

Item 1 – Cover Page

The Blackstone logo consists of the word "Blackstone" in a white, serif font, centered within a solid black rectangular background.

Blackstone ISG-II Advisors L.L.C.

345 Park Avenue

New York, NY 10154

(212) 583-5000

www.blackstone.com

March 2020

Form ADV, Part 2A (the “**Brochure**”) required by the Investment Advisers Act of 1940, as amended (“**Advisers Act**”), provides information about the qualifications and business practices of Blackstone ISG-II Advisors L.L.C. (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 Jeffrey Iverson, Chief Compliance Officer of the Registrant at +1 (212) 583-5000; Jeffrey.Iverson@Blackstone.com. 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 invest in an investment account or vehicle advised by the Registrant.

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 ultimate owner The Blackstone Group Inc. and its affiliates, “**Blackstone**”). It also contains important disclosures such as certain practices of the Registrant, potential material conflicts that may arise and key investment risks.

There has not been a material change to this Brochure since the last annual update on March 29, 2019 other than updated information regarding the conversion of the Registrant’s indirect parent company, The Blackstone Group Inc., from a limited partnership to a corporation effective July 1, 2019. Moreover, Blackstone announced on January 14, 2020 that Gilles Dellaert, former Co-President and Chief Investment Officer of Global Atlantic, a leading retirement and life insurance company, will join the firm as the Global Head of Blackstone Insurance Solutions (“**BIS**”), the division of Blackstone that includes the Registrant. Martin Alderson-Smith, BIS’ COO, will continue to provide leadership to the group as well.

Item 3 – Table of Contents

| | |
|--|----|
| Item 1 – Cover Page..... | |
| Item 2 – Material Changes | i |
| Item 3 – Table of Contents | ii |
| Item 4 – Advisory Business | 1 |
| Item 5 – Fees and Compensation..... | 1 |
| Item 6 – Performance-Based Fees and Side-By-Side Management | 5 |
| Item 7 – Types of Clients | 6 |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss | 7 |
| Item 9 – Disciplinary Information | 13 |
| Item 10 – Other Financial Industry Activities and Affiliations | 14 |
| Item 11 – Code of Ethics..... | 62 |
| Item 12 – Brokerage Practices | 64 |
| Item 13 – Review of Accounts..... | 66 |
| Item 14 – Client Referrals and Other Compensation | 68 |
| Item 15 – Custody..... | 69 |
| Item 16 – Investment Discretion | 70 |
| Item 17 – Voting Client Securities (i.e., Proxy Voting) | 71 |
| Item 18 – Financial Information..... | 72 |
| Item 19 – Requirements for State Registered Advisers | 73 |

Item 4 – Advisory Business

Blackstone ISG-II Advisors L.L.C., a Delaware limited liability company, was founded in 2017 as part of Blackstone Insurance Solutions (“**BIS**”), the division of Blackstone that includes the Registrant. As of March 31, 2020, the Registrant has four clients.

The Registrant provides investment management services to a Blackstone-controlled vehicle formed in connection with a property and casualty reinsurance joint venture arrangement between Blackstone and AXIS Capital Holdings Limited (such vehicle, “**Harrington Partners**” and together with the BIS Funds (defined below), the “**Clients**”). Blackstone, through the Registrant, will serve as the exclusive discretionary investment manager for Harrington Partners and seeks to invest its assets in or alongside a range of Blackstone investment vehicles, accounts (including separately managed accounts or sub-managed accounts) or other Blackstone affiliates, which may include one or more side-by-side investment vehicles and co-investment vehicles (“**Underlying Blackstone Accounts**”) managed or sub-managed by Blackstone or its affiliates (the “**Underlying Blackstone Managers**”), and other investments and asset classes related thereto in good faith in accordance with investment guidelines, investment management agreement and any other governing documents relating to Harrington Partners.

The Clients also include one or more other pooled investment vehicles, managed accounts or arrangements formed to offer investment solutions for insurance companies and other financial institutions in connection with current or future insurance / reinsurance solutions businesses of Blackstone (collectively, the “**BIS Funds**”).

The Registrant will be responsible for the management or sub-management of each Client’s assets pursuant to an investment advisory agreement entered into between each such Client and the Registrant, and will have the authority to make investment allocation and management decisions for each Client on a discretionary basis. The Registrant’s investment professionals, including certain senior Blackstone investment professionals (including through Underlying Blackstone Managers), will seek to invest each Client’s assets in or alongside Underlying Blackstone Accounts or in investment funds, vehicles or accounts managed by third parties (“**Third Party Vehicles**”). Subject to its investment limitations, each Client may also invest in other appropriate investment opportunities in accordance with such Client’s investment objectives. As used herein, the Underlying Blackstone Accounts and Third Party Vehicles are collectively referred to as the “**Underlying Accounts**” or “**Underlying Vehicles**”.

Ownership of the Registrant

The Blackstone Group Inc. is the ultimate parent of the Registrant and is a publicly held corporation listed on the New York Stock Exchange that trades under the ticker symbol “BX”. Blackstone Intermediary Holdco L.L.C. is the managing member of the Registrant. Blackstone Advisory Partners L.P. (“**BAP**”) is the sole member of Blackstone Intermediary Holdco L.L.C.

Blackstone Holdings I L.P. is the general partner of BAP. Blackstone Holdings I/II GP L.L.C. is the general partner of Blackstone Holdings I L.P. The Blackstone Group Inc. is the controlling shareholder of Blackstone Holdings I/II GP L.L.C. Please see the chart on the following page. Blackstone is one of the leading alternative investment managers in the world with investment programs concentrating on the private equity, real estate, credit and hedge fund solutions areas. Effective as of July 1, 2019, The Blackstone Group Inc. converted from a Delaware limited partnership named The Blackstone Group L.P. to a Delaware corporation. Please see **Item 10 – Other Financial Industry Activities and Affiliations** and **Item 11 – Code of Ethics** for more information.

Oversight of the Registrant’s Division Allocations

Clients may have overlapping investment mandates. As a result, more than one Client may be eligible for an investment opportunity which has available investment capacity that is less than the aggregate capacity in such investment opportunity sought by the Clients (each, a **“Constrained Opportunity”**). A committee comprised of certain senior Blackstone professionals will oversee the allocations of Constrained Opportunities in order to manage the actual and potential related conflicts of interest and the Registrant requires that each Constrained Opportunity is allocated between the relevant Clients in a fair and reasonable, formulaic manner.

Please see **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss** and **Item 13 – Review of Accounts** for more information.

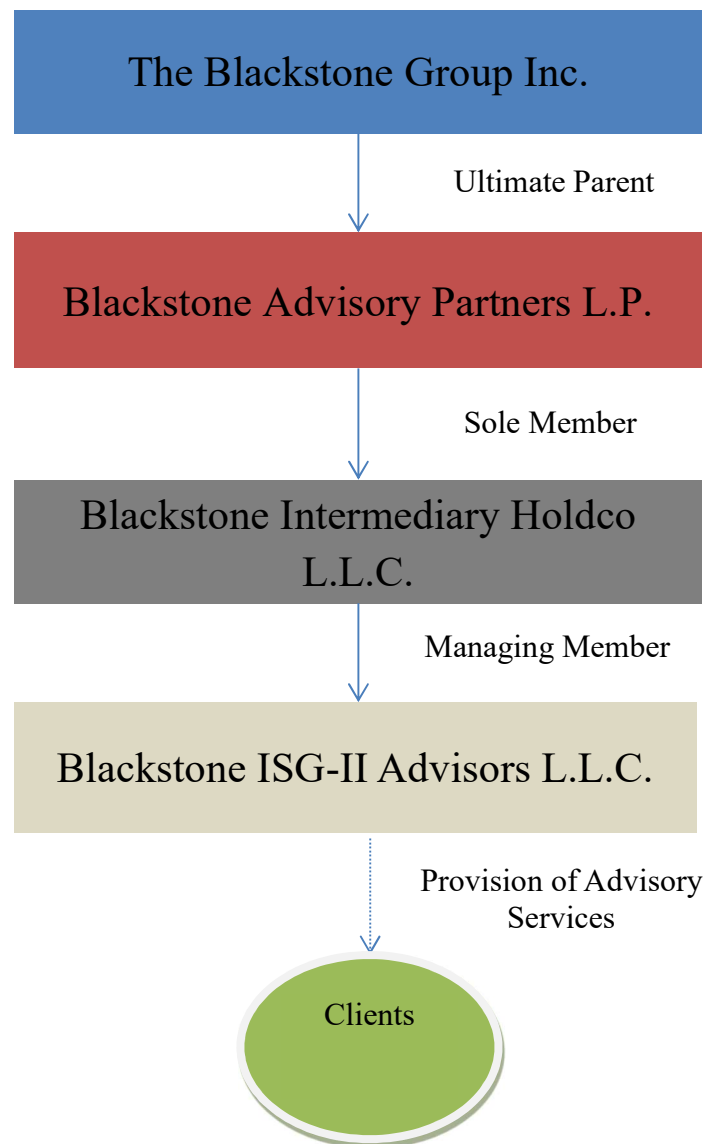
Assets Under Management

The Registrant’s regulatory assets under management are \$1,860,287,714 (as of December 31, 2019), all of which are managed on a discretionary basis. This regulatory assets under management number consists of \$868,189,897 (measured as of December 31, 2019) in Harrington Partners and \$992,097,817 (measured as of December 31, 2019) in the BIS Funds.

