollar amount (based on a fixed fee or percentage of assets under management) that Blackstone believes represents a fair recoupment of expenses and a market rate for such services or (iii) any other similar methodology determined by Blackstone to be appropriate under the circumstances. Certain Blackstone personnel will provide services to few, or only one, of the Funds and Other Blackstone Clients, in which case Blackstone could rely upon rough approximations of time spent by the employee for purposes of allocating the salary and overhead of the person if the market rate for services is clearly higher than allocable salary and overhead. However, any methodology (including the choice thereof) involves inherent conflicts and may result in incurrence of greater expenses by the Funds and their Portfolio Entities than would be the case if such services were provided by third parties.

BXGA, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties could continue to receive fees, including performance-based or incentive fees, for the services described in the preceding paragraphs with respect to investments sold by the Funds or a Portfolio Entity to a third party buyer after the sale is consummated. Such post-disposition involvement will give rise to potential or actual conflicts of interest, particularly in the sale process. Moreover, BXGA, Other Blackstone Clients and their Portfolio Entities, and

their affiliates, personnel and related parties may acquire a stake in the relevant asset as part of the overall service relationship, at the time of the sale or thereafter.

BXGA does not have any obligation to ensure that fees for products and services contracted by the Funds or their Portfolio Entities are at market rates unless the counterparty is considered an “Affiliate” of Blackstone, as defined in the Organizational Documents, and given the breadth of Blackstone’s investments and activities BXGA may not be aware of every commercial arrangement between the Funds and their Portfolio Entities, on the one hand, and Blackstone, Other Blackstone Clients and their Portfolio Entities, and personnel and related parties of the foregoing, on the other hand.

Except as set forth above, the Funds and limited partners will not receive the benefit (e.g., through an offset to the Management Fee or otherwise) of any fees or other compensation or benefit received by BXGA or its affiliates and their personnel and related parties (see also “— Service Providers, Vendors and Other Counterparties Generally” herein). BXGA and its affiliates and their personnel and related parties will receive fees attributable to Other Blackstone Clients (including co-investment vehicles) and third parties and, without limiting the generality of the foregoing, the amount of such fees allocable to Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) will not result in an offset of the Management Fees payable by limited partners or otherwise be shared with the Funds, their Portfolio Entities or the limited partners, even if (i) such Other Blackstone Clients (including 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 pay a management fee or carried interest) or (ii) such fees result in an offset to management fees or carried interest payable by any of such Other Blackstone Clients (including co-investment vehicles). As noted in “Co-Investment Opportunities” above, this creates an incentive for Blackstone to offer co-investment opportunities and may result in other fees being received more frequently (or exclusively) with investments that involve co-investment.

**Data Management Services.** Blackstone or an affiliate of Blackstone formed in the future may provide data management services to Portfolio Entities and may also provide such services directly to the Funds and Other Blackstone Clients (collectively, “Data Holders”). Such services may include assistance with obtaining, analyzing, curating, processing, packaging, organizing, mapping, holding, transforming, enhancing, marketing and selling such data (among other related data management and consulting services) for monetization through licensing or sale arrangements with third parties and, subject to the limitations in the Organizational Documents and any other applicable contractual limitations, with the Funds, Other Blackstone Clients, Portfolio Entities and other Blackstone affiliates and associated entities (including funds in

which Blackstone and Other Blackstone Clients make investments, and Portfolio Entities thereof). Where Blackstone believes appropriate, data from one Data Holder may be pooled with data from other Data Holders. Any revenues arising from such pooled data sets would be allocated between applicable Data Holders on a fair and reasonable basis as determined by BXGA in its sole discretion, with BXGA able to make corrective allocations should it determine subsequently that such corrections were necessary or advisable. Blackstone is expected to receive compensation for such data management services, which may include a percentage of the revenues generated through any licensing or sale arrangements with respect to the relevant data, and which compensation may also include fees, royalties and cost and expense reimbursement (including start-up costs and allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses)) will not be subject to the Management Fee offset provisions or otherwise shared with the Funds or limited partners. Additionally, Blackstone may determine to share the products from such Data Management Services within Blackstone or its affiliates (including Other Blackstone Clients or their Portfolio Entities) at no charge and, in such cases, the Data Holders may not receive any financial or other benefit from having provided such data to Blackstone. The potential receipt of such compensation by Blackstone may create incentives for Blackstone to cause the Funds to invest in Portfolio Entities with a significant amount of data that it might not otherwise have invested in or on terms less favorable than it otherwise would have sought to obtain.

***Securities and Lending Activities.*** Blackstone, its affiliates and their related parties and personnel participate in underwriting and lending syndicates and otherwise act as arrangers of financing, including with respect to the public offering and private placement of debt or equity securities issued by, and loan proceeds borrowed by, the Funds and their Portfolio Entities. Underwritings and financings can be on a firm commitment basis or on an uncommitted, or “best efforts”, basis, and the underwriting or financing parties are under no duty to provide any commitment unless specifically set forth in the relevant contract. Blackstone may also provide placement or other similar services to purchasers or sellers of securities, including loans or instruments issued by Portfolio Entities. A Blackstone broker-dealer will from time to time act as the managing underwriter, a member of the underwriting syndicate or broker for the Funds or their Portfolio Entities, or as dealer, broker or advisor to a counterparty to the Funds or a Portfolio Entity, and purchase securities from or sell securities to the Funds, Other Blackstone Clients or Portfolio Entities of the Funds and Other Blackstone Clients. Blackstone will also from time to time, on behalf of the Funds or their Portfolio Entities, or other parties to a transaction involving the Funds or their Portfolio Entities, effect transactions, including transactions in the secondary markets, that result in commissions or other compensation paid to Blackstone by the Funds or their Portfolio Entities or the counterparty to the transaction, thereby creating a potential conflict of interest. This could include, by way of example, fees and/or commissions for equity syndications to co-investment vehicles. Subject to applicable law, Blackstone will

from time to time receive underwriting fees, discounts, placement commissions, loan modification or restructuring fees, servicing fees, capital markets advisory fees, lending arrangement fees, asset / property management fees, insurance (including title insurance) fees and consulting fees, monitoring fees, commitment fees, syndication fees, origination fees, organizational fees, operational fees, loan servicing fees and financing and divestment fees (or, in each case, rebates in lieu of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where Blackstone, an Other Blackstone Client or their Portfolio Entities are purchasing debt) or other compensation with respect to the foregoing activities, which are not required to be shared with the Funds or the limited partners, and the Management Fee with respect to a limited partner generally will not be reduced by such amounts. BXGA has sole discretion to approve the foregoing arrangements if BXGA believes in good faith that such transactions are appropriate for the Funds.

Sales of securities for the account of the Funds and their Portfolio Entities will from time to time be bunched or aggregated with orders for other accounts of Blackstone including Other Blackstone Clients. It could be impossible, as determined by BXGA in its sole discretion, to receive the same price or execution on the entire volume of securities sold, and the various prices may therefore be averaged which may be disadvantageous to the Funds.

When Blackstone serves as underwriter with respect to securities of the Funds or their Portfolio Entities, the Funds and such Portfolio Entities could be subject to a “lock-up” period following the offering under applicable regulations during which time the Funds or their Portfolio Entity would be unable to sell any securities subject to the “lock-up”. This may prejudice the ability of the Funds and their Portfolio Entities to dispose of such securities at an opportune time. (See also “—Related Financing Counterparties” and “—Portfolio Entity Relationships Generally” herein.)

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

**PJT.** 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, an independent financial advisory firm founded by Paul J. Taubman. While the combined business operates independently from Blackstone and is not an affiliate thereof, 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 will arise in connection with transactions between or involving the Funds and their Portfolio Entities, on the one hand, and PJT, on the other. The pre-existing relationship between Blackstone and its former personnel involved in financial and strategic

advisory services at PJT, the overlapping ownership and co-investment and other continuing arrangements between PJT and Blackstone may influence BXGA to select or recommend PJT to perform services for the Funds or their Portfolio Entities, the cost of which will generally be borne directly or indirectly by the Funds and limited partners. Given that PJT is no longer an affiliate of Blackstone, BXGA and its affiliates will be free to cause the Funds and Portfolio Entities to transact with PJT generally without restriction under the Organizational Documents, notwithstanding the relationship between Blackstone and PJT. (See also “—Service Providers, Vendors and Other Counterparties Generally” herein.)

