



STRATEGIC PARTNERS FUND SOLUTIONS ADVISORS L.P.

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Form ADV, Part 2 – the “Disclosure Brochure” or “Brochure” – as required by the Investment Advisers Act of 1940 (the “**Advisers Act**”) provides important information about Strategic Partners Fund Solutions Advisors L.P. (the “**Registrant**”).

This Brochure provides information about the Registrant’s qualifications and business practices. If you have any questions about the contents of this brochure, please contact the Registrant at +1 (212) 583-5000. Additional information about the Registrant also is available at the SEC’s website www.adviserinfo.sec.gov (click on the link “Investment Adviser Search”, select “Investment Adviser Firm” and type in the Registrant’s name). The search results will provide you with Parts 1 and 2A of the Registrant’s Form ADV.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority. The Registrant is a registered investment adviser with the SEC. The Registrant’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications provided to you, including this Brochure, may be used to evaluate the Registrant and should be considered in your decision to hire the Registrant or to continue to maintain a mutually beneficial relationship.

Item 2 – Material Changes

This brochure contains important information about the Registrant. This brochure is intended to provide potential and existing clients with an overview of the Registrant (together with its affiliates, “**Blackstone**” or the “**Firm**”). It also contains important disclosures such as certain practices of the Registrant, potential material conflicts that may arise and key investment risks.

This Brochure has been updated since its last amendment dated March 31, 2015 (i) to reflect additional discussion of the Registrant’s investment risks and potential conflicts of interest and (ii) to reflect the additional advisory services provided by the Registrant with respect to its Primary Advisory Accounts (as defined and more fully described below).

In connection with the closing of the transaction pursuant to which Blackstone acquired the right to manage the business and affairs of certain secondary private investment funds previously managed by affiliates of Credit Suisse Group AG (collectively, the “**Legacy Sponsor**”) as part of its Strategic Partners business (the “**Transaction**” and, such funds, the “**Funds**”), the Registrant (i) changed its name to Strategic Partners Fund Solutions Advisors L.P. and (ii) assumed the investment advisory agreements relating to the Funds.

As a result of the Transaction, the Registrant became the investment adviser to the Funds, which focus primarily on making investments in mature private investment fund interests through secondary market purchases, and no longer serves as investment adviser with respect to any Blackstone-sponsored private investment funds that focus primarily on making direct investments in debt and “mezzanine” interests (which advisory responsibilities have been assigned to an affiliate of Blackstone) (the “**Prior Funds**”).

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Item 4 – Advisory Business

A. Description of the Registrant

The Registrant serves as investment manager for pooled investment and custom vehicles operating as private investment funds, which focus primarily on making secondary investments in or relating to mature private investment funds, and may in certain circumstances include funds in which affiliates or employees of the Registrant invest alongside such other private investment funds (previously defined, collectively, as the “**Funds**”). Affiliates of the Registrant serve as general partner (each, a “**General Partner**”) of the Funds. In addition, the Registrant provides investment advisory services to separately managed accounts or similar arrangements, which focus primarily on making primary investments in or relating to private investment funds (collectively, the “**Primary Advisory Accounts**”).

SPFS Advisors L.L.C. is the general partner and sole direct owner of the Registrant. Blackstone Intermediary Holdco L.L.C. is the managing member and principal direct owner of SPFS Advisors L.L.C. Blackstone Advisory Partners L.P. (“BAP”) is the managing member of Blackstone Intermediary Holdco L.L.C. Blackstone Holdings I L.P. is the general partner of BAP. Blackstone Holdings I/II GP Inc. is the general partner of Blackstone Holdings I L.P. The Blackstone Group L.P. is the controlling shareholder of Blackstone Holdings I/II GP Inc. The Blackstone Group L.P. is a publicly traded entity on the New York Stock Exchange (Ticker: BX).

B. Description of Advisory Services

As described above, the Registrant provides advisory service to Funds and Primary Advisory Accounts. The Registrant offers advice in respect of investments primarily in private investment fund interests, including private investment fund interests acquired through secondary market purchases, and certain other matters related thereto. The Funds generally seek to achieve capital appreciation through the purchase of secondary interests in mature private investment funds (including leveraged buyout funds, real estate funds, venture capital funds, distressed or mezzanine funds, fund of funds and other similar products), but the Funds may also invest, to a lesser extent, on a primary basis in other investment funds or in investments underlying funds or directly in portfolio companies.

When serving as adviser to a Primary Advisory Account, the Registrant provides services pursuant to the applicable investment advisory agreement relating to such Primary Advisory Account. These advisory services may be discretionary or non-discretionary. The Primary Advisory Accounts generally seek to achieve capital appreciation through the purchase of interests in private investment funds on a primary basis in newly-formed limited partnerships, limited liability companies and other pooled investment vehicles,

including investments in leveraged buyout, mezzanine, venture capital, distressed securities, fund of funds and other asset classes, with opportunities to invest on a secondary basis in private investment funds (in each case including through synthetic and similar arrangements) and in direct equity, equity-like and debt investments.

C. Assets Under Management

The Registrant's regulatory assets under management are approximately \$17,475,790,634 (measured as of December 31, 2015), \$16,750,898,451 of which are managed on a discretionary basis and \$724,892,183 of which are managed on a non-discretionary basis.

D. Blackstone Business Changes

On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners Inc. ("**PJT**"), an independent financial advisory firm founded by Paul J. Taubman. While the new combined business operates independently from Blackstone and is not be an affiliate thereof, nevertheless conflicts may arise in connection with transactions between or involving the Funds and the Primary Advisory Accounts and their portfolio companies on the one hand and PJT on the other. Specifically, given that PJT will not be an affiliate of Blackstone, there may be fewer or no restrictions or limitations placed on transactions or relationships engaged in by PJT's new advisory business as compared to the limitations or restrictions that might apply to transactions engaged in by an affiliate of Blackstone. It is expected that there will be substantial overlapping ownership between Blackstone and PJT for a considerable period of time going forward. Therefore, conflicts of interest in doing transactions involving PJT will still arise. The pre-existing relationship between Blackstone and its former personnel involved in such financial and strategic advisory services, the overlapping ownership, co-investment and other continuing arrangements, may influence Blackstone in deciding to select or recommend PJT to perform such services for the Funds and the Primary Advisory Accounts (or a portfolio company) (the cost of which will generally be borne directly or indirectly by the Funds, the Primary Advisory Accounts or such entity, as applicable). Nonetheless, the Registrant and its affiliates will be free to cause the Funds, the Primary Advisory Accounts and portfolio companies to transact with PJT generally without restriction under the Funds' governing documents or the Primary Advisory Accounts' investment management agreements notwithstanding such overlapping interests in, and relationships with, PJT.

Item 5 – Fees and Compensation

A. Management Fees

For its investment advisory services with respect to the Funds, the Registrant or an affiliated entity generally receives a management fee at an annual rate of up to 1.5% of the capital commitments or invested capital, as the case may be. Fees for the Funds are disclosed in the relevant Fund offering and/or governing documents, which have been provided to prospective investors.

For its investment advisory services with respect to the Primary Advisory Accounts, the Registrant or an affiliated entity generally receives a management fee at an annual rate of, (i) during the Primary Advisory Account's investment period, 0.40% of the Primary Advisory Account's investable capital (excluding investable capital that has been committed to Other Blackstone Funds (as defined below)) and (ii) after the Primary Advisory Account's investment period, 0.20% of the reported value (as provided by Underlying Funds) of the Primary Advisory Account's managed capital (excluding the reported value of the Primary Advisory Account's managed capital that is invested in Other Blackstone Funds).