The assets reported above exclude assets with respect to which the Registrant has delegated investment advisory authority to an investment adviser that is a “related person” (as defined in Form ADV) of the Registrant. Such sub-advisory assets are included in the regulatory assets under management reported in the ADV Part 2A of the affiliated adviser to which the Registrant delegated such investment advisory authority. Per the instructions to Form ADV Part 1A, such excluded sub-advisory assets are included in the regulatory assets under management reported the Registrant’s Form ADV Part 1A. Furthermore, the assets reported above include assets attributable to the amount that Clients of the Registrant have invested in clients advised by an investment adviser that is a related person of the Registrant. As a result, those assets are included in the regulatory assets under management of both the Registrant and such other affiliated advisers.

On January 1, 2020, the Registrant transferred certain separately managed account clients (the **“Transferred Accounts”**) to Blackstone ISF Advisors LP (**“BISF”**). While the regulatory assets

under management ("**RAUM**") reported in the Registrant's ADV Part 2A are generally calculated as of December 31, 2019 (at which date the Transferred Accounts were still advised by the Registrant), the RAUM attributable to the Transferred Accounts as of December 31, 2019 has been excluded from the Registrant's ADV Part 2A as such RAUM has instead been reported on the ADV Part 2A of BISF.



Overview of the Registrant's Advisory Services

As investment advisor to the Clients, the Registrant will:

- In certain instances, actively manage, with full discretion, investment portfolios for its clients
- Identify and implement investment opportunities for the Clients
- Participate in the monitoring and evaluation of the Clients' investments
- Monitor conflicts of interest
- Make recommendations regarding investment management and/or allocation decisions, as further described herein

The Registrant may engage third party service providers, such as custodians, administrators and/or auditors on behalf of the Clients, the cost of which will be borne by the Clients in accordance with each Client's Constituent Documents (as defined below).

With respect to the Clients, the Registrant will make commitments to investments and make investment allocation and management decisions with respect to the assets of each Client in its good faith discretion in accordance with the investment guidelines and other terms and conditions in respect of the management of such Client set forth in such Client's constituent documents, agreements and related offering or disclosure materials (the "**Constituent Documents**"). Investment policy, guidelines and broad allocations for each of the Clients will be based on a variety of criteria including, but not limited to:

- The relevant Client's investment objectives/guidelines and risk parameters
- Regulatory or capital constraints
- Availability of cash
- Liquidity needs
- General capacity
- Tax efficiency
- Long-term value and growth

- Investment limits and diversification guidelines
- Operational, legal, regulatory and other relevant factors

Item 5 – Fees and Compensation

Management Fees

With respect to Harrington Partners, the aggregate amount of such management fee paid by the general partner of Harrington Partners on behalf of Harrington Partners will be reduced by an amount equal to 100% of the amount of all management fees (and, for the avoidance of doubt, not incentive fees or “**carried interest**”) borne by Harrington Partners, directly or indirectly, with respect to any Underlying Blackstone Account in which it holds an investment to the extent payable to Blackstone or an affiliate of Blackstone and retained by Blackstone or an affiliate of Blackstone minus the amount of any management fees directly paid by the Underlying Blackstone Accounts, their investment advisers, Harrington Partners or to third party fund of fund managers and certain third party UCITS fund managers, in each case relating to the Underlying Blackstone Accounts. The management fee will be further reduced (but not below zero) by 100% of the amount of any Excess Organizational Expenses (as defined in the Client’s Constituent Documents) not borne by the general partner of Harrington Partners.

With respect to the BIS Funds, the Registrant is or will be entitled to compensation for its services in the form of a management fee or asset allocation fee, in the amount and on the terms and conditions described in each of the relevant BIS Fund’s Constituent Documents.

Additional Fees and Expenses:

The Registrant's management fees, the performance-based allocations and the expenses described herein are not inclusive of all the fees which Harrington Partners or the other Clients may bear. Please refer to the Constituents Documents of the applicable Client for a full description of all such fees and expenses.

Harrington Partners will bear any expenses charged by the Registrant with respect to its activities and Harrington Partners' investment program as well as its pro rata share of fees and expenses of the Underlying Blackstone Accounts in which Harrington Partners invests.

With respect to the BIS Funds, per the investment advisory agreement of each BIS Fund, the Registrant will be entitled to compensation for its services to the respective BIS Fund in the form of a management fee in the amount and on the terms and conditions described in such BIS Fund's Constituent Documents. The Registrant or its affiliates may also engage and retain on behalf of the BIS Funds strategic advisors, consultants and other similar professionals who are not employees or affiliates of the Registrant and who may, from time to time, receive payments from, or allocations with respect to, portfolio entities, and such amounts may not offset the management fee paid by the BIS Funds. The BIS Funds will also be responsible for all management fees, performance-based or incentive compensation and other expenses associated with any investments in Underlying Vehicles.

The following is a list of fees and/or expenses that will typically be borne by the Clients (and

indirectly by investors in the Clients). This list is not intended to be exhaustive and the fees and/or expenses borne by the various Clients may differ from one Client to another. Prospective and existing Investors in the Clients are advised to review the applicable Constituent Documents for a more extensive description of applicable fees and expenses associated with an investment in a Client as applicable. The amount of these fees and expenses will be substantial and will reduce the actual returns realized by Clients in connection with their respective investment advisory agreements with the Registrant (and may, in certain circumstances, reduce the amount of capital available to be deployed in Underlying Vehicles).

- Performance-based fees and expenses (including management fees) paid in respect of Underlying Vehicles, including fees paid to the investment manager or general partner of such Underlying Vehicles
- Legal fees (including costs, expenses and fees charged or specifically attributed or allocated by the Registrant or its affiliates to the Client or the Underlying Account or portfolio companies thereof for hours spent by its in-house attorneys and tax advisors to provide legal advice or services to the Client, Underlying Account or portfolio companies thereof)
- Regulatory filing fees
- Expenses related to the Registrant's compliance matters and reporting obligations to the extent they relate to the Clients' activities (e.g., Form PF, Alternative Investment Fund Managers Directive (AIFMD) reporting, including costs associated with any AIFMD marketing passport, and CFTC filings)
- Accounting fees
- Administrative fees, whether paid to Blackstone or a third-party
- Consultant expenses and strategic advisor expenses (including individuals consulted through expert network consulting firms)
- Technology expenses, including costs of service providers and researchers
- Accounting and tax fees
- Taxes and governmental fees, including taxes, fees, costs and/or tax-related interest, fees (including any penalties incurred where the Registrant lacks sufficient information from third parties to file a timely and complete tax return)
- Audit fees
- Valuation fees
- Expenses, costs and fees of any banks, investment banks, brokerage commissions and the cost of trading (including trading errors)
- Expenses related to hedging arrangements and currency conversion
- Transaction Fees

- Interest payments and related fees
- Custodial fees
- Operating partner fees and expenses
- Travel and accommodation expenses in connection with the Clients' 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 momentos, cars and meals, social events with portfolio entity management, customers, clients, borrowers, brokers and service providers)
- 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
- Expenses associated with the preparation of the Clients' 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 Clients)
- Expenses relating to the structuring, holding or disposition of investments (including the fees, costs and expenses related to the organization or maintenance of any entity directly or indirectly to acquire, hold or dispose of any investment or otherwise facilitating the investment activities of the Clients)
- Organization of vehicles through which a Client invests
- Expenses of investor meetings
- Expenses of any litigation involving the Clients or entities in which the Clients have an investment 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
- Liquidated damages, forfeited damages and reverse term fees
- Expenses of liquidating a fund
- Expenses of Blackstone-internal printing (including a flat service fee) and publishing (including time spent performing such internal printing and publishing services) and reporting-related expenses (including preparation of financial statements, tax returns, K-1s and other communications or notices)

- Expenses related to hedging arrangements
- Insurance (including the cost of title insurance, directors and officers liability or other insurance for the benefit of the Registrant and its affiliates and related persons)
- Indemnification expenses (including advancement of any fees, costs or expenses to persons entitled to such indemnification)

Investors in the Clients will typically be allocated (or otherwise bear) their pro rata share of such fees and expenses, which may be calculated based on capital commitments, invested capital, available capital, or other metrics as determined by the general partner of each Client in its sole discretion. From time to time, a general partner of a Client will be required to decide whether costs and expenses are to be borne by such Client, on the one hand, or the general partner or the Registrant, on the other, and/or whether certain costs and expenses should be allocated between or among such Client, on the one hand, and Underlying Blackstone Accounts on the other. Certain expenses may be suitable for only a particular Client, its parallel fund or participating Underlying Blackstone Accounts and borne only by such fund, or, as is more often the case, expenses may be allocated pro rata among the Clients, all of their respective parallel funds and participating Underlying Blackstone Accounts, even if the expenses relate only to particular vehicle(s) and/or investor(s) therein. The general partner of the applicable Client will make such judgments in its fair and reasonable, and in its sole discretion, notwithstanding its interest in the outcome, and may make corrective allocations should it determine that such corrections are necessary or advisable. There can be no assurance that a different manner of allocation would not result in a Client bearing less (or more) expenses.