***Portfolio Entity Relationships Generally.*** Portfolio Entities of the Funds and Other Blackstone Clients are and will be counterparties or participants in agreements, transactions or other arrangements with the Funds, Other Blackstone Clients and Portfolio Entities of the Funds and other investment funds managed by Blackstone or other Blackstone affiliates for the provision of goods and services, purchase and sale of assets and other matters. These agreements, transactions and other arrangements will involve payment of fees and other amounts and /or other benefits to Blackstone, a Blackstone affiliate and / or a Portfolio Entity, none of which will result in any offset to the Management Fees, notwithstanding that some of the services provided by a Portfolio Entity are similar in nature to the services provided by BXGA. Such agreements, transactions and other arrangements will generally be entered into without the consent or direct involvement of the Funds and/or such Other Blackstone Clients or the consent of the limited partners or L.P. Advisory Committee or limited Partners of such Other Blackstone Clients (including, without limitation, in the case of minority investments by the Funds in such Portfolio Entities or the sale of assets from one Portfolio Entity to another). This is because, among other considerations, Portfolio Entities of the Funds and Portfolio Entities of Other Blackstone Clients are not considered affiliates of Blackstone, the Funds or BXGA under the Organizational Documents. There can be no assurance that the terms of any such agreement, transaction or other arrangement will be as favorable to the Funds as otherwise would be the case if the counterparty were not related to Blackstone.

In addition, it is possible that certain Portfolio Entities of the Funds, Other Blackstone Clients or entities in which Other Blackstone Clients have an interest will compete with the Funds for one or more investment opportunities. It is also possible that certain Portfolio Entities of Other Blackstone Clients or companies in which the Other Blackstone Clients have an interest will engage in activities that may have adverse consequences on the Funds and/or their Portfolio Entities (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 their Portfolio Entities being used to satisfy the obligations or liabilities of one or more other Funds, Other Blackstone Clients, their Portfolio Entities and/or affiliates).

In addition, Blackstone and affiliates of Blackstone may also establish other investment products, vehicles and platforms focusing on specific asset classes or industry sectors that fall within the Funds' investment strategies, which may compete with the Funds for investment opportunities (it being understood that such arrangements may give rise to conflicts of interest that may not necessarily be resolved in favor of the Funds).

In addition, Portfolio Entities with respect to which the Funds may elect members of the board of directors may, as a result, subject the Funds and/or such directors to fiduciary obligations to make decisions that they believe to be in the best interests of any such Portfolio Entity. Although in most cases the interests of the Funds and any such Portfolio Entity will be aligned, this may not always be the case. This may create conflicts of interest between the relevant director's obligations to any such Portfolio Entity and its stakeholders, on the one hand, and the interests of the Funds, on the other hand. Although BXGA will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for the Funds.).

***Portfolio Entity Service Providers and Vendors.*** The Funds and their Portfolio Entities may engage Portfolio Entities of the Funds and Other Blackstone Clients to provide corporate support services (including, without limitation, accounting/audit (including valuation support services), account management, corporate secretarial services, data management, directorship services, finance/budget, human resources, information technology, judicial processes, legal, operational coordination (i.e., coordination with JV partners, property managers), risk management, tax and treasury) and other services. Similarly, Other Blackstone Clients and their Portfolio Entities can be expected to engage Portfolio Entities of the Funds to provide some or all of these services. Some of the services performed by Portfolio Entity service providers could also be performed by BXGA from time to time and vice versa. Fees paid by the Funds or their Portfolio Entities to other Portfolio Entity service providers do not offset or reduce the Management Fee payable by the investors of the Funds and are not otherwise shared with the Funds, unless otherwise required by the Organizational Documents.

Portfolio entities of the Funds and Other Blackstone Clients that can be expected to provide services to the Funds and their Portfolio Entities include, without limitation, the following, and may include additional Portfolio Entities that may be formed or acquired in the future:

*BCP / BTO Management.* BCP / BTO Management ("BCP / BTO Management") is a Luxembourg-based company established in 2012 to centralize various resources supporting the maintenance and day-to-day management and administration of certain



Luxembourg holding companies controlled by certain of the Other Blackstone Clients. BCP / BTO Management is entirely owned by Other Blackstone Clients. In certain cases, the funds which use BCP / BTO Management's services may contribute capital to fund the costs of BCP / BTO Management. Key service functions provided by BCP / BTO Management include domiciliation, accounting, regulatory and tax reporting and compliance. All costs associated with BCP / BTO Management's services and operations (including any BCP / BTO Management employee compensation and other general overhead) will be ultimately borne by the Other Blackstone Clients that own or use BCP / BTO Management. These shared costs are intended to be allocated and charged on a cost sharing basis to the individual fund related entities utilizing the services of BCP / BTO Management based on the type and level of services provided and may include a mark-up, though BCP / BTO Management is generally intended to operate on a nominal profit basis. The General Partners endeavor to allocate fees and expenses associated with BCP / BTO Management fairly and equitably, which allocation involves certain methodologies based on actual data pertaining to the services provided. The General Partners believe that these methodologies result in a fair and equitable allocation of expenses. To the extent ownership of BCP / BTO Management is transferred between the Funds and Other Blackstone Clients, such transfer will generally be consummated for minimal or no consideration, and without obtaining any consent from any L.P. Advisory Committee and/or the limited partners (or of the Funds).

*BTIG.* BTIG, LLC ("BTIG") is a global financial services firm in which certain Blackstone entities own a strategic minority investment. BTIG provides institutional trading, investment banking, research and related brokerage services and may provide goods and services for the Blackstone Growth Program or its Portfolio Entities.

*Optiv.* Optiv Security, Inc. 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 Blackstone Growth Program or its Portfolio Entities.

*Refinitiv.* On October 1, 2018, a consortium led by Blackstone announced that private equity funds managed by Blackstone had completed an acquisition of Thomson Reuters' Financial & Risk business ("Refinitiv"). Refinitiv operates a pricing service that provides valuation services and may provide goods and services for the Blackstone Growth Program and its Portfolio Entities.

The Funds and their Portfolio Entities will compensate one or more of these service providers and vendors owned by the Funds or Other Blackstone Clients, including through incentive

based compensation payable to their management teams and other related parties. Some of these service providers and vendors owned by the Funds or Other Blackstone Clients will charge the Funds and their Portfolio Entities for goods and services at rates generally consistent with those available in the market for similar goods and services. The discussion regarding the determination of market rates under “—Blackstone Affiliated Service Providers” herein applies equally in respect of the fees and expenses of the Portfolio Entity service providers, if charged at rates generally consistent with those available in the market. Other service providers and vendors owned and controlled by the Funds or Other Blackstone Clients pass through expenses on a cost reimbursement, no-profit or break-even basis, in which case the service provider allocates costs and expenses directly associated with work performed for the benefit of the Funds and their Portfolio Entities to them, along with any related tax costs and an allocation of the service provider’s overhead, including any of the following: salaries, wages, benefits and travel expenses; marketing and advertising fees and expenses; legal, accounting and other professional fees and disbursements; office space and equipment; insurance premiums; technology expenditures, including hardware and software costs; costs to engage recruitment firms to hire employees; diligence expenses; one-time costs, including costs related to building-out and winding-down a Portfolio Entity; taxes; and other operating and capital expenditures. Any of the foregoing costs, although allocated in a particular period, may relate to activities occurring outside the period, and therefore the Funds could pay more than their *pro rata* portion of fees for services. The allocation of overhead among the entities and assets to which services are provided may be based on any of a number of different methodologies, including, without limitation, “cost” basis as described above, “time-allocation” basis, “per unit” basis, “per square footage” basis or “fixed percentage” basis. There can be no assurance that a different manner of allocation would result in the Funds and their Portfolio Entities bearing less or more costs and expenses. Furthermore, Blackstone will generally not perform or obtain any benchmarking analysis or third party verification of expenses with respect to services provided on a cost reimbursement, no profit or break even basis and will not offset the Management Fee with respect to the Fund. There can be no assurances that amounts charged by Portfolio Entity service providers that are not controlled by the Funds or Other Blackstone Clients will be consistent with market rates or that any benchmarking, verification or other analysis will be performed with respect to such charges. If benchmarking is performed, the related expenses will be borne by the Funds, Other Blackstone Clients and their respective Portfolio Entities. A Portfolio Entity service provider may subcontract certain of its responsibilities to other Portfolio Entities. In such circumstances, the relevant subcontractor could invoice the Portfolio Entity for fees (or in the case of a cost reimbursement arrangement, for allocable costs and expenses) in respect of the services provided by the subcontractor. The Portfolio Entity, if charging on a cost reimbursement, no-profit or break-even basis, would in turn allocate those costs and expenses as it allocates other fees and expenses as described above. Similarly, Other Blackstone Clients,

their Portfolio Entities and Blackstone can be expected to engage Portfolio Entities of the Funds to provide services, and these Portfolio Entities will generally charge for services in the same manner described above, but the Funds and their Portfolio Entities generally will not be reimbursed for any costs (such as start-up costs) relating to such Portfolio Entities incurred prior to such engagement.