While the Registrant's policy is that its fees are not negotiable, the Registrant reserves the right to waive or reduce its fees for certain investors. In particular, certain affiliates or employees of the Registrant or the Legacy Sponsor that are investors in the Funds and/or the interests held thereby are not subject to management fees. Further, Other Blackstone Funds (as defined below) may have investment objectives that overlap with those of the Funds or the Primary Advisory Accounts in certain material respects, and the Registrant's or its affiliates' management thereof may give rise to conflicts of interest relating to the Funds or the Primary Advisory Accounts from time to time. For example, differing management fees charged to the Funds or the Primary Advisory Accounts on the one hand, and such Other Blackstone Funds on the other, that invest on a side-by-side basis, may create conflicts of interest for the Registrant and its affiliates, including with respect to the allocation of investment opportunities. The Registrant has a trade allocation policy (see **Item 16 – Investment Discretion**) that addresses this conflict of interest.

Generally, the management fee payable by a Fund to the Registrant will be reduced by all or a portion (disclosed in the governing agreements of the relevant Fund) of any transaction fees (including commitment, closing, amendment, waiver, directors', topping, monitoring financing, divestment, organizational, break-up or other similar fees in respect of a Fund's purchase, monitoring or disposition of an investment) received by the Registrant for transactions effected for such Fund's account.

B. Timing of Fee Payments

Generally, management fees payable by a Fund are payable semi-annually, partially in arrears and partially in advance and management fees payable by a Primary Advisory Account are payable quarterly in arrears. The Registrant may elect to defer payment of all or part of the management fee. Management fees payable by a Fund are generally deducted from the applicable Fund distributions or capital contributions as drawn down from limited partners of the applicable Fund. Management fees payable by a Primary Advisory Account are invoiced to the Primary Advisory Account client and the invoiced amount is generally payable within 15 calendar days of the client's receipt of such invoice.

C. Additional Fees and Expenses

The offering and/or governing documents of each Fund provide a description of any additional fees and expenses for which such Fund may be responsible in addition to the management fees and any performance-based allocations or fees (see Item 6 below).

Generally, each Fund is responsible for all costs and expenses relating to the organization of such Fund and of maintaining the operations of such Fund and the investments made by or on behalf of such Fund, including, without limitation, (i) all organizational expenses of the Fund (in certain cases subject to a cap); (ii) all unreimbursed expenses incurred by or on behalf of the Fund in connection with the identification, investigation, structuring or making of any portfolio investment, proposed portfolio investment or temporary investment (including all such expenses relating to any investment which the Fund ultimately does not make, including any portions of such expenses that may ultimately have been borne by co-investors had the investment been consummated), or the holding, monitoring, financing or refinancing (including the delivery of guarantees of the Fund), pledging, sale or proposed financing, refinancing, pledging or sale of all or any portion of any such investment, including, in each case, travel and entertainment expenses (in certain cases, such travel and entertainment expenses not to exceed an annual cap, as specified in the offering documents of the Funds), and including the costs of services provided to the Fund by persons who are not employees of the General Partner, including fees and expenses of attorneys, accountants, finders and consultants and fees and expenses of Affiliates of Blackstone and other third-party professionals; (iii) (a) legal, auditing, compliance, technological and consulting expenses, including expenses associated with the preparation of amendments to the governing agreements of the Fund and the solicitation of consent of such amendments and the Fund's financial statements, regulatory filings (such as Form PF and Alternative Investment Fund Managers Directive (AIFMD) reporting), compliance with U.S. federal, state, local, non-U.S. or other law and regulation relating to the Fund's activities, including compliance with AIFMD, reports to partners, tax returns and Schedule K-1s (including allocated costs and/or charges of Blackstone personnel specifically attributable to the administration of the Fund and/or the Fund's regulatory reporting obligations) and (b) accounting and administration expenses, including any

additional tax return preparation and reporting expenses to the extent such expenses relate to services provided either by third party or by an Affiliate of the General Partner that is in the business of providing such services; (iv) expenses related to organizing, administering and maintaining any persons through or in which portfolio investments may be made; (v) an appropriate portion of expenses of the advisory committee of each Fund and its members, including expenses of any advisors retained by, or at the direction or for the benefit of, such advisory committee; (vi) costs and expenses that are classified as extraordinary expenses under generally accepted accounting principles; (vii) taxes and other governmental charges, fees and duties payable by the Fund; (viii) all damages and expenses incurred in connection with any litigation, claim or proceeding involving the Fund (including the cost of any investigation and preparation) and the amount of any judgment or settlement paid in connection therewith; (ix) all unreimbursed expenses incurred in connection with the collection of amounts due to the Fund from any person; (x) all principal, interest, fees, expenses and other amounts payable in respect of or in connection with borrowings, financings or derivative transactions; (xi) all expenses incurred in connection with administrative proceedings relating to the determination of Fund items of income, gain, loss, deduction and credit at the Fund level, and any audit with respect to taxes; (xii) fees and expenses incurred in connection with complying with or monitoring compliance with or amending (including pursuant to “most favored nations” provisions) any side letters or other written agreements between the Fund and one or more investors in the Fund; and (xiii) costs of winding up and liquidating the Fund.

For certain Funds, the Registrant may also charge back a portion of the cost of overhead expenses attributable to the management of or operations related to such Fund. Note that the offering and/or governing documents for certain Funds provide for a cap on the organizational expenses chargeable to such Fund; organizational expenses in excess of such cap are paid by the Registrant or one of its affiliates, as applicable.

Similarly, the Primary Advisory Accounts will bear the expenses incurred by the Registrant in connection with the services provided to the Primary Advisory Accounts, including: (i) expenses incurred in connection with the identification, investigation, structuring or making of any investment or proposed investment or the monitoring, financing or refinancing, pledging, sale or proposed financing, refinancing, pledging or sale of all or any portion of such investment including, in each case travel and related expenses (such travel and related expenses not to exceed \$30,000 per annum (or such other amount as specified in the applicable investment management agreement)); (ii) legal, auditing, technological and consulting expenses, including expenses associated with the preparation of reports to the applicable Primary Advisory Account client; (iii) accounting and administration expenses of third parties; (iv) expenses related to organizing, administering and maintaining any persons through or in which investments may be made; (v) all fees and expenses owed to any independent U.S. registered investment adviser not affiliated with Blackstone that is retained by the Primary Advisory Account client (an “**Independent Evaluator**”) in connection with such Independent Evaluator’s services in respect of

investments in the Funds; and (vi) costs of terminating the Primary Advisory Accounts investment management agreement and transitioning the management of the managed capital to the Primary Advisory Account client or its designee.

Further, the Funds and the Primary Advisory Accounts, as applicable, bear the additional layer of fees and expenses charged at the level of private investment funds in which the Funds or the Primary Advisory Accounts, as applicable, acquire interests (the “**Underlying Funds**”).

Please also see **Item 12 – Brokerage Practices**.

D. Employee Compensation for Sales of Securities

No employee of the Registrant accepts or otherwise receives, directly or indirectly, any compensation for the sale of securities or other investment products.