In addition, certain expenses described herein, including, without limitation, certain technology-related expenses, will relate to products or services for which BIS or its affiliates have a license, and for which such license is used or otherwise relied upon to enable certain clients of BIS to use or access such products or services without their own license (“**Technology License Enabled Clients**”). In such cases, neither BIS nor any of its clients (including Clients of the Registrant) will be reimbursed for any such use or access by Technology License Enabled Clients. BIS and its affiliates will not be liable or responsible for Technology License Enabled Clients’ use of, or access to, any such products or services.

The Registrant and its affiliates may also receive break-up and topping fees, transaction fees, financial advisory fees, monitoring and director fees, commitment, organization, financing, divestment, investment banking, consulting, syndication, capital markets advisory fees and other similar fees for arranging acquisitions and other major financial restructurings and other fees and annual retainers from or with respect to persons in which the Clients acquire or hold investments and from unconsummated transactions. As described above, the management fee paid by Harrington Partners will be reduced in whole or in part by certain of these fees.

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

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

With respect to Harrington Partners, in addition to the management fees described in Item 5 that will be received by the Registrant and/or paid by Clients or investors, pursuant to Harrington Partners' Constituent Documents, the general partner of Harrington Partners will be entitled to receive an annual performance-based allocation equal to 20% of Harrington Partners' net capital appreciation subject to a loss carry-forward and reduced by (i) any incentive fees and/or "carried interest" borne by Harrington Partners directly or indirectly, with respect to any Underlying Blackstone Account, to the extent payable to Blackstone or an affiliate of Blackstone and retained by Blackstone or an affiliate of Blackstone, and increased by (ii) any incentive fees and/or "carried interest" directly paid by the Underlying Blackstone Accounts, their investment advisers, Harrington Partners or the Registrant to third party fund managers and certain third party UCITS fund managers with respect to the Underlying Blackstone Accounts, calculated and subject to adjustment as set forth in Harrington Partners' Constituent Documents.

Performance-based fees may not be charged by the general partners of certain BIS Funds, although they may be subject to performance-based fees with respect to their direct or indirect investments in Underlying Accounts (including the Underlying Blackstone Accounts) depending on the fee structure of the Underlying Accounts.

The fact that the Registrant's affiliates will, in part, be compensated based on the performance of Harrington Partners may create an incentive for the Registrant to make investments on behalf of investors that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement. However, the Registrant will manage Harrington Partners in accordance with the investment strategies disclosed in Harrington Partners' Constituent Documents to help ensure that investors are aware of the investment strategy and the risks associated with the strategy. Harrington Partners' Constituent Documents contain further details regarding each investment's incentive allocation, strategy and risks.

Similarly, the existence of a performance-based fee may incentivize the general partners of the BIS Funds to manage and/or allocate such BIS Funds' assets in a more aggressive manner than if there were no performance-based fee (including, allocating assets to one or more Underlying Blackstone Accounts that charge performance-based fees, directly or indirectly, with respect to the BIS Funds' investments therein). Please see **Item 10 – Other Financial Industry Activities and Affiliations – "Performance-Based Compensation / Management Fee"** for a more detailed description of the related conflicts of interest.

Item 7 – Types of Clients

The Registrant manages the Clients, including Harrington Partners and three other BIS Funds. The Registrant expects that future clients will include one or more BIS Funds, whose underlying investors will primarily consist of financial institutions and other life, health, property and casualty and reinsurance clients. The Registrant develops investment solutions with customized capital and risk management frameworks, including advisory solutions such as strategic asset allocation. All potential Clients are subject to certain suitability requirements (including that each Client be an “accredited investor” as defined in Regulation D under the Securities Act of 1933, as amended, and a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended).

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

Investment Strategies:

The investment strategies pursued by the Registrant may vary among the Clients. The Registrant employs various types of investment strategies, which include, but are not limited to:

- Credit-oriented investments
- Investments in hedge funds
- Real-estate related investments
- Private equity investments
- Other opportunistic investments

Methods of Analysis:

The Registrant will seek to invest substantially all of the Clients' assets in or alongside a range of Underlying Blackstone Accounts, Third Party Vehicles and other investments and asset classes related thereto in good faith in accordance with the investment guidelines for each Client.

Blackstone will seek to design an investment strategy that is intended to deliver attractive risk-adjusted returns through portfolios of primarily alternative investments, and the Registrant will have flexibility to vary investments and optimize the asset strategy within the Clients' investment guidelines. Factors contributing to the Registrant's investment decisions may include, but will not be limited to, diligence on market trends and macro-economic factors, as well as portfolio construction and monitoring utilizing scenario analysis, risk budgeting and proprietary tools. As part of the diligence and analysis process, subject to Blackstone's information wall policies, the Registrant may draw upon the expertise and advice of professionals from Blackstone's investment businesses and other groups within Blackstone.

Investment parameters will be set for, and in certain instances, by each Client and will be monitored and reviewed quarterly or as appropriate.

While it is expected that Clients will primarily make investments in or alongside Underlying Blackstone Accounts, the Registrant may also allocate and invest the relevant Client's assets in or alongside Third Party Vehicles and in other appropriate investment opportunities selected by the Registrant in accordance with such Client's investment objective and the concentration restrictions noted above.

The Registrant will seek to create a portfolio for each Client that is consistent with the risk and concentration parameters established for, and in certain instances by, such Client and the Registrant's investment professionals, including senior Blackstone investment professionals. In evaluating allocations and potential investments, the Registrant's investment professionals may

perform quantitative and qualitative analysis. This analysis may include diligence on market trends and macro-economic factors, as well as portfolio construction and monitoring utilizing scenario analysis, risk budgeting and differentiated tools. As part of the diligence and analysis process, subject to Blackstone's information wall policies, the Registrant's investment professionals will draw upon the expertise and advice of professionals from Blackstone's investment businesses and other groups within the firm.

All investments in or alongside Underlying Blackstone Accounts will be reviewed and approved by a committee comprised of certain senior Blackstone investment professionals.

Risk of Loss:

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

1. No assurance of investment returns; loss of part or all of investment
2. General economic and market conditions
3. No established market for potential investments exists
4. Illiquidity of investments by such Client
5. Investments may take longer than such Client's term to be exited
6. Changes in legal, fiscal and regulatory regimes
7. Nature of equity or equity-related investments
8. Non-U.S. investments, including potentially large currency fluctuations and political factors
9. Uncertainty of the long-term stability of the European Union, including the United Kingdom exit from the European Union and related volatility
10. Dependence on such Client's key personnel and the key personnel of advisers to Underlying Blackstone Accounts
11. No management or control of the Underlying Blackstone Accounts or Underlying Vehicles by the Registrant
12. Allocation of Registrant personnel's time to other Blackstone lines of business
13. Portfolio concentration; limited number of investments
14. Broad investment mandate
15. Limited to no restrictions on underlying strategies
16. Non-controlling investments
17. Distressed investments

18. Investment environment and market risk
19. Market volatility risks
20. Risk of loss of entire investment
21. Risk management
22. Absence of regulatory oversight
23. Risks related to use of leverage by such Client and Underlying Blackstone Accounts
24. Limited availability of investment opportunities
25. Investment and trading risk; lack of control
26. Changes to the tax treatment of an investment in such Client
27. U.S. federal income tax reform
28. Additional risks relating to the investment strategies pursued by the Underlying Vehicles, in (or alongside) which such Client may invest directly or indirectly
29. Changes to insurance capital regulations
30. Risks related to cyber security breaches and identity theft
31. Highly competitive market for investment opportunities
32. Role of private equity professionals
33. Investment in restructurings
34. Investments in less established companies
35. Investments in regulated industries
36. Force majeure risk
37. Terrorist activities
38. Availability of insurance for certain catastrophic losses
39. Certain risks related to investments in natural resources and energy
40. Hedging policies/risks
41. Proposed tax legislation adversely affecting Blackstone employees and other service providers
42. Enhanced scrutiny and potential regulation of the private investment fund industry and the financial services industry
43. OFAC and sanctions
44. FCPA and corruption considerations
45. FOIA