Portfolio Entity service providers described in this section are generally owned and controlled by one or more Blackstone funds, such as the Funds and Other Blackstone Clients. In certain instances, a similar company could be owned and controlled by Blackstone directly. Blackstone could cause a transfer of ownership of one of these service providers from the Funds to an Other Blackstone Client, or from an Other Blackstone Client to the Funds.

***Service Providers, Vendors and Other Counterparties Generally.*** Certain third party advisors and other service providers and vendors to the Funds and their Portfolio Entities (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents and investment or commercial banking firms) are owned by Blackstone, the Funds or Other Blackstone Clients or provide goods or services to, or have other business, personal, financial or other relationships with, Blackstone, the Funds, the Other Blackstone Clients and their respective Portfolio Entities and affiliates and personnel of the foregoing. Such advisors and service providers referred to above may be investors in the Funds or Other Blackstone Clients, affiliates of the General Partners, sources of financing and investment opportunities or co-investors or commercial counterparties or entities in which Blackstone, the Funds and/or Other Blackstone Clients have an investment, and payments by the Funds and/or such entities may indirectly benefit Blackstone, the Funds, the Other Blackstone Clients and their respective Portfolio Entities or any affiliates or personnel of the foregoing. Also, advisors, lenders, investors, commercial counterparties, vendors and service providers (including any of their affiliates or personnel) to the Funds and their Portfolio Entities could have other commercial or personal relationships with Blackstone, the Funds, Other Blackstone Clients and their respective Portfolio Entities, or any affiliates, personnel or family members of personnel of the foregoing. Although Blackstone selects service providers and vendors it believes are most appropriate in the circumstances based on its knowledge of such service providers and vendors (which knowledge is generally greater in the case of service providers and vendors that have other relationships to Blackstone), the relationship of service providers and vendors to Blackstone as described above will influence Blackstone in deciding whether to select, recommend or form such an advisor or service provider to perform services for the Funds or a Portfolio Entity, the cost of which will generally be borne directly or indirectly by the Funds and may incentivize Blackstone to engage such service provider over a third party, utilize the services of such service providers and vendors more frequently than would be the case absent the conflict, or to pay such service providers and vendors higher fees or commissions than would be the case absent

the conflict. The incentive could be created by current income and/or the generation of enterprise value in a service provider or vendor; Blackstone may also have an incentive to invest in or create service providers and vendors to realize on these opportunities. Furthermore, Blackstone will from time to time encourage third party service providers to the Funds to use other service providers and vendors in which Blackstone has an interest, and Blackstone has an incentive to use third party services providers who do so as a result of the additional business for the related service providers and vendors. Fees paid by the Funds or their Portfolio Entities to or value created in these service providers and vendors do not offset or reduce the Management Fee payable by the limited partners of the Funds and are not otherwise shared with the Funds unless required by the Organizational Documents. In the case of brokers, Blackstone has a best execution policy that it updates from time to time to comply with regulatory requirements in applicable jurisdictions.

Blackstone has a general practice of not entering into any arrangements with advisors, vendors or service providers that provide lower rates or discounts to Blackstone itself compared to those available to the Funds and their Portfolio Entities for the same services. However, legal fees for unconsummated transactions are often charged at a discount rate, such that if the Funds and their Portfolio Entities consummate a higher percentage of transactions with a particular law firm than Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, the limited partners could indirectly pay a higher net effective rate for the services of that law firm than Blackstone, the Funds or Other Blackstone Clients or their Portfolio Entities. Also, advisors, vendors and service providers often charge different rates or have different arrangements for different types of services. For example, advisors, vendors and service providers often charge fees based on the complexity of the matter as well as the expertise and time required to handle it. Therefore, to the extent the types of services used by the Funds and their Portfolio Entities are different from those used by Blackstone, Other Blackstone Clients and their Portfolio Entities, and their affiliates and personnel, the Funds and their Portfolio Entities may pay different amounts or rates than those paid by such other persons. Similarly, Blackstone, the Funds, the Other Blackstone Clients and their Portfolio Entities and affiliates 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 or provide discounts or rebates for such counterparty's products or services depending on the volume of transactions in the aggregate or other factors.

The Funds, Other Blackstone Clients and their Portfolio Entities are expected to enter into joint ventures with third parties to which the service providers and vendors described above will provide services. In some of these cases, the third party joint venture partner may negotiate to not pay its pro rata share of fees, costs and expenses to be allocated as described above, in

which case the Funds, Other Blackstone Clients and their Portfolio Entities that also use the services of the Portfolio Entity service provider will, directly or indirectly, pay the difference, or the Portfolio Entity service provider will bear a loss equal to the difference.

Blackstone may, from time to time, encourage service providers to the Funds and its investments to use, at market rates and/or on arm's length terms, Blackstone-affiliated service providers in connection with the business of the Funds, Portfolio Entities, and unaffiliated entities. This practice provides an indirect benefit to Blackstone in the form of added business for Blackstone-affiliated service providers.

Certain portfolio companies that provide services to the Funds, Other Blackstone Clients and/or portfolio companies or assets of the Funds and/or Other Blackstone Clients may be transferred between and among the Funds and/or Other Blackstone Clients (where the Funds may be a seller or a buyer in any such transfer) for minimal or no consideration (based on a third party valuation confirming the same) and without the approval of the L.P. Advisory Committee, the Independent Client Representative and/or the limited partners. Such transfers may give rise to actual or potential conflicts of interest for BXGA and its affiliates.

With respect to transactions or agreements with Portfolio Entities (including, for the avoidance of doubt, long-term incentive plans), at times if unrelated officers of a Portfolio Entity have not yet been appointed, Blackstone may negotiate and execute agreements between Blackstone and/or the Funds on the one hand, and the Portfolio Entity 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. Among the measures Blackstone may use to mitigate such conflicts is to involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms.

***Blackstone Affiliated Service Providers.*** In addition to the service providers (including Portfolio Entity service providers) and vendors described above, the Funds and their Portfolio Entities will engage in transactions with one or more businesses that are owned or controlled by Blackstone directly, not through one of its funds, including the businesses described below. These businesses may also enter into transactions with other counterparties of the Funds and their Portfolio Entities, as well as service providers, vendors and limited partners of the Funds. Blackstone could benefit from these transactions and activities through current income and creation of enterprise value in these businesses. No fees charged by these service providers and vendors will offset or reduce Management Fees, unless otherwise required by the Organizational Documents. Furthermore, Blackstone, the Funds, the Other Blackstone Clients and their Portfolio Entities and their affiliates and related parties will use the services of these Blackstone affiliates, including at different rates. Although Blackstone believes the services

provided by its affiliates are equal or better than those of third parties, Blackstone directly benefits from the engagement of these affiliates, and there is therefore an inherent conflict of interest.

Blackstone affiliated service providers and vendors, include, without limitation:

*BPM.* Blackstone Property Management is a Blackstone affiliate that provides property management, leasing oversight, corporate services (including accounting and reporting), development and construction management, and transaction support services to certain of the Funds' investment properties primarily located in the United Kingdom and continental Europe.

*COE.* The Blackstone Center of Excellence, located in Gurgaon, India (the "COE") is a captive center of resources administered by ThoughtFocus Technologies LLC, an independent firm in which Blackstone holds a minority position and participates as a member of the board. The COE is expected to perform services for both Blackstone and the Funds which may have historically been performed by Blackstone personnel, such as fund administrative services, data collection and management services, and technology implementation and support services, some of which will be paid for by the Funds.

*Aquicore.* Aquicore is a cloud-based platform that tracks, analyzes and predicts key metrics in real estate focused on the reduction of energy consumption. Blackstone holds a minority investment in Aquicore.

*Equity Healthcare.* Equity Healthcare LLC ("Equity Healthcare") is a Blackstone affiliate that 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, which include unaffiliated third parties, Equity Healthcare is able to negotiate pricing terms that are believed to be more favorable than those that the Portfolio Entities could obtain on an individual basis.

*LNLS.* Blackstone wholly owns a leading national title agency, Lexington National Land Services ("LNLS"). LNLS acts as an agent for one or more underwriters in issuing title policies and/or providing support services in connection with investments by the Funds, Other Blackstone Clients and third parties. LNLS focuses on transactions in rate-regulated U.S. states where the cost of title insurance is non-negotiable. LNLS will not perform services in nonregulated U.S. states for the Funds and Other Blackstone Clients unless (i) in the context of a portfolio transaction that includes assets in rate-regulated U.S. states, (ii) as part of a syndicate of title insurance companies where the rate is

negotiated by other insurers or their agents, (iii) when a third party is paying all or a material portion of the premium or (iv) when providing only support services to the underwriter and not negotiating the title policy or issuing it to the insured. LNLS earns fees, which would have otherwise been paid to third parties, by providing title agency services and facilitating the placement of title insurance with underwriters. Blackstone receives distributions from LNLS in connection with investments by the Funds based on Blackstone's equity interest in LNLS. In each case, there will be no related offset to the Funds. As a result, while Blackstone believes that LNLS will provide services at or better than those provided by third parties (even in jurisdictions where insurance rates are regulated), there is an inherent conflict of interest that would incentivize Blackstone to engage LNLS over a third party.