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

A. Performance-Based Allocations

In addition to the management fees and other fees described in Item 5 above, the Registrant or one of the General Partners generally receives a performance-based allocation of up to 12.5% (or up to 15% for investors that commit to a Fund through a feeder vehicle established by a private bank to invest in the Fund (a “**Private Bank Feeder Fund**”)) of each Fund’s cumulative net profits, subject to a preferred return and customary clawback provisions. Performance-based allocations may be based on cumulative net distributions attributable to a Fund, and all performance-based allocations for a Fund are disclosed in the relevant offering and/or governing documents of such Fund.

It is not anticipated that performance-based fees will be charged by the Registrant with respect to the Primary Advisory Accounts, however, a Primary Advisory Account may be subject to performance-based fees with respect to its direct or indirect investments in the Underlying Funds.

While the Registrant’s policy is that its performance-based allocations are not negotiable, the Registrant reserves the right to waive or reduce such allocations for certain investors. In particular, certain affiliates or employees of the Registrant that are investors in the Funds do not bear any performance-based allocation.

In addition, the Funds and the Primary Advisory Accounts, as applicable, bear the additional layer of fees, performance-based allocations and expenses charged at the level of private investment funds in which the Funds and the Primary Advisory Accounts, as applicable, invest.

Note that the existence of a performance-based allocation may incentivize the Registrant to manage a Fund’s assets in a more aggressive manner than if there were no such allocation. Further, Other Blackstone Funds may have investment objectives that overlap with those of the Funds or the Primary Advisory Accounts in certain material respects, and the Registrant’s or its affiliates’ management thereof may give rise to conflicts of interest relating to the Funds or the Primary Advisory Accounts from time to time. For example, differing performance-based allocations or fees for Funds or Primary Advisory Accounts on the one hand, and such Other Blackstone Funds on the other, that invest on a side-by-side basis, may create conflicts of interest for the Registrant and its affiliates, including with respect to the allocation of investment opportunities. However, the Registrant will manage each Fund’s or Primary Advisory Account’s assets in accordance with the investment strategy disclosed in each Fund’s or Primary Advisory Account’s offering and/or governing documents to help ensure that investors are aware of the investment strategy and the risks

associated with such strategy. The Registrant has a trade allocation policy (see **Item 16 – Investment Discretion**) that addresses this conflict of interest.

B. Timing of Performance-Based Allocations

As described in the respective offering and/or governing documents of each Fund, performance-based allocations are generally allocated or paid, as the case may be, upon the making of any distribution to investors following the return of all capital contributions to the investors and a preferred return thereon in accordance with the governing agreements of the Fund.

Item 7 – Types of Clients

The Registrant manages the Funds. The Funds are marketed to certain institutional investors and sophisticated, high-net worth individual investors capable of understanding the risks of their investments, including the following types of investors:

- 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
- State and municipal government agencies
- Sovereign wealth funds
- Family offices and fund of funds
- High net worth individuals (including related retirement accounts)
- Corporations
- Business entities other than those listed above

All potential investors admitted to the Funds are subject to certain suitability requirements (including that each investor in the Funds be an “accredited investor” as defined in Regulation D under the U.S. Securities Act of 1933, as amended and a “qualified purchaser” as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended) and compliance procedures (including anti-money laundering procedures), prior to acceptance of any subscription or investment amount for any Fund. In addition, any separate maintenance- or other investment-related provisions (*e.g.*, minimum account sizes) will be provided in the offering and/or governing documents of each Fund established by the Registrant after the date hereof, which documents are made available to each potential investor prior to investment.

The Registrant also advises the Primary Advisory Accounts. The Primary Advisory Account clients currently consist of private retirement and pension plans.

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

Methods of Analysis

The Registrant's investment process for evaluating potential opportunities and investments may include a variety of proprietary and non-proprietary research models and methods of analysis. The Registrant generally derives information used to make investment decisions on behalf of its Funds and Primary Advisory Accounts from private offering memoranda, quarterly and annual reports of the Underlying Funds, personal interviews with the Underlying Funds' managers, and financial information regarding the underlying portfolio companies, to the extent available.

The Registrant's evaluation criteria will include, but are not limited to:

- Fundamental investment analysis of Underlying Funds and portfolio companies
- Investment performance
- Investment strategies and philosophies
- Factors relating to management of, and investment professionals associated with, Underlying Funds (*e.g.*, experience, commitment and reputation)
- The fees associated with Underlying Funds and the Underlying Funds' terms (*e.g.*, term, investment period, preferred return)
- Investment capacity
- Concentrations/diversification
- Prevailing market conditions and other considerations

Investment Strategies

Funds

The specific investment strategy and corresponding method of analysis for each Fund is specified in the offering documents of such Fund. The Funds generally seek to achieve capital appreciation through the purchase of secondary interests in mature private investment funds (including leveraged buyout funds, real estate funds, venture capital funds, distressed or mezzanine funds, fund of funds and other similar products), but the

Funds may also invest, to a lesser extent, on a primary basis in other investment funds or in underlying funds or directly in portfolio companies.

Primary Advisory Accounts

The specific investment strategy and corresponding method of analysis for each Primary Investment Account is specified in the investment management agreement of each such Primary Advisory Account. The Primary Advisory Accounts generally seek to achieve capital appreciation through the purchase of interests in private investment funds on a primary basis in newly-formed limited partnerships, limited liability companies and other pooled investment vehicles, primarily investments in leveraged buyout, real estate, mezzanine, venture capital, distressed securities, fund of funds and other asset classes, with opportunities to invest on a secondary basis in Underlying Funds (in each case including through synthetic and similar arrangements) and in direct equity, equity-like and debt investments.

Risk of Loss

An investment in a Fund or a Primary Advisory Account, as applicable, entails a significant degree of risk and therefore should be undertaken only by investors capable of evaluating the risks associated with an investment in a Fund or a Primary Advisory Account, as applicable, and bearing the risks such investment represents. A successful program of investing is dependent upon and subject to certain risks, including risks relating to, among other things (i) the quality of the management and controls of the Funds or a Primary Advisory Account, as applicable, the Underlying Funds and their portfolio companies; (ii) the ability of the management of the Funds or a Primary Advisory Account, as applicable, and the Underlying Funds to identify and consummate attractive investment opportunities; (iii) general economic conditions; and (iv) the ability of the Funds or a Primary Advisory Account, as applicable, and the Underlying Funds to liquidate their investments on attractive terms. The offering and/or governing documents of each Fund will contain detailed descriptions of certain of the risks associated with an investment in such Fund. Below is a non-exhaustive list of certain risks associated with such investments:

1. Loss of All or Part of Investment
2. No Assurance of Investment Return
3. Changes in Legal, Fiscal, Tax and Regulatory Regimes
4. Lack of Liquidity of Fund Interests and of Underlying Fund Interests
5. Highly Competitive Market for Secondary Investment Opportunities
6. No Established Market for Secondary Investments
7. Secondary Investment Opportunities in Underlying Funds may be “Pooled” Opportunities from a Seller on an “all or nothing” Basis