46. Economic, political and social instability
47. Foreign investment controls
48. Foreign capital controls
49. Accounting, disclosure and regulatory standards
50. Restricted securities
51. Future investment techniques and instruments
52. Technological innovations
53. Absence of oversight under the Investment Company Act
54. Pay-to-play laws, regulations and policies
55. Financial industry regulation
56. Change of law risk
57. ERISA considerations
58. Operational risk
59. No market for limited partnership interests; restrictions on transfers
60. Credit rating risk
61. Issuer risk
62. Liquidity risk
63. Call (or redemption) risk
64. Bail-in risk
65. Privatization
66. Investments in open market purchases; publicly traded securities
67. Non-control investments and joint-venture arrangements
68. Deployment of capital
69. Additional capital requirements
70. Adequacy of reserves
71. Distributions in-kind
72. Failure by limited partners to make payments

- 73. Investment due diligence risk
- 74. Political activities
- 75. Reliance on portfolio company management and third parties
- 76. Risks in effecting operating improvements
- 77. Expedited transactions
- 78. Portfolio company liabilities
- 79. Risks from operations of other portfolio companies
- 80. Bridge financing
- 81. Regulatory, permit and license approval risk
- 82. Liabilities on disposition of investments
- 83. Documentation and legal risks
- 84. Dilution from subsequent closings
- 85. Recycling; reinvestment
- 86. Possible exclusion from an investment
- 87. Valuation risk
- 88. Uncertainty of projections
- 89. Chinese growth slowdown
- 90. Potential collapse of the Euro
- 91. Lack of Operating History
- 92. Investments in Emerging Markets

Investors are advised to review the applicable Constituent Documents for a more extensive description of the risks of investing in the Clients.

Stock markets, credit markets, real estate markets and valuation regarding privately held fund interests and/or investments 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 the Registrant manages that may be out of the Registrant's control. The Registrant cannot guarantee any level of performance or that investors in the Clients will not experience a substantial or complete investment loss. There is no assurance that the Clients 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 investment will depend upon many factors beyond the control of the Clients. The expenses of the Clients may exceed their income, and an investor in a Client could lose the entire amount of its contributed capital. Therefore, an investor should only invest in a Client if the investor can withstand a total loss of its investment.

The past investment performance of the Clients cannot be taken to guarantee future results of the Clients or any investment in the Clients.

Epidemics/Pandemics. Certain countries have been susceptible to epidemics, most recently COVID-19, which may be designated as pandemics by world health authorities. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, has had and will continue to have a negative impact on the economy and business activity globally (including in the countries in which the Clients invest), and thereby is expected to adversely affect the performance of the Clients' investments. Furthermore, the rapid development of epidemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, presents material uncertainty and risk with respect to the Clients and the performance of their investments.

Investors are advised to review the applicable Constituent Documents for a more extensive description of the risks of investing in the Clients.

Item 9 – Disciplinary Information

The Registrant does not have any legal or other “disciplinary” event to report. As a registered investment adviser, the Registrant is obligated to disclose any legal or disciplinary event that would be material to a client when evaluating the Registrant’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, the Registrant does not believe that any current legal proceeding or claim to which Blackstone is a party would individually or in the aggregate materially affect the Registrant and/or the Clients’ results of operations, financial position or cash flows. Certain regulatory, litigation and other similar matters are disclosed in (i) Blackstone’s and the Registrant’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 website of the SEC (www.sec.gov) or Blackstone (<http://ir.blackstone.com/investors/annual-reports-and-sec-filings/default.aspx>) and (ii) materials made available through Blackstone’s BXAccess online portal related to the Registrant, the Clients and/or certain of their affiliates, which is accessible to limited partners for the funds in which they are invested. Anything disclosed in Blackstone’s or the Registrant’s public filings and/or which are otherwise made available to the limited partners of the Clients, including by way of posting to Blackstone’s online portal, is incorporated herein by reference, to the extent applicable, including with respect to litigation, investigations, settlements and similar proceedings.

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 Blackstone, the Clients, the Registrant and its affiliates. The following briefly summarizes certain but not all of these potential conflicts, and is not intended to be an exclusive list of all such conflicts. Any references to Blackstone and the Registrant in this section will be deemed to include their respective officers, directors and employees.

Selection of Investments. With respect to Clients that are permitted to invest in Underlying Blackstone Accounts, any investment decisions by the Registrant relating to the selection of, investment in or allocation of investments for the Clients, including allocations of the Clients' assets to Underlying Blackstone Accounts managed or sponsored by affiliates of the Registrant, will involve a material conflict of interest for the Registrant due to the economic and other arrangements described herein. The Registrant will generally have discretion to make investment decisions within the parameters of the applicable investment guidelines for each Client, applicable law (including, without limitation, applicable insurance laws and regulations) and other considerations, and will be permitted, in certain cases, to allocate such Client's assets to investments sourced by Blackstone and in Underlying Blackstone Accounts for which affiliates of the Registrant may receive substantial compensation in the form of management fees, other fees and carried interest. The Registrant and its affiliates, in their capacity as the Registrant or general partner (or similar managing entity) of the Underlying Blackstone Accounts, as applicable, are expected to receive carried interest or incentive allocations and management fees from such Underlying Blackstone Accounts. In addition, the Registrant and its affiliates are expected to receive various types of other fees from or with respect to portfolio entities, including certain Clients (where applicable), in connection with their investment and advisory activities, including the management of the Underlying Blackstone Accounts. Except as expressly provided in the relevant governing documents of each Underlying Blackstone Account, the Clients will generally not receive the benefit of any of the foregoing fees received by the Registrant and its affiliates. Such fees will be in addition to the management fees paid by the Clients under the applicable governing documents or investment management agreement.

As a result, the Registrant will have an incentive to cause the Clients to make capital commitments to new Underlying Blackstone Accounts or Underlying Blackstone Accounts that (a) are otherwise difficult to raise, including without limitation, because predecessor vehicles have had poor investment performance, the strategy is new or out of favor or turnover of the investment professionals responsible for performance or (b) have a possibility of generating higher fees or carried interest than another potential Underlying Blackstone Account. Correspondingly, the Registrant will have a disincentive to cause the Clients to make capital commitments to (x) Underlying Blackstone Accounts that are otherwise in high demand or (y) are expected to generate relative lower fees or carried interest than other potential Underlying Blackstone Accounts. Furthermore, the Registrant may have an economic incentive to make

capital commitments from certain Clients to affiliated Underlying Blackstone Accounts rapidly and in the maximum permitted size in order to increase and accelerate the timing of the potential fees and carried interest generated by such Underlying Blackstone Accounts.

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 advantages across Blackstone's various businesses that the Registrant expects to draw on for purposes of investing the Clients' capital and pursuing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, including a private equity business, a credit business, a hedge fund business, a capital markets group and a real estate advisory business, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, Blackstone has implemented certain policies and procedures (e.g., information walls) that reduce the positive firm wide synergies that the Registrant could otherwise expect to utilize for purposes of finding attractive investments. For example, Blackstone may from time to time come into possession of material non-public information with respect to companies in which an Underlying Blackstone Account and the Registrant may be considering making an investment or companies in which affiliates of Blackstone may hold an interest or that are clients of Blackstone. As a consequence, that information, which could be of benefit to the Underlying Blackstone Account, its investment professionals, the Clients and the Registrant's investment professionals, might become restricted to those other businesses and otherwise be unavailable to the Registrant and its investment professionals/personnel, certain Registrant investment personnel that also provide services to other business groups within Blackstone may be deemed to be in possession of material non-public information and may be excluded from certain investment decisions related to the Clients (or be replaced). In addition, to the extent that the Registrant's investment personnel are in possession of material non-public information or are otherwise restricted from trading in certain securities, the Registrant and the Clients will be deemed to be in possession of such information and may be restricted from engaging in certain investment activities, which could reduce the investment opportunities available to the Clients or prevent the Clients from exiting an investment. The Registrant's investment personnel may also be excluded from participating in certain investment decisions or otherwise replaced because of potential conflicts with other businesses at Blackstone or other reasons, in which case the Clients will not benefit from their expertise and advice. Additionally, the terms of confidentiality or other agreements with, or related to, companies in which any Blackstone client has made or has considered making an investment, or which is otherwise an advisory client of Blackstone, will from time to time restrict or otherwise limit information available to the investment committees or professionals of Underlying Blackstone Accounts or the Registrant which may adversely impact their ability to make, monitor and/or exit an investment, or otherwise enable the portfolio entities in which certain Clients invest or Underlying Blackstone Accounts in which other Clients invest (such entities, "**Portfolio**

Entities”) and their affiliates to make investment in or otherwise engage in certain businesses or activities. In addition, Blackstone may enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although they may be intended to provide greater opportunities for certain Clients, may require such Clients to share such opportunities or otherwise limit the size of an investment that the Client can otherwise make.