The Funds could acquire from or sell to Blackstone a service provider as an investment of the Funds or participate alongside Blackstone in the acquisition of a service provider. Blackstone is expected to establish a valuation methodology in relation to any such sale or acquisition by the Funds of a service provider. In addition, before entering into any transaction with respect to any such service provider, it is anticipated that Blackstone will obtain any consents that may be required under the U.S. Investment Advisers Act of 1940, as amended from time to time (the "Advisers Act") or other applicable laws or regulations.

Certain Blackstone-affiliated service providers and their respective personnel will receive a management promote, an incentive fee and other performance-based compensation in respect of investments of the Funds, sales or other transaction volume. Furthermore, Blackstone-affiliated service providers may charge costs and expenses based on allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses).

The Sponsor will make determinations of market rates (i.e., rates that fall within a range that the Sponsor has determined is reflective of rates in the applicable market and certain similar markets, though not necessarily equal to or lower than the median rate of comparable firms) based on its consideration of a number of factors, which are generally expected to include the Sponsor's experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by the Sponsor to be appropriate under the circumstances. In respect of benchmarking, while Blackstone often obtains benchmarking data regarding the rates charged or quoted by third parties for services similar to those provided by Blackstone affiliates in the applicable market or certain similar markets, relevant comparisons may not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers or users of such services or the confidential or bespoke nature of such services (e.g., different assets may receive different services). In addition, benchmarking

data is based on general market and broad industry overviews, rather than determined on an asset by asset basis. As a result, benchmarking data does not take into account the particular characteristics of services provided. For these reasons, such market comparisons may not result in precise market terms for comparable services. Expenses to obtain benchmarking data will be borne by the Funds, Other Blackstone Clients and their respective Portfolio Entities and will not offset the Management Fee with respect to the Funds. Finally, in certain circumstances the Sponsor may determine that third party benchmarking is unnecessary, either because the price for a particular good or service is mandated by law (e.g., title insurance in rate-regulated U.S. states) or because Blackstone has access to adequate market data to make the determination without reference to third party benchmarking. Some of the services performed by Blackstone-affiliated service providers could also be performed by the Sponsor from time to time and vice versa. Fees paid by the Funds or their Portfolio Entities to Blackstone-affiliated service providers are not shared with the Funds, unless otherwise required by the Organizational Documents.

In addition, Blackstone's Treasury group currently provides foreign currency exchange ("FX") services to the Funds and Other Blackstone Clients for FX trades under a certain threshold. Based on its current practices (which are subject to change in the future), at the request of the Funds or an Other Blackstone Client, the Blackstone Treasury group will exchange foreign currencies from Blackstone's own account on behalf of the Funds or Other Blackstone Client based on the end of day mid-market rate published by Bloomberg on the immediately preceding business day, and does not currently charge any fees for providing such service (apart from the same market-rate bank/wire fees the Funds or Other Blackstone Client would incur on any FX payment or receipt regardless of counterparty).

***Transactions with Clients of Blackstone Insurance Solutions.*** Blackstone Insurance Solutions ("BIS") is a business unit of Blackstone that is comprised of two affiliated registered investment advisers. BIS provides investment advisory services to insurers (including insurance companies that are owned, directly or indirectly, by Blackstone or Other Blackstone Clients, in whole or in part). Actual or potential conflicts of interest will likely arise in relation to the funds, vehicles or accounts BIS advises or sub-advises, including accounts where an insurer participates in investments directly and there is no separate vehicle controlled by Blackstone (collectively, "BIS Clients"). BIS Clients have invested and are expected to continue investing in Other Blackstone Clients and the Funds. BIS Clients will also participate in transactions related to the Funds and/or their Portfolio Entities (e.g., as originators, co-originators, counterparties or otherwise). Other transactions in which BIS Clients will participate include, without limitation, investments in debt or other securities issued by Portfolio Entities or other forms of financing to Portfolio Entities (including special purpose vehicles established by the Funds or such Portfolio Entities). When investing alongside the Funds or their Portfolio Entities or in other transactions related to the Funds or their Portfolio Entities, BIS Clients may not invest or divest at the same time or on



the same terms as the Funds or the applicable Portfolio Entities. BIS Clients will also from time to time acquire investments directly or indirectly from the Funds. In circumstances where the Sponsor determines in good faith that the conflict of interest is mitigated in whole or in part through various measures that Blackstone or the Sponsor implements, the Sponsor is not required and does not intend to seek approval of the L.P. Advisory Committee or the limited partners. In order to seek to mitigate any potential conflicts of interest with respect to such transactions (or other transactions involving BIS Clients), Blackstone may, in its discretion, involve independent members of the board of a Portfolio Entity or a third party stakeholder in the transaction to negotiate price and terms on behalf of the BIS Clients or otherwise cause the BIS Clients to “follow the vote” thereof, and/or cause an independent client representative or other third party to approve the investment or otherwise represent the interests of one or more of the parties to the transaction. In addition, Blackstone or the Sponsor may limit the percentage interest of the BIS Clients participating in such transaction, or obtain appropriate price quotes or other benchmarks, or, alternatively, a third-party price opinion or other document to support the reasonableness of the price and terms of the transaction. BIS will also from time to time require the applicable BIS Clients participating in a transaction to consent thereto (including in circumstances where the Sponsor does not seek the consent of the L.P. Advisory Committee or the limited partners). There can be no assurance that any such measures or other measures that may be implemented by Blackstone will be effective at mitigating any actual or potential conflicts of interest. Moreover, under certain circumstances (e.g. where a BIS Client participates in a transaction directly (and not through a vehicle controlled by Blackstone) and independently consents to participating in a transaction), a BIS Client will not be an “Affiliate” under the Organizational Documents, in which case any limitations or obligations pursuant to the Organizational Documents with respect to transactions with “Affiliates” will not apply.

***Transactions with Portfolio Entities.*** Blackstone and Portfolio Entities of the Funds and Other Blackstone Clients provide products and services to or otherwise contract with the Funds and their Portfolio Entities, among others. Blackstone, the Funds and Other Blackstone Clients and their respective Portfolio Entities and personnel and related parties of the foregoing can be expected to make referrals or introductions to Portfolio Entities of the Funds or Other Blackstone Clients. In the alternative, Blackstone may form a joint venture (or other business relationship) with such a Portfolio Entity to implement such arrangements, pursuant to which the joint venture or business provides services (including, without limitation, corporate support services, loan management services, management services, operational services, risk management services, data management services, consulting services, brokerage services, insurance procurement, placement, brokerage and consulting services, and other services to such Portfolio Entities that are referred to the joint venture or business by Blackstone. Such referrals may be made by Blackstone in an effort, in part, to increase the customer base of such

companies or businesses (and therefore the value of the investment held by the Funds or Other Blackstone Clients) or because such referrals or introductions will, in certain circumstances, result in financial benefits, such as cash payments, additional equity ownership, participation in revenue share and/or milestones benefitting the referring or introducing party that are tied or related to participation by the Portfolio Entities of the Funds and/or of Other Blackstone Clients, accruing to the party making the introduction. Such joint venture or business could use data obtained from such Portfolio Entities (see “—Data.” herein.) herein. The Funds and the limited partners typically will not share in any fees, economics, equity or other benefits accruing to Blackstone, Other Blackstone Clients and their Portfolio Entities as a result of the introduction of the Funds and their Portfolio Entities. There may, however, be instances in which the applicable arrangements provide that the Funds or their Portfolio Entities share in some or all of any resulting financial incentives (including, in some cases, equity ownership) based on structures and allocation methodologies determined in the sole discretion of Blackstone. Conversely, where the Funds or one of their Portfolio Entities 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 Clients or their respective Portfolio Entities.

With respect to transactions or agreements with Portfolio Entities (including, for the avoidance of doubt, long-term incentive plans) occurring at times when unrelated officers of a Portfolio Entity are not appointed, Blackstone may negotiate and execute agreements on behalf of the Portfolio Entity with Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities and affiliates and other related parties. These negotiations would not be arm’s length and would entail conflicts of interest. Among the measures Blackstone may use to mitigate such conflicts is to involve outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms, or establish separate groups with information barriers within Blackstone to advise on each side of the negotiation.