8. Importance of Valuation and Acquisition Terms
9. Reliance on the Registrant and Certain of its Professionals and Employees and Professionals and Employees of the Managers of the Underlying Funds
10. Reliance on Underlying Fund Sponsors
11. Limited Access to Information from Underlying Funds
12. Restrictions on Acquisitions of Underlying Fund Interests by the Fund or Primary Advisory Accounts
13. Restrictions on the Registrant's use of Blackstone's Resources because of Information Walls and other Internal Policies and Procedures
14. Consequences of a Fund's or a Primary Advisory Account's Failure to Satisfy Capital Calls of an Underlying Fund
15. Illiquidity of Underlying Fund Interests
16. Investments Longer than the Fund's or the Primary Advisory Account's Term
17. Lack of Coordination Among Investment Decisions of Underlying Funds and their Sponsors
18. The Portfolio Companies in which the Underlying Funds have Invested or may Invest may Involve a High Degree of Business and Financial Risk
19. Misconduct of Employees and Third Party Service Providers and of Employees and Service Providers with Respect to the Underlying Funds
20. General Economic and Market Volatility
21. Nature of Secondary Investments, including reliance on management of the Underlying Funds, potential obligations to return distributions to satisfy Underlying Fund liabilities, and other matters related to holding secondary interests in Underlying Funds
22. Risks Related to Use of Leverage by Certain Funds and Underlying Funds
23. Risks Related to Bearing the Additional Layer of Fees and Expenses Charged at the Level of the Underlying Funds
24. Lack of Diversification
25. Non-U.S. Investments

In addition, the investment management agreement of each Primary Advisory Account will contain acknowledgments of the applicable Primary Advisory Account client of certain risks associated with such investment, including the Primary Advisory Account's reliance on the Underlying Fund sponsors. Investors in Primary Advisory Accounts should be aware that there is significant blind pool risk associated with investing in Underlying Funds on a primary basis.

The Registrant cannot guarantee any level of performance or that investors in the Funds or the Primary Advisory Accounts will not experience a loss of their investments.

Investors are advised to review the applicable governing documents for a more extensive description of the risks of investing in the Funds and Primary Advisory Accounts.

Item 9 – Disciplinary Information

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

On occasion, in the ordinary course of its business, Blackstone is named as a defendant in a lawsuit or arbitration. The Registrant does not believe that any current litigation to which Blackstone is a party will have a material adverse effect on the Registrant and/or the Registrant’s clients.

Item 10 – Other Financial Industry Activities and Affiliations

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

Blackstone Policies and Procedures. Specified policies and procedures implemented by Blackstone to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions will from time to time reduce the synergies across Blackstone's various businesses that the Funds and the Primary Advisory Accounts expect to draw on for purposes of pursuing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. For example, Blackstone will from time to time come into possession of material non-public information that limits its and its affiliates' ability to engage in potential transactions. The Funds' and the Primary Advisory Accounts' activities may be constrained as a result of the inability of Blackstone personnel to use such information. For example, employees of Blackstone may be prohibited by law, contract or internal policy from sharing information with members of the Funds' or the Primary Advisory Accounts' investment teams. Additionally, there may be circumstances in which one or more of certain individuals associated with Blackstone will be precluded from providing services related to the Funds' or the Primary Advisory Accounts' activities because of certain confidential information available to those individuals or to other parts of Blackstone. In certain advisory assignments, the seller may permit a Fund or a Primary Advisory Account to act as a participant in such transactions, which would raise certain conflicts of interest inherent in such a situation (including the negotiation of the purchase price). In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, Blackstone has implemented certain policies and procedures (e.g., information walls) that may reduce the positive firm-wide synergies that Funds could otherwise expect to utilize for purposes of finding attractive investments.

Investments in Other Blackstone Funds. The Funds hold significant secondary investments in various funds, vehicles and accounts sponsored and/or managed by Blackstone as of the date hereof (collectively, "**Other Blackstone Funds**"). Subject to applicable legal, regulatory and other applicable restrictions, the Funds may continue to acquire and/or hold secondary investments in such Other Blackstone Funds; however,

their ability to do so may be limited by virtue of the Funds being considered affiliates of Blackstone. Similarly, the Primary Advisory Accounts may hold investments in Other Blackstone Funds.

To the extent the Funds make or otherwise hold secondary investments in Other Blackstone Funds in accordance with applicable legal and/or regulatory restrictions, Fund investors will pay fees, expenses and carried interest both at the level of the Funds and at the level of such Other Blackstone Funds. As a result, there may be circumstances where Blackstone has conflicting loyalties and responsibilities to the Funds, on the one hand, and such Other Blackstone Funds, on the other hand, and conflicts of interest may arise as a result of the Funds making or holding investments in Other Blackstone Funds. While Blackstone has policies and procedures in place designed to ameliorate such conflicts and will seek to resolve such conflicts of interest in a fair and equitable manner, there can be no assurance that such conflicts of interest will be resolved in favor of the Funds.

Blackstone Business and Activities. As part of its regular business, Blackstone provides a broad range of services. In addition, from time to time, Blackstone and its affiliates will provide services in the future beyond those currently provided. Funds and Primary Advisory Accounts will not receive a benefit from any fees received for Blackstone providing such services. In addition, the Funds and the Primary Advisory Accounts may be forced to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone may have or transactions or investments Blackstone and its affiliates may make or have made.

In connection with its businesses, Blackstone may come into possession of information that limits its and its affiliates' ability to engage in potential transactions. The Funds' and the Primary Advisory Accounts' activities may be constrained as a result of the inability of Blackstone personnel to use such information. For example, employees of Blackstone may be prohibited by law or contract from sharing information with members of the Funds' or the Primary Advisory Accounts' investment teams. Additionally, there may be circumstances in which one or more of certain individuals associated with Blackstone will be precluded from providing services related to the Funds' or the Primary Advisory Accounts' activities because of certain confidential information available to those individuals or to other parts of Blackstone.

As more fully described elsewhere herein, one of the primary businesses at Blackstone is the management of Other Blackstone Funds (whether now in existence or subsequently established). Such Other Blackstone Funds may have investment objectives that overlap with those of the Funds or the Primary Advisory Accounts in certain material respects, and Blackstone's management thereof may give rise to conflicts of interest relating to the Funds or the Primary Advisory Accounts from time to time. While the Registrant will seek to resolve any such conflicts of interest in a fair and equitable manner, there can be no

assurance that such conflicts will be resolved in favor of the Funds or the Primary Advisory Accounts.

Conflicts of interest may also arise with respect to Blackstone's provision of services to the Funds, the Primary Advisory Accounts, portfolio entities, the Other Blackstone Funds, and other clients of Blackstone, as well as actions taken by Blackstone on behalf of such Other Blackstone Funds and/or its affiliates. In performing services on behalf of the Funds, the Primary Advisory Accounts, portfolio entities, Other Blackstone Funds and/or other clients and affiliates, Blackstone may take actions that may impact the Funds or the Primary Advisory Accounts, and Blackstone's other activities, provision of services and management of such Other Blackstone Funds and/or affiliates will generally be carried out independently from the Registrant's activities.

Blackstone has long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on behalf of a Fund or a Primary Advisory Account, the Registrant will consider those relationships, which may result in certain transactions that the Registrant will not undertake on behalf of the Fund or the Primary Advisory Account in view of such relationships. Certain Funds or Primary Advisory Accounts may also co-invest with clients of Blackstone in particular investment opportunities, and the relationship with such clients could influence the decisions made by the Registrant with respect to such investments.