Allocation of Personnel. Certain senior Blackstone professionals and the general partners of the Clients and their affiliates will devote such time as will be necessary to conduct the business affairs of the Registrant in an appropriate manner. However, Blackstone personnel serving as members of the general partners and/or certain senior Blackstone professionals will work on other projects and/or Underlying Blackstone Accounts, including, without limitation, as members of the investment committee and/or investment teams serving the Underlying Blackstone Accounts, and will serve on other committees and have other responsibilities, including senior management responsibilities, throughout Blackstone and/or its portfolio entities. Time spent on other initiatives diverts attention from the activities of the Clients, which could negatively impact the Clients and their investors. Furthermore, Blackstone and Blackstone personnel derive financial benefit from these other activities, including fees and performance-based compensation. These and other factors create conflicts of interest in the allocation of time by Blackstone personnel.

In this regard, however, a core group of Blackstone investment professionals will devote such time as is reasonably necessary to the business related to the Clients (and their respective investments) and their related entities (which may include separate accounts, dedicated managed accounts and/or investment funds formed for specific investments). The Registrant’s and the applicable general partner’s determination of the amount of time necessary to conduct the Clients’ activities will be conclusive, and the investors rely on the Registrant’s and the applicable general partner’s judgment in this regard.

Performance-Based Compensation / Management Fee. The compensation arrangements of the Registrant and its affiliates may create an incentive to make investment decisions that are risky or speculative. The Registrant may, except as otherwise provided by the investment guidelines, applicable law (including, without limitation, applicable insurance laws and regulations) and other considerations, be incentivized to allocate capital to funds or investments with greater incentive fee rates. In addition to the management fees payable by a Client under its investment management agreement, a Client’s investments in Underlying Blackstone Accounts will generally be subject to management fees and performance based compensation at the level of such Underlying Blackstone Accounts payable to an affiliate of the Registrant. In addition, tax reform legislation enacted in 2017 provides for a lower capital gains tax rate on performance-based compensation from investments held for at least three years, which can be expected to incentivize general partners of Underlying Blackstone Accounts to cause the Underlying Blackstone Accounts to accelerate deployment of capital at the beginning of the Underlying Blackstone Accounts’ 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 of an Underlying Blackstone Account in certain circumstances and upon the liquidation of an Underlying Blackstone Account, the general partner of such Underlying Blackstone Account generally receives carried interest distributions in the form of 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 general partner and could incentivize the general partner to value the securities higher than if there were no carried interest. The general partner 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.

Outside Activities of Principals and Other Personnel and their Related Parties. Certain personnel of Blackstone will, in certain circumstances, be subject to a variety of conflicts of interest relating to their responsibilities to a Client or an Underlying Blackstone Account and their respective portfolio companies, and their outside personal or business activities, including 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 a Client or the Underlying Blackstone Accounts, including if such other entities compete with a Client or the Underlying Blackstone Accounts 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 a Client or the Underlying Blackstone Accounts. This involvement may create conflicts of interest in making investments on behalf of a Client or the Underlying Blackstone Accounts and such other funds, accounts and other entities. Although the Registrant, and the Underlying Blackstone Managers, will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for a Client or the Underlying Blackstone Accounts. 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 engage in other personal trading activities related to companies, assets, securities or instruments (subject to Blackstone's Code of Ethics requirements), of other companies, some of which will involve conflicts of interest. Such personal securities transactions will, in certain circumstances, relate to securities or instruments which can be expected to also be held or acquired by the Clients and/or Underlying Blackstone Accounts, or otherwise relate to companies or issuers in which the Clients and/or Underlying Blackstone Accounts have or acquire a different principal investment (including, for example, with respect to seniority). There can be no assurance that conflicts of interest arising out of such activities will be resolved in favor of the Clients and/or Underlying Blackstone Accounts. Clients or the Underlying Blackstone Accounts may 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 Clients or the Underlying Blackstone Accounts.

Additionally, certain personnel and other professionals of Blackstone have family members or relatives that are actively involved in industries and sectors in which the Underlying Blackstone Accounts invests 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 Underlying Blackstone Accounts or other counterparties of the Underlying Blackstone Accounts and their portfolio companies and/or assets. Moreover, in certain instances, the Underlying Blackstone Accounts or their portfolio companies 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 partnership agreement of such an Underlying Blackstone Account will not preclude such Underlying Blackstone Account 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 it determines appropriate. The Clients rely on Blackstone and the Underlying Blackstone Managers to manage these conflicts in their sole discretion.

Secondments and Internships. Certain personnel of Blackstone and its affiliates, including Consultants (as defined below), will, in certain circumstances, be seconded to one or more portfolio companies, vendors, service providers and vendors of the Underlying Blackstone Accounts to provide finance, accounting, operational support, data management and other similar services, including the sourcing of investments for the Underlying Blackstone Accounts or other parties. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment could be borne (in whole or in part) by Blackstone and its affiliates or the organization for which the personnel are working or both. In addition, personnel of portfolio companies, vendors and service providers (including law firms and accounting firms) of a Client or an Underlying Blackstone Account will, in certain circumstances, be seconded to, serve internships at or otherwise provide consulting services to, Blackstone and portfolio companies of the Underlying Blackstone Accounts. While often a Client, the Underlying Blackstone Accounts and their portfolio companies 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 a Client or an Underlying Blackstone Account or Blackstone in the ordinary course. Blackstone, a portfolio company of a Client or Underlying Blackstone Account, a Client or Underlying Blackstone Accounts 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 fees payable by investors in an Underlying Blackstone Account (including a Client) generally 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, a Client, Underlying Blackstone Accounts and each of their affiliates, and Blackstone will endeavor in good faith to allocate the costs of these arrangements, if any, to Blackstone, Clients, Underlying Blackstone Accounts, the portfolio companies of the Underlying Blackstone Accounts and other parties based on time spent by the personnel or another methodology Blackstone deems appropriate in a particular circumstance.

Multiple Blackstone Business Lines. Blackstone has multiple business lines, including the Blackstone Capital Markets Group, which Blackstone, the Underlying Blackstone Accounts, investment fund and other vehicle or account managed or advised by Blackstone from time to time in which the Clients do not invest (collectively, “**Other Blackstone Account**”), portfolio companies of the Underlying Blackstone Accounts and Other Blackstone Accounts and third parties will, in certain circumstances, 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 a Client’s or the Underlying Blackstone Accounts’ ability to engage in potential transactions. Similarly, other Blackstone businesses and their personnel may be prohibited by law or contract from sharing information with the Registrant and the Underlying Blackstone Managers that would be relevant to monitoring a Client’s or the Underlying Blackstone Accounts’ investments and other activities. Additionally, Blackstone or Other Blackstone Accounts can be expected to enter into covenants that restrict or otherwise limit the ability of the Underlying Blackstone Accounts or their portfolio companies and their affiliates to make investments in, or otherwise engage in, certain businesses or activities. For example, Other Blackstone Accounts could have granted exclusivity to a Joint Venture Partner that limits the Underlying Blackstone Accounts and Other Blackstone Accounts from owning assets within a certain distance of any of the joint venture’s assets, or Blackstone or an Other Blackstone Account 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 the Underlying Blackstone Accounts to implement their investment program. 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, including other business activities, in which case neither a Client nor the Underlying Blackstone Accounts will benefit from their experience. A Client 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 a Client or the Underlying Blackstone Accounts. Blackstone has long-term relationships with a significant number of corporations and their senior management. The Registrant and the Underlying Blackstone Managers will consider those relationships when evaluating an investment opportunity, which may result in the Registrant or the Underlying Blackstone Managers 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). A Client or the Underlying Blackstone Accounts 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 a Client or the Underlying Blackstone Accounts. The Underlying Blackstone Accounts 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 the Underlying Blackstone Managers with respect to the Underlying Blackstone Accounts' investments and otherwise result in a conflict.

Finally, Blackstone and Other Blackstone Accounts could acquire limited partner interests in the Underlying Blackstone Accounts in the secondary market. Blackstone and Other Blackstone Accounts would generally have greater information than counterparties in such transactions, and the existence of such business could produce conflicts, including in the valuation of a Client's investments.