***Related Party Leasing.*** The Funds and their Portfolio Entities may lease property to or from Blackstone, Other Blackstone Clients and their Portfolio Entities and affiliates and other related parties. The leases are generally expected to be at market rates. Blackstone may confirm market rates by reference to other leases it is aware of in the market, which Blackstone expects to be generally indicative of market given the scale of Blackstone’s real estate business. Blackstone will nonetheless have conflicts of interest in making these determinations. There can be no assurance that the Funds and their Portfolio Entities will lease to or from any such related parties on terms as favorable to the Funds and their Portfolio Entities as would apply if the counterparties were unrelated.

**Asset Pooling.** The Funds may pool certain investments with one or more Other Blackstone Clients (any such pool, an “Asset Pool”), including for the purposes of obtaining leverage or other financing, or seeking a full or partial exit from one or more investments including through securitization. In such circumstances an Asset Pool may be managed or controlled by BXGA or any of its affiliates (or Other Blackstone Client) and securities or other interests in the Asset Pool will be owned by the Funds and other affiliated funds. The consummation of any such transaction will generally not require the consent of the L.P. Advisory Committee or the limited partners and will involve the exercise of BXGA’s and its affiliates’ discretion with respect to a number of material matters, which may give rise to actual or potential conflicts. For example, in connection with such transactions, BXGA will have broad discretion to determine whether and to what extent such a transaction constitutes a disposition of the contributed assets under the terms of the Organizational Documents, to determine the proportionate interest of the Funds and the Other Blackstone Client in the Asset Pool (or particular classes or tranches of securities or others interests in the Asset Pool), which will require BXGA and its affiliates to determine the relative value of assets contributed to the Asset Pool and value of securities or interests (or particular classes or tranches thereof) issued by the Asset Pool, and to determine how interests in or proceeds from the Asset Pool are attributed to those limited partners that participated in such contributed assets, each of which may have a material impact on limited partners’ returns in respect of such investments or the Funds more generally. In making these determinations BXGA and its affiliates may, but are not required to, engage or seek the advice of any third party independent expert, however even if such advice was sought, valuing such assets and interests and, therefore, the value of the Funds’ interest in, or proceeds received from, any Asset Pool, will be subjective. The Funds will generally be exposed to the performance of all assets in an Asset Pool and those investments contributed to the Asset Pool by Other Blackstone Clients may not perform as well as those investments contributed by the Funds. Accordingly the returns of the Funds of in respect of investments contributed by it may be lower than if they had not been contributed to the Asset Pool.

**Cross-Guarantees and Cross-Collateralization.** Although the Sponsor will make reasonable efforts to avoid any cross-guarantees or similar obligations between the Funds and Other Blackstone Clients that participate in investments alongside the Funds (other than other Funds and alternative investment vehicles), in certain circumstances the Funds and their Portfolio Entities may enter into cross-collateralization arrangements (including with respect to Asset Pools) with Comparable Funds, Other Blackstone Clients (including co-investment vehicles) and their Portfolio Entities, particularly in circumstances in which better financing terms are available through a cross-collateralized arrangement. Also, it is expected that cross-collateralization will generally occur at Portfolio Entities rather than the Funds for obligations that are not recourse to the Funds except in limited circumstances such as “bad boy” events. Any cross-collateralization arrangements with Other Blackstone Clients could result in the

Funds losing their interests in otherwise performing investments of other Funds due to poorly performing or non-performing investments of Other Blackstone Clients in the collateral pool. (See also “—Liability Arising From Transactions Entered into Alongside Other Blackstone Clients.” herein.)

Similarly, a lender could require that it face only one Portfolio Entity of the Funds and Other Blackstone Clients, even though multiple Portfolio Entities of the Funds and Other Blackstone Clients benefit from the lending, which will typically result in (i) the Portfolio Entity facing the lender being solely liable with respect to the entire obligation, and therefore being required to contribute amounts in respect of the shortfall attributable to other Portfolio Entities, and (ii) Portfolio Entities of the Funds and Other Blackstone Clients being jointly and severally liable for the full amount of the obligation, liable on a cross-collateralized basis or liable for an equity cushion (which cushion amount may vary depending upon the type of financing or refinancing (e.g., cushions for refinancings may be smaller)). The Portfolio Entities of the Funds and Other Blackstone Clients benefiting from a financing may enter into a back-to-back or other similar reimbursement agreements to ensure no Portfolio Entity bears more than its *pro rata* portion of the debt and related obligations. It is not expected that the Portfolio Entities would be compensated (or provide compensation to other Portfolio Entities) for being primarily liable, or jointly liable, for other Portfolio Entities *pro rata* share of any financing.

**Joint Venture Partners.** The Funds will from time to time enter into one or more joint venture arrangements with third party joint venture partners. Investments made with joint venture partners will often involve performance-based compensation and other fees payable to such joint venture partners, as determined by BXGA in its sole discretion. The joint venture partners could provide services similar to those provided by BXGA to the Funds. Yet, no compensation or fees paid to the joint venture partners would reduce or offset Management Fees or carried interest payable to BXGA. Additional conflicts would arise if a joint venture partner is related to Blackstone in any way, such as a limited partner investor in, lender to, a shareholder of, or a service provider to Blackstone, the Funds, Other Blackstone Clients, or their respective Portfolio Entities, or any affiliate, personnel, officer or agent of any of the foregoing.

**Group Procurement; Discounts.** The Funds and their Portfolio Entities will enter into agreements regarding group procurement (including, but not limited to, an independent group purchasing organization), benefits management, purchase of title and/or other insurance policies (which may include brokerage and/or placement thereof), and will from time to time be discounted due to scale or pooled across Portfolio Entities, including through sharing of deductibles and other forms of shared risk retention from a third party or a Blackstone affiliate, and other operational, administrative or management related initiatives. Blackstone will allocate the cost of these various services and products purchased on a group basis among the Funds, Other Blackstone Clients and their Portfolio Entities. Some of these arrangements result

in commissions, discounts, rebates or similar payments to Blackstone, its affiliates, their personnel or Other Blackstone Clients and their Portfolio Entities, including as a result of transactions entered into by the Funds and their Portfolio Entities, and such commissions or payment will not be subject to the Management Fee offset provisions. Blackstone may also receive consulting or other fees from the parties to these group procurement arrangements. To the extent that a Portfolio Entity of an Other Blackstone Client is providing such a service, such Portfolio Entity or Other Blackstone Client will benefit. Further, the benefits received by the particular Portfolio Entity providing the service may be greater than those received by the Funds and their Portfolio Entities receiving the service. Conflicts exist in the allocation of the costs and benefits of these arrangements, and limited partners rely on BXGA to handle them in its sole discretion.

***Diverse Limited Partner Group.*** The limited partners of the Funds 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 participate in the same investments as the Funds. The conflicting interests of limited partners and investors in other investment vehicles would generally relate to or arise from, among other things, the nature, structuring, financing, tax profile and timing of disposition of investments of the Funds. BXGA may as a result have conflicts in making these decisions, which may be more beneficial for one or more (but not all) limited partners than for other limited partners. In addition, the Funds may make investments that may have a negative impact on related investments made by the limited partners in separate transactions. In selecting and structuring investments appropriate for the Funds, BXGA will consider the investment and tax objectives of the Funds and their partners as a whole (and those of investors in 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 investors individually. Additionally, BXGA may elect to exclude certain limited partners from particular investments of the Funds for legal, tax, regulatory or other reasons applicable to any such investment, in which case non-excluded limited partners shall be allocated a greater proportionate interest in such investment. In addition, certain limited partners and/or the investors in the Funds may also be investors in Other Blackstone Clients, including supplemental capital vehicles and co-investment vehicles that may invest alongside the Funds in one or more investments, which could create conflicts for BXGA in the treatment of different limited partners. The limited partners may also include affiliates of Blackstone, such as Other Blackstone Clients, affiliates of Portfolio Entities of the Funds or Other Blackstone Clients, or charities, foundations or other entities or programs associated with Blackstone personnel, founders, executives, entrepreneurs and/or current or former Blackstone personnel, Blackstone's senior advisors, and any such affiliates, funds or persons may also invest in the Funds or through the vehicles established in connection with Blackstone's side-by-side co-