Blackstone will from time to time participate in underwriting or lending syndicates with respect to portfolio entities of Other Blackstone Funds (including Other Blackstone Funds in which the Funds hold interests), or otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, any such Other Blackstone Fund's portfolio entities, or otherwise in arranging financing (including loans) for portfolio entities of such Other Blackstone Funds. Such underwritings will be on a firm commitment basis or may be on an uncommitted "best efforts" basis. A Blackstone broker-dealer will from time to time act as the managing underwriter or a member of the underwriting syndicate and purchase securities from an Other Blackstone Fund or such portfolio companies or advise on such transactions. Blackstone will from time to time also effect transactions, including transactions in the secondary markets where it may nonetheless have a potential conflict of interest regarding a Fund, a Primary Advisory Account or Other Blackstone Fund and the other parties to those transactions to the extent it receives commissions or other compensation from a Fund, Primary Advisory Account or Other Blackstone Fund and such other parties. Subject to applicable law, Blackstone will from time to time receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees (or, in each case, rebates of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where Blackstone or an Other Blackstone Fund or account is purchasing debt) or other compensation with respect to the foregoing activities, which are not required to be shared with the Funds or Primary Advisory Accounts or the investors and the management fee

paid by the Funds or Primary Advisory Accounts generally will not be reduced by such amounts. Blackstone will from time to time have a potential conflict of interest regarding Funds and Primary Advisory Accounts and the other parties to those transactions to the extent it receives commissions, discounts or such other compensation from such other parties. The Funds' and Primary Advisory Accounts' general partners or managers will approve any transactions in which a Blackstone broker-dealer acts as an underwriter, as broker for a Fund or Primary Advisory Account, or as dealer, broker or advisor, on the other side of a transaction with a Fund or Primary Advisory Account only where the Registrant believes in good faith that such transactions are appropriate for a Fund or Primary Advisory Account, as applicable.

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

In addition, professionals of the Registrant will participate in a Blackstone-sponsored program whereby any professional of the Registrant may receive carried interest or other compensation from another business unit of Blackstone in connection with such professional's successful referral of a transaction involving any Underlying Fund or portfolio company thereof to such other business unit of Blackstone. Such compensation may include carried interest generated by a fund managed by such other business of Blackstone. Investors should be aware that although professionals of the Registrant will be incentivized through their potential receipt of a portion of the carried interest generated by the Funds to maximize value for the Funds in referring any transaction to another business unit of Blackstone, there is a potential conflict of interest in that the potential receipt of carried interest or other compensation from such other Blackstone business unit may provide incentives to refer a transaction that may not always align with the interests of the Funds. However, it is not expected that the amount of any carried interest or other compensation received in connection with the Blackstone-sponsored program will be material. In addition, there is a conflict of interest in that any transaction referred by a professional of the Registrant to another Blackstone business unit may have been initially identified by such professional while conducting activities related to the Funds or the Primary Advisory Accounts, and the costs associated with such activities may be expenses borne by the Funds or the Primary Advisory Accounts, as applicable, and not by the Blackstone business unit to which the transaction was referred.

On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement

businesses and combined these businesses with PJT Partners Inc. (“**PJT**”), an independent financial advisory firm founded by Paul J. Taubman. While the new combined business operates independently from Blackstone and is not be an affiliate thereof, nevertheless conflicts may arise in connection with transactions between or involving the Funds and the Primary Advisory Accounts and their portfolio companies on the one hand and PJT on the other. Specifically, given that PJT will not be an affiliate of Blackstone, there may be fewer or no restrictions or limitations placed on transactions or relationships engaged in by PJT’s new advisory business as compared to the limitations or restrictions that might apply to transactions engaged in by an affiliate of Blackstone. It is expected that there will be substantial overlapping ownership between Blackstone and PJT for a considerable period of time going forward. Therefore, conflicts of interest in doing transactions involving PJT will still arise. The pre-existing relationship between Blackstone and its former personnel involved in such financial and strategic advisory services, the overlapping ownership, co-investment and other continuing arrangements, may influence Blackstone in deciding to select or recommend PJT to perform such services for the Funds and the Primary Advisory Accounts (or a portfolio company) (the cost of which will generally be borne directly or indirectly by the Funds, the Primary Advisory Accounts or such entity, as applicable). Nonetheless, the Registrant and its affiliates will be free to cause the Funds, the Primary Advisory Accounts and portfolio companies to transact with PJT generally without restriction under the Funds’ governing documents or the Primary Advisory Accounts’ investment management agreements notwithstanding such overlapping interests in, and relationships with, PJT.

In addition, other present and future activities of Blackstone and its affiliates (including the Registrant) will from time to time give rise to additional conflicts of interest relating to the Funds, the Primary Advisory Accounts and their investment activities. In the event that any such conflict of interest arises, the Registrant will attempt to resolve such conflicts in a fair and equitable manner. Investors should be aware that conflicts will not necessarily be resolved in favor of the Funds’ and the Primary Advisory Accounts’ interests. In addition, pursuant to the Funds’ governing documents, L.P. Advisory Committees have been or 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 as to which it is consulted and the Registrant acts in a manner, or pursuant to the standards and procedures, approved by the L.P. Advisory Committee, or otherwise as provided in the applicable governing documents, then the Registrant and its affiliates will not have any liability to the Funds or the investors for such actions taken in good faith by them.

Service Providers. A Fund's or Primary Advisory Account's, as applicable, advisors and service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants and investment or commercial banking firms) or their affiliates provide goods or services to, or have business, personal, financial or other relationships with, Blackstone, its affiliates and portfolio companies. Such advisors and service providers may be investors in the Funds, sources of investment opportunities or co-investors or commercial counterparties or entities in which Blackstone has an investment. Additionally, certain employees of the Registrant may have family members or relatives employed by such advisors and service providers. These relationships may influence the Registrant in deciding whether to select or recommend such advisors or service providers to perform services for the Funds, the Primary Advisory Accounts or portfolio companies (the cost of which will generally be borne directly or indirectly by the Funds, the Primary Advisory Accounts or such entities, as applicable). Notwithstanding the foregoing, transactions relating to the Funds or the Primary Advisory Accounts that require the use of a service provider will generally be allocated to service providers on the basis of best execution (the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related and other services that the Registrant or its affiliates believes to be of benefit of the Funds).

Allocation of Personnel. The Registrant, its affiliates and their respective members, partners, officers, managers and employees will devote as much of their time to the activities of the Funds and the Primary Advisory Accounts as they deem necessary and appropriate. Subject to the terms of the applicable offering and/or governing documents, the Registrant, Blackstone or any of their respective affiliates or any agent or representative of any of them are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Funds or Primary Advisory Accounts and/or may involve substantial time and resources of the Registrant. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of the Registrant and its officers, managers, members and employees will not be devoted exclusively to the business of the Funds and the Primary Advisory Accounts but will be allocated between the business of the Funds and the Primary Advisory Accounts and the management of the assets of other advisees of the Registrant.

In addition, there can be no assurance that such investment professionals, including the investment professionals that joined Blackstone in connection with the Transaction, may ultimately remain actively involved in the business and affairs of the Funds and the Primary Advisory Accounts. Such personnel may change over time for a variety of reasons,

which may have an impact on the ability of the Funds and the Primary Advisory Accounts to effectively achieve their investment objectives.

Possible Future Activities. Blackstone, the Registrant and their affiliates may expand the range of services that they provide over time. Except as provided herein, Blackstone, the Registrant and their affiliates will not be restricted in the scope of their business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein.