Co-Investment Opportunities. It is expected that the Clients will invest in co-investment opportunities that arise across the Underlying Blackstone Accounts. The Registrant, as investment advisor to the Clients, believes that it will be offered the opportunity to make a sufficient number of co-investments (on behalf of the Clients) so as to implement the Clients' respective investment objectives. Such belief is based on, among other assumptions, recent Blackstone transactional activity and the Registrant's assumption that the number and size of future Blackstone investment transactions will be consistent with recent historical practice. Blackstone, however, has no obligation to offer any co-investment opportunities to the Registrant (on behalf the Clients), and certain investors in Underlying Blackstone Accounts will have priority rights to co-investment opportunities relating to such Underlying Blackstone Accounts and while it is expected Blackstone may offer co-investment opportunities to the Registrant (on behalf of the Clients), the Clients will have no rights to any such opportunities. For example, any Underlying Blackstone Account offering a co-investment opportunity to the Registrant may determine (x) to instead present such co-investment opportunity to one or more limited partners of such Underlying Blackstone Account that has expressed an interest in participating in co-investment opportunities or to a fund or account formed by (or permitted to be formed by) such Underlying Blackstone Account's investment advisor or its affiliates for the purpose of co-investing in transactions with such Underlying Blackstone Account to the extent that the required amount of the investment exceeds the amount of the investment deemed appropriate for such Underlying Blackstone Account (for example, to accommodate deal timing or to address regulatory requirements), (y) that the overall size of such co-investment opportunity is below a threshold determined by the general partner of such Underlying Blackstone Account to be appropriate for presentation to the Registrant (on behalf of the Clients) or (z) that it is otherwise contractually or legally restricted from presenting such co-investment opportunity to the Registrant (on behalf of the Clients). As a result, the Registrant may have an incentive to cause the Clients to make capital commitments to potential co-investment opportunities that (a) are otherwise not considered as attractive by third parties,

including without limitation, because of the prior investment performance of such Underlying Blackstone Account or its investment team because the co-investment opportunity is in an asset class or region that is out of favor or has a risk-reward profile which is not considered attractive by third parties or (b) have a possibility of generating higher fees or carried interest to Blackstone than would arise from the investment of additional capital to an Underlying Blackstone Account instead. Correspondingly, the Registrant may have a disincentive to cause the Clients to make capital commitments to co-investment opportunities that (x) are otherwise in high demand or (y) are expected to generate relatively lower fees or carried interest to Blackstone than would arise if such co-investment opportunities were committed to other Blackstone-managed investment funds or vehicles. In addition, the Registrant may seek to cause a Client to participate in co-investment opportunities in amounts that are greater than the aggregate capacity available to the Clients as a whole. In such cases, the Registrant will determine the allocation among the Clients in a fair and reasonable, formulaic manner. Furthermore, in cases where the Registrant seeks to cause a Client to participate in co-investment opportunities in amounts that are equal to or less than the aggregate capacity available to the Clients as a whole, an Underlying Blackstone Account may nonetheless reduce the amount of such co-investment opportunities allocated to any of the Clients pursuant to the investment allocation policies applicable to such Underlying Blackstone Account. It is expected that certain Underlying Blackstone Accounts will permit Blackstone and its affiliates to make periodic co-investment election amounts, but the Clients will have no rights to any such election opportunities. Additionally, to the extent the amount of such elections increases, the amount of co-investment opportunities offered by such Underlying Blackstone Accounts to the Registrant (on behalf of the Clients) may decrease. On the other hand, Underlying Blackstone Accounts may have an incentive to offer a co-investment opportunity to the Registrant (on behalf of the Clients) in circumstances where capital needed for a transaction is not otherwise readily available. There can be no assurances that Blackstone's future transactional activity and co-investment opportunities will meet the Registrant's expectations, or that any such opportunities will be offered to the Registrant (on behalf of the Clients) in any particular amount.

Other Fees; Fees from Portfolio Entities. Blackstone will receive fees from Portfolio Entities, the Clients and/or third parties as compensation for investment banking, underwriting, capital markets, placement, financial advisory, restructuring and advisory, consulting, asset / property management, insurance (including title insurance), monitoring, commitment, syndication, origination, servicing (including loan servicing), management consulting and other similar operational and finance matters, healthcare consulting / brokerage, group purchasing, organizational and financing, divestment and other services. Additionally, Blackstone may receive fees in connection with the deployment of capital by the Clients. Additionally, Blackstone may receive fees relating to the Clients' investments or from unconsummated transactions (i.e., transactions, directors', consulting, management, origination, closing, topping, break-up and other similar fees). In addition, although Blackstone does not presently intend to generally charge transaction and/or monitoring fees to portfolio entities, such fees, to the extent that they are charged to portfolio entities, would offset the management fee paid by

investors by 100% of each such investor's pro rata share of the net monitoring fees. To the extent Blackstone charges transaction and/or monitoring fees, in the case of monitoring fees, these may be payable as fixed dollar amounts or may be calculated as a percentage of EBITDA (or other similar metric). Any such fees that result in an offset to the management fee will only apply to the extent it is made as part of the applicable Clients' investments in such company. 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 applicable Clients have exited the portfolio entity and/or following the termination of such employee's employment with Blackstone. In addition, in certain instances, the Registrant may receive fees (including fees from Portfolio Entities) paid and/or borne by third parties in connection with a Client's investment activities. For example, this may include fees associated with capital invested in connection with a joint venture in which a Client participates or otherwise with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which the Registrant performs services and / or fees associated with capital invested by co-investors relating to investments in which the Clients participate. Certain personnel at Blackstone and/or its affiliates may be seconded to one or more portfolio entities of Clients and/or Underlying Blackstone Accounts to provide finance-related and other services to such portfolio entities. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment will be borne (in whole or in part) by such portfolio entities. However, it is Blackstone's current policy that the salary and benefits associated with secondments of personnel primarily engaged in sourcing fund investments will be borne by Blackstone and/or its affiliates. To the extent Blackstone and/or its affiliates receive any fees or expense reimbursement from such portfolio entities with respect to such personnel, they will not result in any offset to the management fee payable by the investors. The investors will not receive the benefit of any fees relating to a Client's investments or paid by the Portfolio Entities. For the avoidance of doubt, although the financial advisory and restructuring business of Blackstone has been spun out, to the extent that any investment banking, fees, consulting fees (including management consulting), syndication fees, capital markets, syndication and advisory fees (including underwriting fees), origination fees, servicing fees, healthcare consulting / brokerage fees, fees relating to group purchasing, insurance fees (including title insurance), financial advisory fees, transaction fees, monitoring fees, directors' fees, loan servicing fees, break-up fees, topping fees, commitment fees, divestment fees, organizational fees, operations fees, financing fees, fees for asset / property management services, fees for mortgage services 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 a Client or the investors and will not result in any offset to the management fee payable by investors. Fees that will result in an offset will generally be allocated pro rata among the Clients, Underlying Blackstone Accounts, co-investment vehicles, Blackstone's side-by-side co-investment vehicles and other participants that, in each case, are participating (or intending to participate) in such investment and may give rise to conflicts of interest. The amount of such fees allocable to such other participating funds will not result in an offset of the management fee payable by the investors, even if such Underlying Blackstone Accounts and co-investment vehicles provide for lower or no management fees for the investors or participants therein

(such as vehicles established in connection with Blackstone's side-by-side co-investment rights, which generally do not provide for a management fee or carried interest payable by participants therein). Moreover, Blackstone and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Clients which will not be subject to management fee offset or otherwise shared with the Clients and/or portfolio entities. For example, airline travel or hotel stays incurred as a Client's expense may result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Blackstone and/or such personnel (and not such Client, its investors and/or portfolio entities) even though the cost of the underlying service is borne by such Client and/or portfolio entities. In the event break-up or topping fees are paid to Blackstone in connection with a transaction that is not ultimately consummated, co-investment vehicles that invest alongside the Clients will generally not be allocated any share of such break-up or topping fees; similarly, such co-investment vehicles (including any vehicles established to facilitate the investment by Blackstone investors, such as in connection with Blackstone's side-by-side co-investment rights) generally do not bear their share of broken deal expenses (such as reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) for unconsummated transactions, which would result in the Clients bearing more than its pro rata share of such amounts. While the Registrant will seek to resolve any such conflicts in a fair and equitable manner, there is no assurance that any such conflicts will be resolved in favor of the Clients.

In the case of acquisition fees, often times these will be calculated as a percentage of the total enterprise valuation of the transaction, which is generally the aggregate amount of invested capital and debt assumed or financed by the Clients and/or the Portfolio Entities and its subsidiaries and affiliates.

The Clients may from time to time make real estate investments and / or hold real assets. To the extent the Clients invest in real estate, a portfolio entity may engage Blackstone Property Management ("**BPM**"), a Blackstone affiliate that provides property advisory, leasing oversight and development management services to certain Blackstone real estate investment properties primarily located in the United Kingdom and continental Europe, and BPM may receive fees for such services at competitive market rates as confirmed by the general partner alongside which (or in) the Clients invest from time to time.

Blackstone has established a joint venture with Lexington National Land Services, an existing leading national title agent, to create a new title company. The new title company acts as an agent for certain large underwriters in issuing title policies and providing title services for investments by the Clients and Underlying Blackstone Accounts as well as non-Blackstone investments (where applicable). This title agent places title insurance and provides title services for property owned by or underlying investments of the Clients and/or Portfolio Entities of the Clients and/or Underlying Blackstone Accounts, and, as a result, Blackstone, through its interest in such entity, receives fees and compensation resulting from the Clients' investments, and there is no related offset to the management fee. As a result, while

Blackstone believes the affiliated title agent when engaged generally provides services at or better than those provided by third parties (even in jurisdictions where insurances rates are statutorily determined), there is an inherent conflict of interest that will incentivize Blackstone to engage its affiliated service provider over a third party.