investment rights, in each case, without being subject to management fees or carried interest (or otherwise on more favorable terms), and the limited partners will not be afforded the benefits of such arrangements. Some of the foregoing Blackstone-related parties are sponsors of feeder vehicles that could invest in the Funds as limited partners. The Blackstone-related sponsors of feeder vehicles generally charge their investors additional fees, including performance based fees, which could provide Blackstone current income and increase the value of its ownership position in them. Blackstone will therefore have incentives to refer potential investors to these feeder vehicles. All of these Blackstone-related limited partners will have equivalent rights to vote and withhold consents as non-related limited partners, unless otherwise provided by the terms of the applicable governing agreements. Nonetheless, Blackstone may have the ability to influence, directly or indirectly, these Blackstone related limited partners. It is also possible that the Funds or the Funds' Portfolio Entities may be counterparties (such counterparties dealt with on an arm's-length basis) or participants in agreements, transactions or other arrangements with a limited partner or an affiliate of a limited partner. Such transactions may include agreements to pay performance fees to a management team and other related 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. Such limited partners described in the previous sentences may therefore have different information about Blackstone and the Funds than limited partners not similarly positioned. In addition, conflicts of interest may arise in dealings with any such limited partner, and BXGA and its affiliates may not be motivated to act solely in accordance with its interests relating to the Fund. (See also "— Other Blackstone Business Activities" above.) Similarly, not all limited partners and investors monitor their investments in vehicles such as the Funds in the same manner. For example, certain limited partners or other investors in the Blackstone Growth Program may periodically request from BXGA information regarding the Funds and/or their Portfolio Entities and investments (and the Blackstone Growth Program) that is not otherwise included in the reporting and other information delivered to all limited partners—for instance, pre-quarterly reporting valuation. In such circumstances, BXGA may provide such information to such limited partners and not to other limited partners. As a result, certain limited partners may receive more information from BXGA about the Funds and their Portfolio Entities, or may receive information about the Funds and their Portfolio Entities at an earlier time, than other limited partners, and BXGA will have no duty to ensure all limited partners receive the same information regarding the Blackstone Growth Program, the Funds and Portfolio Entities. Therefore, certain limited partners may be able to take actions on the basis of such information which, in the absence of such information, other limited partners do not take. Furthermore, at certain times Blackstone may be restricted from disclosing to the limited partners material non-public information regarding any assets in which the Funds invest, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is

publicly registered co-invests with the Funds. In addition, investment banks or other financial institutions, as well as Blackstone personnel, may also be limited partners or limited partners of Other Blackstone Clients. These institutions and personnel are a potential source of information and ideas that could benefit the Funds, and may receive information about the Funds and their Portfolio Entities in their capacity as a service provider or vendor to the Funds and their Portfolio Entities.

***Affiliated Investors.*** Certain limited partners and/or other investors in the Blackstone Growth Program, including current and/or former senior advisors, officers, directors and personnel of Blackstone, Portfolio Entities of the Funds and Other Blackstone Clients, including the BTAS Funds and BIS Clients, personnel of PJT and charitable programs, endowment funds and related entities established by or associated with any of the foregoing (including any trusts, family members, family investment vehicles, estate planning vehicles, descendant, trusts and other related persons or entities), and other persons related to Blackstone, will not pay Management Fees or performance-based carried interest in connection with their investment in or alongside the Funds. Notwithstanding the foregoing, such limited partners will either directly pay for their *pro rata* share of certain partnership expenses, or the *pro rata* amount of such expenses will be allocated to BXGA or its affiliates. Such *pro rata* allocation of partnership expenses may be calculated based on capital commitments, invested capital, available capital or other metrics as determined by BXGA in good faith. Any such methodology (including the choice thereof) involves inherent conflicts and may not result in perfect attribution and allocation of expenses. In addition, to the extent current and/or former partners, employees, advisors and other persons referred to above, including their charitable programs, endowment funds, estate planning vehicles (including any trusts, family members, family investment vehicles, descendant, trusts and other related persons and entities) and related entities, make capital commitments and/or otherwise invest in or alongside the Funds, any such amounts may, in the General Partner's sole discretion, be treated as satisfying the applicable portion of any required capital commitment of the General Partner and/or its affiliates to the Funds (even in circumstances where any such commitments or investments are made following a separation from Blackstone).

***Limited Partners' Outside Activities.*** A limited partner shall be entitled to and may have business interests and engage in activities in addition to those relating to the Funds, including business interests and activities in direct competition with the Funds and their Portfolio Entities, and may engage in transactions with, and provide services to, the Funds or their Portfolio Entities (which may include providing leverage or other financing to the Funds or their Portfolio Entities as determined by BXGA in its sole discretion). None of the Funds, any limited partner or any other person shall have any rights by virtue of the Organizational Documents or

any related agreements in any business ventures of any limited partner. The limited partner, and in certain cases BXGA, will have conflicting loyalties in these situations.

***Subscription Credit Facility.*** The Funds are expected to enter into and utilize one or more subscription credit facilities, which involve potential conflicts of interest. Subject to the limitations in the Organizational Documents, the use of a subscription credit facility by the Funds is within the Sponsor's discretion. Subject to the limitations set forth in the Organizational Documents and the availability and the terms of any subscription-based credit facility for the Funds, the Sponsor has adopted a policy relating to the use of fund-level credit facilities for the Funds. Generally and without limiting the foregoing, the Funds may seek to utilize a subscription credit facility for the purpose of, among other things, financing any investment-related activities of the Funds (such as for assets that the Funds do not intend to hold for a long term period), covering partnership expenses, organizational expenses, Management Fees, servicing fees and any other costs of the Funds, making distributions to partners, providing permanent financing or refinancing or providing interim financing to consummate the purchase of investments of the Funds. The amount of credit available to the Funds and Other Blackstone Clients under any subscription credit facility may be determined by the credit quality of the limited partners and the limited partners of Other Blackstone Clients (including co-investment vehicles) party thereto (collectively, "Program LPs") as determined by the lender, which determination may be based in part on terms agreed to with Program LPs by the General Partner or its affiliates (and the lender may determine that certain limited partners or Other Blackstone Clients have little or no credit quality). For this reason Program LPs with a higher credit quality, as determined by the lender, generate more credit for the Funds or the Other Blackstone Clients, as applicable, than Program LPs with a lower credit quality, which results in an indirect benefit conferred by the higher credit quality Program LPs to the others.

Calculations of net and gross internal rates of return ("IRR") in respect of investment and performance data referred to in the Organizational Documents of a Fund, and as reported to limited partners from time to time, are based on the payment date of capital contributions received from limited partners. This treatment also applies in instances where a fund utilizes borrowings under a fund's subscription credit facility in lieu of, or in advance of receiving capital contributions from limited partners to repay any such borrowings. As a result, use of a subscription credit facility (or other long-term leverage) will impact calculations of returns and will result in a higher or lower reported IRR than if the amounts borrowed had instead been funded through capital contributions made by the limited partners to the Funds. If the use increases the IRR, as it normally does, the Sponsor will have various incentives to use the subscription credit facility, including marketing efforts of Other Blackstone Clients. For example, use of leverage arrangements may accelerate or increase distributions of carried interest to the Sponsor, providing an economic incentive to fund investments of the Funds through borrowings



in lieu of capital contributions. In addition, the Sponsor may receive a greater amount of Management Fees and servicing fees if following the investment period borrowings under the facility utilized in lieu of a combination of limited partners' capital and non-recourse financing for investments of the Funds that remain outstanding. Moreover, the costs and expenses of any such borrowings will generally be allocated among the Funds and Other Blackstone Clients, as applicable, *pro rata* or on such other basis that the Sponsor determines to be more equitable under the circumstances, which will increase the expenses borne by applicable limited partners and would be expected to diminish net cash on cash returns. In addition, for investments in U.S. corporations by U.S. tax exempt limited partners, there may be incremental tax costs related to so-called unrelated business taxable income (UBTI).

The Funds expect to utilize subscription credit facilities and enter into other similar arrangements and extensions of credit for the benefit of co-investors, joint venture partners and Other Blackstone Clients, including Blackstone side-by-side arrangements, which invest alongside the Funds in one or more investments. For example, the Funds may draw from a borrowing to fund a joint venture partner's or co-investor's *pro rata* share of an investment or expense related to an investment. In such circumstances, BXGA generally intends to disclose such arrangements as part of the periodic reporting or other appropriate communications relating to the Funds and to cause any such co-investors, joint venture partners and Other Blackstone Clients to bear (or reimburse the Funds for) their *pro rata* share of any interest expenses (but not necessarily origination and other costs) allocable to such extensions of credit. BXGA may receive direct and indirect benefits from such uses as well, including as a result of the facilitation of co-investment by Other Blackstone Clients.