Conflicting Interests. Conflicts of interest may arise in circumstances where the Funds or the Primary Advisory Accounts, as applicable, make an investment in an Underlying Fund (including Other Blackstone Funds) which in turn has an interest in a portfolio entity in which an Other Blackstone Fund or an affiliate of Blackstone also holds an interest. In addition, there may be circumstances where Other Blackstone Funds and/or affiliates may make investments in the same portfolio entity in which the Funds or the Primary Advisory Accounts, as applicable, have an indirect interest, including at different levels of such portfolio entity's capital structure.

To the extent any Other Blackstone Funds and/or affiliates hold interests relating to portfolio entities in which the Funds or the Primary Advisory Accounts, as applicable, have an indirect interest that are different (or more senior) than those held by the Funds or the Primary Advisory Accounts (or vice versa), Blackstone may be presented with decisions involving circumstances where the interests of the Funds or the Primary Advisory Accounts, as applicable, are in conflict with those of such Other Blackstone Funds and/or affiliates. For example, Blackstone sponsors a number of Other Blackstone Funds that focus primarily on making debt, credit and mezzanine-oriented investments relating to portfolio entities, including portfolio entities in which the Funds or the Primary Advisory Accounts, as applicable, may have an indirect interest, and also sponsors and/or manages Other Blackstone Funds which may, from time to time, make secondary investments that may otherwise be appropriate for the Funds or the Primary Advisory Accounts.

To the extent any such Other Blackstone Funds and/or their affiliates acquire and/or otherwise hold debt securities or other similar interests in portfolio entities in which the Funds or the Primary Advisory Accounts, as applicable, have an indirect equity interest, the interests of such Other Blackstone Funds and/or affiliates may diverge from the interests of the Funds or the Primary Advisory Accounts, as applicable (including, in particular, in the event of financial distress or bankruptcy of such portfolio entities). The investment activities of such Other Blackstone Funds and/or affiliates will generally be carried out without regard to the activities of the Registrant, and affiliates of Blackstone may take actions or provide advice with respect to such Other Blackstone Funds and affiliates that may differ from or otherwise conflict with the interests of the Funds.

ERISA and Plan Assets Issues. To the extent the assets of any Funds or Primary Advisory Accounts, as applicable, constitute “plan assets” within the meaning of the Employee Retirement Income Security Act of 1974 (“ERISA”), such Funds or the Primary Advisory Accounts, as applicable, may be precluded from making investments, or further investments, as the case may be, in Other Blackstone Funds or otherwise engaging in transactions with affiliates of Blackstone as a result of the party-in-interest and “prohibited transaction” rules under ERISA. In the case of any Primary Advisory Account whose assets constitute “plan assets,” the Independent Evaluator will evaluate any proposed investment by such Primary Advisory Account in such Other Blackstone Fund and such Primary Advisory Account will only make such investment if it is approved by the Independent Evaluator. Such limitation could affect the ability of certain of the Funds or the Primary Advisory Accounts, as applicable, to consummate attractive secondary investments and/or effectively achieve their investment objectives by precluding further investments in Other Blackstone Funds.

Allocation of Investments. While it is anticipated that the Funds will be the primary investment vehicles at Blackstone through which mature secondary investments in Underlying Funds will be pursued, Blackstone currently manages, and may subsequently establish, Other Blackstone Funds, which may from time to time make secondary investments that would otherwise be appropriate for the Funds. Any such Other Blackstone Funds and/or affiliates (including other business units within Blackstone) will not be restricted from sourcing and/or making investments that may otherwise be appropriate for the Funds, which may result in increased competition for suitable investments opportunities and may ultimately affect the Funds’ ability to effectively achieve their investment objectives.

Certain Investment-Related Potential Conflicts Relating to the Funds and the Primary Advisory Accounts. The Registrant serves as investment manager for both (i) the Funds, which focus primarily on making secondary investments in or relating to mature private investment funds and (ii) the Primary Advisory Accounts, which focus primarily on making primary investments in or relating to private investment funds. While the Registrant does not expect cross transactions to occur between a Fund and a Primary Advisory Account, it is possible that an interest in a primary investment initially made by a Primary Advisory Account could be sold to a Fund in a secondary transaction. Any such transaction would give rise to actual or potential conflicts of interest. If any such cross transaction between a Fund on the one hand and a Primary Advisory Account on the other, is effected, such transaction (x) will be conducted in accordance with the Registrant’s fiduciary responsibility to such participating Fund and Primary Advisory Account and applicable law, (y) must be in the best interest of such participating Fund and Primary Advisory Account and (z) must be consistent with the Registrant’s duty to seek best execution.

Primary Advisory Accounts and Underlying Funds. The side by side management of the Primary Advisory Accounts and the Funds may give rise to potential conflicts of

interest. For example, a manager of an Underlying Fund may be more likely to offer its consent to a Fund's investment in such Underlying Fund on a secondary basis if a Primary Advisory Account is invested or is planning to invest on a primary basis in such Underlying Fund or another Underlying Fund managed by such manager. In such a situation, the Registrant may be incentivized to make investments for a Primary Advisory Account that it would not otherwise recommend in order to benefit a Fund. Furthermore, the fact that a Primary Advisory Account is invested in an Underlying Fund may lead to opportunities for a Fund to engage in a secondary transaction with respect to such Underlying Fund that may benefit such Fund and not such Primary Advisory Account. In addition, the Registrant may receive information in connection with an investment of a Primary Advisory Account that assists the Registrant in evaluating secondary transactions for the Funds. The Registrant may also transact with respect to an Underlying Fund on a secondary basis at a price that differs from the value of an investment in such Underlying Fund as reported by its manager; in such case, the price difference may serve to benefit or harm a Primary Advisory Account invested in such Underlying Fund to the extent such price difference influences prices for its Underlying Fund interest. Finally, the Registrant may be able to negotiate more favorable terms for Primary Advisory Accounts with Underlying Funds than it is able to negotiate for the Funds investing on a secondary basis, as negotiations are often limited when investing on a secondary basis.

Below is a listing of the Registrant's affiliates:

| Broker/Dealer Entities | |
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| Blackstone Advisory Partners L.P. | Provides a variety of limited investment banking services |
| FEF Distributors LLC* | Serves as distributor and principal underwriter to the First Eagle mutual funds and private investment funds |
| Investment Advisor Entities | |
| Bayview Asset Management, LLC* | Provides investment advisory services focusing on real estate backed loans and mortgage securities |
| 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) |

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| Blackstone Alternative Investment Advisors L.L.C. | Provides investment advisory services to open end mutual funds |
| Blackstone Alternative Solutions L.L.C. | Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities |
| Blackstone Clean Technology Advisors L.L.C. | Provides investment advisory services to private investment funds specializing in the cleantech energy sector |
| Blackstone 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 private investment funds specializing in debt securities |
| 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 |

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| 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 Senfina Advisors L.L.C. | Provides investment advisory services to private investment funds which allocate capital among unaffiliated portfolio managers and invest capital directly |
| 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 |

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| Blackstone Treasury Solutions Advisors L.L.C. | Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products |
| Blackstone / GSO Debt Funds Europe Limited | Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts |
| Blackstone / GSO Debt Funds Management Europe Limited | Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts |
| Blackstone / GSO Debt Funds Management Europe II Limited | Provides investment advisory services to a number of debt focused private investment funds |
| BSCA Advisors L.L.C. | Provides investment advisory services to certain co-investment vehicles relating to funds managed by Blackstone Strategic Capital Advisors L.L.C. |
| BXMT Advisors L.L.C. | Provides investment advisory services to a REIT and other investment vehicles |
| 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 |
| CT Large Loan Manager, LLC | Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets |
| CT OPI Manager, LLC | Provides investment advisory services to real estate debt and securities private funds, managed accounts and CDOs focused on loans and securities backed by commercial real estate assets |