Blackstone (or its portfolio entities) may from time to time provide asset and/or property management services for a fee (including potentially incentive fees) with respect to assets sold by the Clients to a third party buyer. Such involvement of Blackstone as a provider of asset management services with respect to such assets may give rise to potential or actual conflicts of interest. While it is generally not expected that Blackstone will have an economic interest in such assets, it is possible that a buyer may require Blackstone as provider of such services to retain or acquire a stake in the asset as part of the overall service relationship therewith.

Advisors, Consultants and Partners. The Registrant, the Underlying Blackstone Managers, their 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 the Underlying Blackstone Managers, their affiliates or portfolio companies of the Underlying Blackstone Accounts (collectively, “**Consultants**”), to provide a variety of services. Similarly, the Underlying Blackstone Accounts and their portfolio companies 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 an Underlying Blackstone Account or a portfolio company of an Underlying Blackstone Account to Consultants in connection with the above, including performance-based compensation (e.g., promote), retainers and expense reimbursements, will generally be treated as a Client or Underlying Blackstone Account expense or expenses of the portfolio company, as the case may be, and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by the Underlying Blackstone Manager, be chargeable to such Underlying Blackstone Manager or deemed paid to or received by such Underlying Blackstone Manager, or offset or reduce any management fees payable by investors in such Underlying Blackstone Account (including a Client) or be subordinated to return of the capital of investors in such Underlying Blackstone Account (including a Client). 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 Underlying Blackstone Accounts in portfolio companies and investments, participate in long-term incentive plans of a portfolio company, and invest directly in the Underlying Blackstone Accounts or in vehicles controlled by the Underlying Blackstone Accounts, with reduced or waived management fees and carried interest and such co-investment or participation (which generally will result in the Underlying Blackstone Accounts being allocated a smaller share of an investment and less co-investment being available to limited partners thereof (including a Client)) may or may not be considered part of Blackstone’s side-by-side co-investment rights, as determined by Underlying Blackstone Managers or their affiliates in their sole discretion. Consultants’ benefits described in this paragraph will, in certain circumstances, 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 the Underlying Blackstone Managers 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 companies of the Underlying Blackstone Accounts and contributing to the identification and origination of new investment opportunities. The Underlying Blackstone Accounts may rely on these Consultants to recommend an Underlying Blackstone Manager 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 an Underlying Blackstone Account for any length of time. The Underlying Blackstone Managers and the Underlying Blackstone Accounts can be expected to 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 can be expected to 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 partnership agreement and investment advisory agreement of an Underlying Blackstone Account, and their salary and related expenses are paid by such Underlying Blackstone Account or by portfolio companies of such Underlying Blackstone Account without any reduction or offset to management fees payable by investors in such Underlying Blackstone Account (including a Client). Some Consultants work only for the Underlying Blackstone Accounts and their portfolio companies, while other Consultants may have other clients. Consultants could have conflicts of interest between their work for the Underlying Blackstone Accounts and their portfolio companies, on the one hand, and themselves or other clients, on the other hand, and the Underlying Blackstone Managers are limited in their ability to monitor and mitigate these conflicts.

In addition, the Underlying Blackstone Accounts will, in certain circumstances, enter into an arrangement from time to time with one or more individuals (who may be former personnel of Blackstone or current or former personnel of portfolio companies of the Underlying Blackstone Accounts, 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 company, as the case may be, could include: origination or sourcing, due diligence, evaluation, negotiation, servicing, development, management (including turnaround) and disposition. The individuals or relevant portfolio company could be compensated with a salary and equity incentive plan, including a portion of profits derived from the Underlying Blackstone Accounts or a portfolio company or asset of the Underlying Blackstone Accounts, 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 Underlying Blackstone Accounts 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 Underlying Blackstone Accounts (or broken deal expenses, if applicable) or indirectly through expenditures by a portfolio company. Such portfolio companies or Consultants typically are not treated as affiliates of the Underlying Blackstone Managers for purposes of the partnership agreements of the Underlying Blackstone Accounts and the fees, costs or expenses described above generally do not reduce or offset the management fee payable to the Underlying Blackstone Managers.

In addition, the Underlying Blackstone Managers may engage third parties as Consultants (or another similar capacity) in order to advise it with respect to existing investments, specific investment opportunities, and economic and industry trends. Such Consultants may receive reimbursement of reasonable related expenses by portfolio companies or the Underlying Blackstone Accounts and may have the opportunity to invest in a portion of the assets available to the Underlying Blackstone Accounts for investment which may be taken by the Underlying Blackstone Managers and their affiliates. If such Consultants generate investment opportunities on the Underlying Blackstone Accounts' behalf, such Consultants may receive special additional fees or allocations comparable to those received by a third-party in an arm's length transaction.

Conflicting Fiduciary Duties to Blackstone Accounts. Blackstone may structure an investment as a result of which Underlying Blackstone Accounts are offered the opportunity to participate in an investment allocated to a Client or where such Underlying Blackstone Accounts may hold or acquire interest in portfolio entities in which such Clients have indirect investments. Conversely, a Client may be offered an opportunity to participate in an investment or invest capital in an Underlying Vehicle that holds or subsequently acquires investments in which Underlying Blackstone Accounts have an interest. As investment advisor to both a Client and such Underlying Blackstone Accounts, Blackstone would owe a fiduciary duty to such Underlying Blackstone Accounts as well as to a Client. As such, Blackstone may, in certain instances, face a conflict of interest in respect of decisions made with regard to such Underlying Blackstone Accounts and the Clients (e.g., with respect to the terms of high-yield securities or other debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies, etc.)

Other Blackstone Businesses and Activities. As part of its regular business, Blackstone provides a broad range of services. In addition, from time to time, Blackstone and its affiliates will provide services in the future beyond those currently provided. The Clients and their limited partners will not receive a benefit from any fees paid in connection with services. Blackstone may have relationships with, render services to or engage in transactions with government agencies and/or issuers or owners of securities that are, or are eligible to be, Client investment opportunities.

As noted in the preceding paragraph, Blackstone affiliates are authorized to provide investment banking and advisory services, and to the extent such services are provided in the future, Blackstone and its affiliates may represent potential purchasers, sellers and other involved parties, including corporations, financial buyers, management, shareholders and institutions, with respect to investments that may be suitable for the Clients. In such a case, Blackstone's client would typically require Blackstone to act exclusively on its behalf, thereby precluding the Clients from acquiring such assets. Blackstone will be under no obligation to decline any such engagements in order to make the investment opportunity available to the Clients. In connection with Blackstone's capital markets business and the certain real estate advisory, investment banking and other services Blackstone's affiliates may provide from time to time, Blackstone may determine that there are conflicts of interest or come into possession of information that limits its ability to engage in potential transactions. The Clients' activities may be constrained as a result of these conflicts of interest and Blackstone's inability to use such information. For example, employees of Blackstone may be prohibited by law or contract from sharing information with Blackstone's professionals engaged with the business and operations of the Clients. Additionally, there may be circumstances in which one or more individuals associated with Blackstone or the Clients will be precluded from providing services to the general partners or the Registrant because of certain confidential information available to those individuals or to other parts of Blackstone. In certain sell-side and fundraising assignments, the seller may permit the Clients to act as a participant in such transactions, which would raise certain conflicts of interest inherent in such a situation (including as to the negotiation of the purchase price). Blackstone is under no obligation to decline any engagements or investments in order to make an investment opportunity available to the Clients. The Clients may be forced to sell or hold existing investments as a result of investment banking relationships or other relationships that Blackstone may have, or as a result of transactions or investments Blackstone and its affiliates may make or may have made. The Clients may also co-invest with other clients of Blackstone in particular investment opportunities, and the relationship with such clients could influence the decisions made by the Clients' general partners or the general partners of any Underlying Blackstone Account alongside which the Clients invest with respect to such investments. 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 Clients.

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 the Clients, the Registrant will consider those relationships, which may result in certain transactions that the Registrant will not undertake on behalf of the Clients in view of such relationships.