**Insurance.** The Funds will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure the Funds, Portfolio Entities, BXGA, Blackstone and their respective directors, officers, employees, agents, Independent Client Representative (if any) and representatives, and members of the L.P. Advisory Committee and other indemnified parties (and in certain circumstances, such person's agents and representatives), 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," group or other insurance policies maintained by Blackstone that cover one or more of the Funds, Other Blackstone Clients, BXGA and/or Blackstone (including their respective directors, officers, employees, agents, Independent Client Representative (if any), representatives, members of any L.P. Advisory Committees or any L.P. representatives and other indemnified parties). BXGA will make judgments about the allocation of premiums, fees, costs and expenses for such "umbrella," group or other insurance policies among the Funds, Other Blackstone Clients, BXGA and/or Blackstone on a fair and reasonable basis, in their sole discretion, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable.

Similarly, the Funds and their Portfolio Entities may enter into arrangements with Other Blackstone Clients and their respective Portfolio Entities whereby insurance is procured as a group where the insurance provider may charge lower premiums to the group than it would on an individual basis. In such event, the obligation to pay the premiums on such group policies may be allocated in accordance with the relative values of the respective entities that are insured by such policies (or other factors that Blackstone may reasonably determine). Additionally, the Funds and Other Blackstone Clients (and their respective Portfolio Entities) may jointly contribute to a pool of funds that may be used to pay losses that are subject to the deductibles on any group insurance policies, which contributions may similarly be allocated in accordance with the relative values of the respective assets that are insured by such policies (or other factors that Blackstone may reasonably determine). (See also “—Service Providers, Vendors and Other Counterparties Generally” herein.)

Blackstone may make corrective allocations from time to time should it determine subsequently that such adjustments are necessary or advisable. There can be no assurance that a different allocation or arrangement than those implemented by Blackstone as provided above would not result in the Funds and their Portfolio Entities bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies.

**Other Conflicts.** In addition, other present and future activities of Blackstone, the Funds, Other Blackstone Clients and their Portfolio Entities, affiliates (including BXGA) and related parties will from time to time give rise to additional conflicts of interest relating to the Funds and their investment activities. BXGA generally attempts to resolve conflicts in a fair and equitable manner, but conflicts will not necessarily be resolved in favor of the Funds’ interests. In addition, pursuant to the Organizational Documents, an L.P. Advisory Committee will be established and authorized to give consent on behalf of the Funds with respect to certain matters. If the L.P. Advisory Committee consents to a particular matter and BXGA acts in a manner consistent with, or pursuant to the standards and procedures approved by, such L.P. Advisory Committee, or otherwise as provided in the Organizational Documents, then BXGA and its affiliates will not have any liability to the applicable Fund or the limited partners for such actions taken in good faith by them. However, the L.P. Advisory Committee will not represent the interests of all the limited partners, each member of the L.P. Advisory Committee may act in the interests of the limited partner with which it is associated, and the members of the L.P. Advisory Committee may themselves be subject to various conflicts of interest. In general, the limited partners will not be entitled to control the selection of members of the L.P. Advisory Committee or to review the actions or deliberations of the L.P. Advisory Committee. Furthermore, some or all of the members of the L.P. Advisory Committee may also be on the advisory committee of Other Blackstone Clients with which there is a potential conflict or may represent investors that have an interest in both the Fund and such Other Blackstone Client.

Such L.P. Advisory Committee members will not be precluded from participating in discussions with respect to, or from voting on, such transactions that involve potential conflict of interests.

In the case of an appointment of an Independent Client Representative as provided herein, to the extent that the Independent Client Representative is to review a proposed transaction or other conflict, the Independent Client Representative shall consist of one or more persons with substantial experience in, and knowledge of, the relevant market and related investment arenas who are independent of the Sponsor and Blackstone. The Sponsor shall have the right to remove or replace an Independent Client Representative at any time or appoint more than one Independent Client Representative to address separate conflicts in its discretion. An Independent Client Representative may be paid a fee by a Fund to be determined by the Sponsor. To the fullest extent permitted by applicable law, an Independent Client Representative shall not owe any fiduciary duty to a Fund, any limited partner or the limited partners as a group in connection with the activities of such Independent Client Representative, and an Independent Client Representative shall not have any obligation to act in the interests of a Fund, any limited partner or the limited partners as a group or any other duty to a Fund, any limited partner or the limited partners as a group other than a duty to act in good faith.

In addition, other present and future activities of Blackstone and its affiliates (including BXGA) 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, BXGA will attempt to resolve such conflicts in a fair and equitable manner. With respect to certain transactions that give rise to material conflicts of interest between or among the Funds, Blackstone and/or its affiliates where the interests of the Funds are generally aligned, BXGA may in its discretion seek approval for such material conflict of interests on behalf of the Funds as a whole (a “Collective Consent”). Such Collective Consent will be effective upon the consent of a “majority in interest” of the investors participating or expected to participate in the applicable investment, determined based on the amounts invested or to be invested in such investment. In cases where different groups of investors have conflicting interests vis-à-vis each other, the Collective Consent of each group of investors sharing an alignment of interest, respectively, may be sought by BXGA and such Collective Consent will apply to all investors in such group. For purposes of the foregoing, with respect to any Comparable Fund that is structured as a commingled investment fund and which has a limited partner advisory committee or representative, the consent of such limited partner advisory committee or representative will be deemed to relate to the entire amount invested or to be invested in the related investment by such commingled investment fund. Therefore, each limited partner should be aware that (i) conflicts will not necessarily be resolved in favor of the Funds’ interests and (ii) the limited partners will be deemed to have approved any conflict of interest that is approved by a “majority in interest” of

the limited partners as set forth above, even if a limited partner actually voted against the approval of such conflict of interest.

***Additional Potential Conflicts of Interest.*** The officers, directors, members, managers and personnel of BXGA may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law and Blackstone policies or as otherwise determined from time to time by BXGA. In addition, as a consequence of Blackstone's status as a public company, the officers, directors, members, managers and personnel of BXGA may take into account certain considerations and other factors in connection with the management of the business and affairs of the Funds and their affiliates that would not necessarily be taken into account if Blackstone were not a public company. The directors of Blackstone have fiduciary duties to shareholders of the public company that may conflict with their duties to the Fund. Finally, although Blackstone believes its positive reputation in the marketplace provides benefit to the Funds and Other Blackstone Clients, BXGA could decline to undertake investment activity or transact with a counterparty on behalf of the Funds for reputational reasons, and this decision could result in the Funds foregoing a profit or suffering a loss.

#### **Other Financial Industry Affiliations**

BXGA is an affiliate of the following entities:

<b>Broker-Dealer Entities</b>	
Blackstone Advisory Partners L.P.	Provides a variety of limited investment banking services
Dealerweb Inc.*	Operates as an interdealer broker in fixed income securities including U.S. government mortgage-backed securities, repurchase agreements, U.S. treasuries, collateralized mortgage obligations, asset backed securities, EFPs, and municipal securities; and operates as an alternative trading system for fixed income securities
FEF Distributors LLC*	Serves as distributor and principal underwriter to the First Eagle mutual funds and private investment funds
Alight Financial Solutions, LLC*	Provides self-directed brokerage windows to participants of plan sponsored 401(k) retirement plans
Incenter Securities Group LLC*	Provides a variety of limited investment banking services

Redi Global Technologies LLC*	Operates an EMS ("REDI") that provides advanced trading functionality and the ability to transact across multiple asset classes from a single front-end
Redi Technologies Ltd*	The FCA entity that operates "REDI" EMS, that provides advanced trading functionality and the ability to transact across multiple asset classes from a single front-end
Refinitiv Transaction Services Limited*	UK registered company, whose main activity is the provision of electronic trading venues for foreign exchange spot and forward/swaps foreign exchange instruments
Tradeweb Europe Limited*	Operates a fully-disclosed electronic trading platform for fixed income securities, certain derivatives and money market instruments in the United Kingdom and throughout the European economic area
Tradeweb L.L.C.*	Operates a fully-disclosed electronic trading platform for fixed income securities, certain derivatives and money market instruments
Tradeweb Direct LLC*	Operates an alternative trading system for taxable and tax-exempt fixed income securities and serves as a venue for matching buyers and sellers in the fixed income marketplace for retail sized orders
<b>Investment Advisor Entities</b>	
Alight Financial Advisors, LLC*	Provides advisory services to participants of plan sponsored 401(k) retirement plans
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 and UCITS
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 Communications Advisors I L.L.C.	Provides investment advisory services to a private investment fund specializing in communications-related private equity investments
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 Infrastructure Advisors L.L.C.	Provides investment advisory services to one or more infrastructure-focused investment funds
Blackstone ISG-I Advisors L.L.C.	Provides investment advisory services to one or more private investment funds and managed accounts focusing on fixed income investments and investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic asset management strategies
Blackstone ISG-II 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 asset management strategies
Blackstone Life Sciences Advisors L.L.C.	Provides investment advisory services to various private investment funds specializing in the life sciences industry
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 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 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 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
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
Clarus Ventures, LLC	Provides investment advisory services to various private investment funds specializing in the life sciences industry
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 Asset Management LLC	Provides investment advisory services to a debt-focused registered investment fund electing to do business as a business development company
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 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
Harvest Fund Advisors LLC	Provides investment advisory services to various categories of institutions and high net worth individuals via private pooled investment vehicles and separate accounts investing principally in publicly-traded energy infrastructure Master Limited Partnerships and the North American energy market
Incenter Capital Management LLC*	Provides investment advisory services to mortgage related asset private funds and managed accounts
First Eagle Private Credit Advisors, LLC*	Provides investment advisory services to a number of CLO's, private investment funds and separately managed accounts specializing in liquid credit
First Eagle Commercial Loan Originator II LLC*	Provides investment advisory services to CLO's specializing in middle market credit
First Eagle Private Credit, LLC*	Provides investment advisory services to a number of CLO's, private investment funds and separately managed accounts specializing in middle market credit
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
Refinitiv Global Markets Inc. (D/B/A IFR Markets, Municipal Market Data)*	Provides investment advisory services to U.S. treasuries and U.S. municipal markets