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| First Eagle Investment Management, LLC* | Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals |
| GSO Capital Advisors LLC | Provides investment advisory services to a number of debt-focused private investment funds and separately managed accounts |
| GSO Capital Advisors II LLC | Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts |
| GSO Capital Partners International LLP | Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts |
| GSO Capital Partners LP | Provides investment advisory services to a number of debt focused private investment funds and separately managed accounts |
| 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 |
| The Blackstone Group International Partners LLP | U.K. investment advisory firm, which serves as a sub-advisor to the registrant |
| Commodity Trading Advisor & Commodity Pool Operator Entities (Registered) | |
| 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 LLC | Provides investment advisory services to open end mutual funds |
| Blackstone Alternative Solutions L.L.C. | Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities |
| Blackstone Senfina Advisors L.L.C. | Provides investment advisory services to private investment funds which allocate capital among unaffiliated portfolio managers and invest capital directly |

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| 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 |
| First Eagle Investment Management, LLC* | Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals |
| Blackstone Treasury Solutions Advisors L.L.C. | Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products |
| Insurance Entities | |
| Lexington National Land Services** | Places title insurance and provide title services for real property owned by various funds and/or their portfolio entities |
| Lombard International Assurance S.A.*** | Company specializing in global wealth structuring using life assurance |
| 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 or joint venture with an affiliated Blackstone fund

** Joint venture between Blackstone and an existing title agent

*** Portfolio company of affiliated Tactical Opportunities funds

Note: The Registrant also manages a number of private investments vehicles, which are listed in the Registrant’s Form ADV Part 1A, Schedule D Section 7.B(1). Other affiliates of the Registrant serve as general partners of such private investment vehicles and are listed in the Registrant’s Form ADV Part 1A, Schedule D Section 7.A.

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

BAP provides various financial and business advisory services. In the regular course of its advisory businesses, BAP represents possible buyers, sellers and other parties regarding

businesses that may be suitable for investment by the Funds or the Primary Advisory Accounts. In these cases, BAP's client typically would require Blackstone to act only on BAP's client's behalf, thus preventing the Funds or the Primary Advisory Accounts from directly acquiring or investing in such business. BAP will not decline these transactions in order to make the investment opportunity available to the Funds or the Primary Advisory Accounts. Such limitations would not apply to investments by Underlying Funds. BAP may represent creditors or debtors in restructuring or bankruptcy proceedings, under Chapter 11 of the Bankruptcy Code.

Potential Conflicts of Interest Specific to Pátria Investments S.A.

Blackstone owns 40% of the equity interests in Pátria Investments S.A. ("**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. Each of Blackstone's and Pátria's respective investment funds continues to pursue investment opportunities in accordance with their existing mandates. There may be instances where appropriate investment opportunities will be shared (in whole or in part) with Pátria.

A more detailed description of applicable conflicts of interest is set forth in the relevant governing documents of each Fund and the investment management agreement of each Primary Advisory Account.

Item 11 – Code of Ethics

A. Code of Ethics

The Registrant is governed by the Blackstone Code of Ethics (the “**Code of Ethics**”). The Code of Ethics governs a number of potential conflicts of interest which exist when providing advisory services to the investors in the Funds and Primary Advisory Accounts it manages. The Code of Ethics is designed to ensure that the Registrant meets its fiduciary obligation to its clients (or prospective clients) and to instill a culture of compliance within the Registrant. An additional benefit of the Code of Ethics 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. The Registrant also supplements the Code of Ethics with ongoing monitoring of employee activity.

The Code addresses, among other things, 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, the Registrant requires all employees to certify that they are in compliance with the Code of Ethics.

Potential Conflicts of Interest

Blackstone offers many different products and services across its many businesses and there are several potential conflicts of interest which will from time to time arise. Please see **Item 10 – Other Financial Industry Activities & Affiliations** for a list of investment related potential conflicts, including, in particular, “Blackstone Business and Activities” describing conflicts related to allocation of investment opportunities among investment funds sponsored by Blackstone and co-investors. The Registrant has adopted policies and procedures designed to address such potential conflicts of interest.

The Registrant’s related persons may from time to time have bought or sold, or may subsequently buy or sell, for their personal accounts, securities which may also be purchased or sold for the account of the Funds or the Primary Advisory Accounts. The

Registrant and its related personnel are subject to guidelines governing the ability to trade in personal accounts. The guidelines generally require that all such personal securities transactions receive pre-clearance from the legal and compliance department. These guidelines are designed to comply with SEC requirements that registered investment advisors have a Code of Ethics. In addition, Blackstone has implemented certain policies and procedures (e.g., information walls) to restrict access to material non-public information. Blackstone's Code of Ethics is available for review upon request.

You may request a copy of the Code of Ethics by contacting the Registrant's Chief Compliance Officer, Jeffrey Iverson, at +1 (646) 482-8996 or Jeffrey.Iverson@Blackstone.com.

Item 12 – Brokerage Practices

Best Execution

Although the Registrant typically does not utilize broker-dealers to effect transactions relating to the Funds' secondary investment program or the Primary Advisory Accounts' primary investment program, the Funds or the Primary Advisory Accounts, as applicable, may from time to time receive shares of certain underlying portfolio entities as part of a general distribution in kind from an Underlying Fund. Subject to each Fund's governing documents or the Primary Advisory Accounts' investment management agreement, the Registrant will generally have discretionary authority to select the broker or dealer to be used to execute transactions in securities on behalf of the Funds and the Primary Advisory Accounts and negotiate the commission cost to be paid. Such transactions for Funds or Primary Advisory Accounts will be allocated to brokers and dealers on the basis of best execution (which may include, among other items, the consideration of such broker's or dealer's ability to effect transactions, its facilities and financial responsibility). The SEC generally describes "best execution" as a duty to execute securities transactions so that a client's total costs or proceeds in each transaction are the most favorable under the circumstances. The SEC also has stated that when seeking best execution the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution.

Accordingly, the Registrant considers the full range and quality of a broker's services including (among other things): (i) for executing brokers: expertise and ability to perform execution services; ability to execute transactions in liquid or illiquid markets at competitive prices without disrupting the market for a particular security; range of services provided and products offered; quality and timeliness of market information provided; ability of broker to maintain confidentiality; credit worthiness and financial responsibility; and (ii) for clearing brokers: operational expertise; ability to maintain confidentiality; credit worthiness; financial responsibility; fees; and commission rate or spread involved.

The Funds' and the Primary Advisory Accounts' securities transactions can be expected to generate brokerage commissions and other compensation, all of which the Funds or the Primary Advisory Accounts, as applicable, and not the Registrant or any of its affiliates, will be obligated to pay.

The Registrant's brokers and other service providers also may be investors in the Funds. As consideration for services provided, these brokers and other service providers will receive reasonable and customary fees or commissions.

Notwithstanding the foregoing, the Registrant does not “pay up” for research or other services provided by any brokers through the commission rate (*e.g.*, the Registrant does not use “soft dollars”). To the extent the Registrant utilizes soft dollars in the future to pay for research or brokerage services, it will do so within the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended (“Section 28(e)"). Underlying Managers may use soft dollars both within and outside of the Section 28(e) safe harbor to obtain both research and non-research products and services.