Blackstone Advisors India Private Limited	India investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Europe Fund Management S.a.r.l.	Provides services to various alternative investment funds
Blackstone Singapore Pte Ltd	Singapore investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also provides investment advisory services to funds controlled by the registrant
The Blackstone Group (Australia) Pty Limited	Australian investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
The Blackstone Group (HK) Limited	Hong Kong investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also has a broker-dealer license for fund marketing
The Blackstone Group International Partners LLP	U.K. investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
The Blackstone Group Japan K.K.	Japanese investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also has a broker-dealer license for fund marketing
Blackstone Real Estate Australia Pty	Australia investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also provides investment advisory services to funds controlled by the registrant
Blackstone (Shanghai) Equity Investment Management Co. Ltd.	Chinese investment advisory firm, which serves as sub-advisor to affiliates of the registrant
Blackstone (Shanghai) Equity Investments Management Co. Ltd. – Beijing Branch Office	Chinese investment advisory firm, which serves as sub-advisor to affiliates of the registrant
The Blackstone Group Spain SLU	Spain investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Assessoria em Investimento Ltda.	Brazilian investment advisory firm, which serves as a sub-advisor to the registrant
BX Mexico Advisors S.A. de C.V.	Mexican advisory entity which provides services to certain publicly registered trusts
<b>Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities</b>	
Blackstone Alternative Investment Advisors LLC (CTA/CPO)	Provides investment advisory services to open end mutual funds and UCITS

Blackstone Alternative Asset Management L.P. (CTA/CPO)	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 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. (CPO)	Manages private funds engaged in acquisitions of minority interests in alternative asset managers
Blackstone Treasury Solutions Advisors L.L.C. (CPO)	Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products
<b>Insurance Entities</b>	
Agents National Title Holding Company*	A wholly owned subsidiary of Incenter and is a title insurance broker serving consumers and lenders through a network of independent title agents
Boston National Holdings LLC*	A wholly owned subsidiary of Incenter and is a title insurance agency
HealthMarkets Insurance Agency, Inc.*	An independent health insurance agency that distributes healthcare and Medicare advantage insurance products from more than 200 insurance companies, as well as its own underwritten supplemental insurance products
Lexington National Land Services	Places title insurance and provide title services for real property owned by various funds and/or their portfolio entities
Partners Life Limited*	Life and medical insurance company in New Zealand
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 Blackstone fund

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

Various management and marketing personnel are registered with our broker-dealer, BAP, which serves 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

BXGA 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 it manages. All BXGA 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.

BXGA 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 BXGA meets its fiduciary obligations to BXGA’s investors (or prospective investors) and to instill a culture of compliance within BXGA. 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. BXGA 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 and Affiliations** for a list of investment related potential conflicts, including, in particular, “Other Blackstone Clients; Allocation of Investment Opportunities” describing conflicts related to allocation of investment opportunities among investment funds sponsored by Blackstone and co-investors. BXGA has adopted policies and procedures to address such potential conflicts of interest.

BXGA 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 Blackstone's clients. BXGA 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. As a policy matter, Blackstone personnel are generally prohibited from purchasing single-name public securities in their self-directed personal securities brokerage accounts. 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 Omar Rehman – Chief Compliance Officer; 212-583-5000; [Omar.Rehman@blackstone.com](mailto:Omar.Rehman@blackstone.com).

## **Item 12 – Brokerage Practices**

BXGA does not generally trade in public securities; however, in the event BXGA executes a brokerage transaction for the Funds (e.g. trades in public securities or enters into hedging transactions), BXGA 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

The Funds' accounts and investment positions are monitored by BXGA personnel on a regular and current basis. The BXGA Investment Committee meets as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent trading activities. The BXGA Investment Committee consists of approximately 9 persons, which is comprised of executive officers of Blackstone, business heads of Blackstone's various investment businesses and certain BXG senior managing directors. The Investment Committees may also draw on regional and/or sector experts within Blackstone as appropriate given the specific profile of each investment opportunity. BXGA conducts regular monitoring of its portfolio companies utilizing a number of processes designed to focus on and measure progress against the key components of the value-added business plan. These processes include, but are not limited to, ongoing monitoring by the BXGA deal and asset management teams, quarterly valuation meetings, and monthly financial reporting from the Portfolio Entities. BXGA may periodically review on an expedited basis the assets of the Funds following a unique occurrence in the financial industry or market generally.

### Reports to Investors

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

Certain investors in the Funds may request additional information relating to the Funds and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, BXGA 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**

BXGA is expected to have distribution and/or placement agent arrangements with a number of unaffiliated third parties. In a typical distribution or placement agent arrangement, BXGA agrees to pay a third party solicitor for referring investors into a Fund. Typically, third-party solicitors will be compensated based upon a percentage of the commitment size of the investors they refer (although other payment arrangements could exist). If third party solicitors are engaged, a prospective investor solicited by a third party solicitor will be informed of (and may be asked to acknowledge in writing its understanding of) any such arrangement. All fees for such solicitation services will be ultimately paid/borne by BXGA through a corresponding reduction in the Management Fee by BXGA or otherwise and none of the investors in the Funds will be subject to any increased or additional fees or charges. Third-party solicitors in the U.S. may be registered as broker-dealers with the SEC. Third-party solicitors outside the U.S. will be registered with a non-U.S. regulatory body to the extent such registration is required in the applicable non-U.S. jurisdiction.

BAP, an affiliate of Blackstone, serves as a placement agent to the Funds in the U.S. but is not compensated for such services.



## **Item 15 – Custody**

Rule 206(4)-2, as amended (the “Custody Rule”), of the Advisers Act defines custody as holding client securities or funds or having any authority to obtain possession of them. The Funds have BXGA affiliates acting as General Partners and, as such, BXGA is deemed to have custody of the Funds’ funds. BXGA generally 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**

BXGA 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 BXGA will generally be deemed to have authority to vote proxies relating to the companies in which its clients invest, BXGA has adopted a set of policies and procedures (together, the “Policy”) in compliance with the Proxy Rule. To the extent that BXGA 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 BXGA in its sole discretion. Notwithstanding the foregoing, because proxy proposals and individual company facts and circumstances may vary, BXGA may not always vote proxies in accordance with the Policy. In addition, many possible proxy matters are not covered in the Policy. Generally, BXGA will vote proxies in favor of management’s recommendations, including, but not limited to, the following matters: (i) the election of the board of directors; (ii) the approval of financial statements as presented by management; and (iii) will generally vote in favor of the selection of independent auditors even if the proposed auditor is currently the auditor of The Blackstone Group Inc. In certain cases where an investment is made with Blackstone-affiliated or unaffiliated sponsors, proxy voting may be delegated to such other sponsors (each such sponsor a “Voting Sponsor”) provided that Blackstone reasonably believes that such Voting Sponsor’s policies regarding proxy voting are consistent with the Policy.

From time to time, conflicts may arise between the interests of the investor, on the one hand, and the interests of BXGA or its affiliates, on the other hand. If BXGA determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, BXGA will address matters involving such conflicts of interest on a case-by-case basis by consulting with the Chief Compliance Officer subject to legal, regulatory, contractual or other applicable considerations. The analysis will be documented. BXGA, 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 Proxy Rule by contacting Omar Rehman – Chief Compliance Officer; 212-583-5000; [Omar.Rehman@blackstone.com](mailto:Omar.Rehman@blackstone.com).

## **Item 18 – Financial Information**

BXGA does not charge fees more than six months in advance, 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 BXGA is not registered in any state.