Principal Trading

The Registrant does not engage in principal transactions with the Funds. A principal transaction occurs when an investment adviser, acting for its own account (or the account of an affiliate) buys a security from, or sells a security to, a client's account.

Cross Transactions

The Registrant, to the extent permitted under applicable law, may effect cross transactions in which the Registrant causes a transaction to be effected between a Fund or a Primary Advisory Account on the one hand and another account advised by the Registrant or any of its affiliates on the other. Cross trades will be conducted in accordance with the Registrant's fiduciary responsibility to each participating Fund or Primary Advisory Account, as applicable, must be in the best interest of each participating Fund or Primary Advisory Account, as applicable, and must be consistent with the Registrant's duty to seek best execution.

Allocation and Aggregation Procedures

The Registrant is committed to making secondary investments in a manner that is consistent with the investment objectives of each of the Funds and making primary investments in a manner that is consistent with the investment objectives of each of the Primary Advisory Accounts.

Funds

While it is intended that the Funds will be the primary vehicles managed by Blackstone for secondary investments in mature private equity funds meeting the Funds' investment criteria, there is no requirement that affiliates of the Registrant offer opportunities to make secondary investments exclusively to the Funds (as more fully described in the governing agreements of the Funds). Blackstone currently manages, and may subsequently establish, Other Blackstone Funds, which may from time to time make secondary investments that would otherwise be appropriate for the Funds, which may impact the available investment opportunities for the Funds.

In addition, the Registrant complies with allocation procedures specified in each of the Funds' documents with respect to the allocation of investment opportunities relating to secondary investments between or among Funds with overlapping investment objectives (as more fully described in the governing agreements of the Funds).

Primary Advisory Accounts

Opportunities to invest on a primary basis will be presented to Other Blackstone Funds that will not be shared with the Registrant and/or will not be considered for investment on behalf of the Primary Advisory Accounts. When the Registrant is presented with investment opportunities that would otherwise be appropriate for the Primary Advisory Accounts and Other Blackstone Funds, such investment opportunity (i) may be required or permitted to be allocated in whole or in part to one or more Other Blackstone Funds in accordance with the governing agreements of such Other Blackstone Fund or (ii) may otherwise be allocated between the Primary Advisory Accounts and any such Other Blackstone Funds on a basis that the Registrant determines in good faith to be fair and equitable and consistent with its duties under applicable law, taking into account any investment limitations and applicable contractual restrictions, the nature of the investment focus of each such Other Blackstone Fund, the amounts of capital available for investment and other considerations deemed relevant by the Registrant in good faith.

Trade Errors

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

Item 13 – Review of Accounts

Ongoing Review of Accounts

The Registrant's investment professionals review the relevant investment advisory accounts on an ongoing basis. This analysis includes, but is not limited to, a review of:

- Compliance with the investment strategy and restrictions provided in the specific offering documents of the relevant Fund or Primary Advisory Account
- Potential Conflicts
- Market Conditions
- Style Drift
- Performance Attribution
- Performance Deviation

These reviews take place at Investment Committee meetings where investment ideas and strategies are discussed. A variety of internal and external resources may be reviewed during the course of such meetings. In addition to these formal meetings, which take place weekly or as needed, the Registrant's investment professionals may meet and discuss the review of investment advisory accounts on a more frequent, informal basis. The Investment Committee also conducts regular credit reviews based on monitoring and analysis performed by investment analysts.

Reports

The Registrant provides unaudited performance reports on a monthly or quarterly basis to certain Funds, as specified in the organizational and offering documents of such Funds, and audited financial statements to Funds annually. The Registrant provides quarterly reports to the Primary Advisory Accounts, which include information relating to each Underlying Fund or other investment, as specified in the investment management agreements of such Primary Advisory Accounts. The Registrant may elect to provide different levels of reports to investors.

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

For certain of the Funds, the Registrant has entered into distribution and/or placement agent arrangements. In a typical distribution/placement arrangement, the Registrant agrees to pay a third party solicitor for referring investors in the Funds.

Typically, the third party solicitors will receive a portion of the management fee paid and/or performance allocation made to the Registrant or its affiliates (although other payment arrangements could exist). A prospective investor solicited by a third party 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 paid by the Registrant and the investor will not be subject to any increased or additional fees or charges. Third party solicitors in the U.S. will be registered as broker-dealers with the SEC. Third party solicitors outside the U.S. may be registered with a non-U.S. regulatory body to the extent such registration is required in the applicable non-U.S. jurisdiction.

Item 15 – Custody

Rule 206(4)-2, as amended (the “**Custody Rule**”), under the Advisers Act defines custody as holding client funds or securities or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client’s accounts or ownership of or access to client funds or securities (such as through fee deductions). In the case of certain Funds, an affiliate of the Registrant serves as the Fund’s general partner and, as such, the Registrant is deemed to have custody of the assets of each of these Funds.

In accordance with the Custody Rule, any Fund for which the Registrant has custody or is deemed to have custody is subject to an annual audit. The Registrant will make a reasonable best effort to distribute the audited financial statements to each investor in such Funds within 150 days (or, at the latest, within the applicable time period specified under the Custody Rule) after the relevant Fund’s fiscal year end.

Item 16 – Investment Discretion

The Registrant generally acts as an investment adviser with respect to discretionary accounts and may exercise sole authority to determine the securities bought and sold for each account, as well as the amounts thereof, without obtaining specific client consent and without limitation on such authority. The specific investment guidelines and restrictions are provided in the pertinent Fund or Primary Advisory Account documents or investment management agreement.

Please refer to Item 12 for a discussion on the Registrant's Allocation and Aggregation Procedures.

Item 17 – Voting Client Securities (Proxy Voting)

As a fiduciary, an investment adviser with proxy voting authority has a duty to monitor corporate events and to vote proxies, as well as a duty to cast votes in the best interest of clients and not subrogate client interests to its own interests. Rule 206(4)-6 under the Advisers Act (the “**Proxy Voting Rule**”) places specific requirements on registered investment advisers with proxy voting authority. The Registrant generally has discretionary authority over the securities held by the Funds, and as such, the Registrant is viewed as having proxy voting authority over such securities. Accordingly, the Registrant is subject to the Proxy Voting Rule. To meet its obligations under this rule, the Registrant has adopted written Proxy Voting Policies and Procedures, which are available upon request. These policies and procedures are reasonably designed 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 and the Primary Advisory Accounts, as applicable, and address how the Registrant will resolve any conflict of interest that may arise when voting proxies. In the case of proxies related to a Fund’s or a Primary Advisory Account’s securities holding, the Registrant will identify any conflicts that exist between the interests of the Registrant and the Funds or the Primary Advisory Accounts, as applicable. This examination will include a review of the relationship of the Registrant and its affiliates with the issuer of the security to determine if the manager or issuer has any relationship with the Registrant or an affiliate of the Registrant. If a material conflict exists, the Registrant will determine the appropriate course of action.

The Funds and Fund investors and the Primary Advisory Account clients may request a copy of the Proxy Voting Policies and Procedures by contacting Jeffrey Iverson at the address, telephone number or e-mail on the cover of this Brochure.

Item 18 – Financial Information

The Registrant has never filed for bankruptcy as of the date of this Brochure and is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to the Funds and the Primary Advisory Accounts.