Blackstone will from time to time participate in underwriting or lending syndicates with respect to portfolio entities of the Clients, or may otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, the Clients' portfolio entities, or otherwise in arranging financing (including loans) for portfolio entities or advising on such transactions. Such underwritings will be on either a firm

commitment basis or may be on an uncommitted “best efforts” basis. A Blackstone broker-dealer may act as the managing underwriter or a member of the underwriting syndicate and purchase securities from the Clients or such portfolio entities. Blackstone may also, on behalf of the Clients or other parties to a transaction involving the Clients, effect transactions, including transactions in the secondary markets where it may nonetheless have a potential conflict of interest regarding the Clients and the other parties to those transactions to the extent it receives commissions or other compensation from the Clients and such other parties. Subject to applicable law, Blackstone may receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees or other compensation with respect to the foregoing activities, which are not required to be shared with the Clients or the investors and the management fee paid by the investors generally will not be reduced by such amounts. Blackstone may nonetheless have a potential conflict of interest regarding the Clients and the other parties to those transactions to the extent it receives commissions, discounts or such other compensation from such other parties. The Clients general partners will approve any transactions in which a Blackstone broker-dealer acts as an underwriter, as broker for the Clients, or as dealer, broker or advisor, on the other side of a transaction with the Clients only where the applicable general partner believes in good faith that such transactions are appropriate for the Clients and, by executing a subscription agreement for limited partnership interests (the “**Interests**”) in the Clients, the investors consent to all such transactions, along with the other transactions involving conflicts of interest described herein, to the fullest extent permitted by law. Sales of securities for the account of the Clients (particularly marketable securities) may be bunched or aggregated with orders for other accounts of Blackstone including other investment partnerships. It is frequently not possible to receive the same price or execution on the entire volume of securities sold, and the various prices may be averaged which may be disadvantageous to the Clients where Blackstone serves as underwriter with respect to a portfolio entity’s securities, the Clients may be subject to a “lock-up” period following the offering under applicable regulations during which time its ability to sell any securities that it continues to hold is restricted. This may prejudice the Clients’ ability to dispose of such securities at an opportune time.

Blackstone employees, including employees of the Registrant, may invest in real estate private equity funds, hedge funds or other investment vehicles, including potential competitors of the Clients. The investors will not receive any benefit from any such investments.

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 Clients and its 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 Clients’ interests.

PJTP. On October 1, 2015, Blackstone spun off the financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill Group fund placement businesses, and combined these businesses with PJT Partners, an independent financial advisory firm founded by Paul J. Taubman (“**PJTP**”). While PJTP operates independently from

Blackstone and is not an affiliate thereof, it is expected that there will be substantial overlapping ownership between Blackstone and PJTP for a considerable period of time going forward. Therefore, conflicts of interest will arise in connection with transactions between or involving the Clients on the one hand, and PJTP, on the other. The pre-existing relationship between Blackstone and its former personnel, the overlapping ownership and certain continuing arrangements between PJTP and Blackstone may influence Blackstone and/or the Registrant to select or recommend PJTP to perform services for the Clients (or a portfolio entity), the cost of which will generally be borne directly or indirectly by the Client or such entity, as applicable). Given that PJTP is no longer an affiliate of Blackstone, the Registrant and its affiliates will be free to transact with PJTP generally without restriction under the Constituent Documents, notwithstanding the historical relationship between Blackstone and PJTP.

Successor Funds; Underlying Blackstone Accounts; Allocation of Investment Opportunities.

Certain Underlying Blackstone Accounts may contractually or legally limit the investment opportunities available to the Clients. For example, the governing documents of certain products managed by GSO Capital Partners L.P., Blackstone Tactical Opportunities Advisors L.L.C. and Strategic Partners Fund Solutions Advisors, L.P. (each an affiliate of the Registrant) and certain Blackstone real estate products may require that co-investment opportunities first be offered to the investors in such product prior to any such opportunity being offered to the Clients. Therefore, allocations to the Clients may be limited. Underlying Blackstone Accounts may be similarly restricted. To the extent an Underlying Blackstone Account elects 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 any Underlying Blackstone Accounts and the Clients.

Related to the above, Blackstone has adopted “first-call” guidelines in connection with determining allocations of investment opportunities among its business groups. Even though the “first-call” guidelines are non-exclusive and subject to the provisions of the applicable partnership agreement, including the factors described above. The application of such guidelines may result in the Clients or Underlying Blackstone Accounts not participating, or not participating to the same extent, in investment opportunities in which it would have otherwise participated had the guidelines not existed.

The Registrant will seek to invest the assets of the Clients on a discretionary basis in good faith primarily in or alongside a range of Underlying Blackstone Accounts. Blackstone’s authority to invest the assets of the Clients in or alongside Underlying Blackstone Accounts may be subject to certain limitations and rise to actual or potential conflicts of interest, including with respect to the selection of such Underlying Blackstone Accounts and the terms of their investments. The risks associated with these investment programs depend largely on the investment strategies and investments of such Underlying Blackstone Accounts in which the Clients invest, and there can be no assurance that the activities of the Underlying Blackstone Accounts do not adversely affect the investment programs of the Clients.

Various conflicts of interest could arise which may not be resolved in favor of the Clients, and accordingly, could adversely affect the performance of the Clients. For instance, certain Underlying Blackstone Accounts will employ a substantially identical strategy as that employed by one or more of the Clients. Such Underlying Blackstone Accounts will compete with the Clients for allocation of investments. Investment opportunities that may be potentially appropriate for one or more of the Clients may also be appropriate for Underlying Blackstone Accounts and there can be no assurance that the Clients will be allocated those investments they wish to pursue and investment opportunities may be allocated to the Underlying Blackstone Accounts instead of the Clients.

In connection with the Clients, certain Clients may from time to time participate in investments in or relating to portfolio entities of other Clients. Any successor fund of the Clients may also participate in investments relating to portfolio entities in which the Clients 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 Clients, where the general partners and/or their affiliates determine that doing so is appropriate under the circumstances. Additionally, such related portfolio entities may be managed together (including, for example, the use of the same third party manager(s) or service provider(s)) or otherwise operated as part of the same “platform”, combined and/or otherwise sold together as a part of a single transaction or series of related transactions. Such arrangements may give rise to additional conflicts of interest in relation to the Clients, and their participation in any such investments may give rise to material conflicts of interest with, between or among the Clients and such other funds and vehicles. There can be no assurance that any such conflicts of interest will be resolved in favor of the Clients.

Investments in Which Underlying Blackstone Accounts Have a Different Principal Investment Generally. The Underlying Blackstone Accounts may hold an interest in a portfolio companies that is different (including with respect to relative seniority) than the interests held by Other Blackstone Accounts. In these situations, conflicts of interest will arise. In order to mitigate any such conflicts of interest, an Underlying Blackstone Manager may recuse itself from participating in any decisions relating or with respect to such investment by such Underlying Blackstone Account or the applicable investments by the Other Blackstone Accounts, or by establishing groups separated by information barriers (which can be expected to 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 the Underlying Blackstone Accounts and such Other Blackstone Accounts. If an Underlying Blackstone Account 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.

Service Providers and Other Counterparties. Certain advisors and other service providers, or their affiliates (including accountants, administrators, paying agents, depositaries, lenders, bankers, brokers, attorneys, consultants, title agents and investment or commercial banking firms), to the Clients, Blackstone and/or certain portfolio entities in which the Clients have an

investment also provide goods or services to, or have business, personal, financial or other relationships with, Blackstone, its affiliates and portfolio entities. For example, certain portfolio entities enter into agreements regarding group procurement (such as the group purchasing organization), benefits management, purchase of title and/or other insurance policies (which will from time to time be pooled across portfolio entities and discounted due to scale) from a third party or a Blackstone affiliate, and other similar operational, administrative or management related initiatives that result in commissions, discounts or similar payments to Blackstone or its affiliates (including personnel), including related to a portion of the savings achieved by the portfolio entity, and such commissions or payments generally will not offset the management fee payable to Blackstone. Such advisors and service providers referred to above may be investors in the Clients or Underlying Blackstone Accounts, affiliates of the general partners, sources of financing and investment opportunities or co-investors or commercial counterparties or entities in which Blackstone and/or an Underlying Blackstone Account has an investment, and payments by the Clients and/or Portfolio Entities generally would benefit Blackstone and/or such Underlying Blackstone Account. Additionally, certain employees of the Registrant and other professionals of Blackstone may have family members or relatives employed by such advisors and service providers or otherwise actively involved in (or have business, financial or other relationships with) relevant industries. For example, such family members or relatives might be employees, officers, directors or owners of companies or assets which are actual or potential investments of Clients or Underlying Vehicles or other counterparties of Clients or Underlying Vehicles and their portfolio entities and/or assets. Moreover, in certain instances, Clients or its 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. These relationships may influence Blackstone, the general partners and/or the Registrant in deciding whether to select or recommend or create such service providers to perform services for the Clients and/or a portfolio entity (the cost of which will generally be borne directly or indirectly by the Clients or such portfolio entity, as applicable) and may incentivize Blackstone to engage such service provider over another third party. The fees for services provided by such service providers may or may not be at the same rate charged by other third parties and Blackstone undertakes no obligations to select service providers who may have lower rates. Because Blackstone has many different businesses, including the Blackstone Capital Markets Group, which Blackstone investment teams and portfolio entities may engage to provide underwriting and capital market advisory services, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and subject to more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In most such circumstances, the Constituent Documents of each Client will not preclude such Client from undertaking any particular investment activity and/or transaction.

However, Blackstone or Underlying Blackstone Accounts can be expected to enter into covenants that restrict or otherwise limit the ability of the Clients or their portfolio entities and their affiliates to make investments in, or otherwise engage in, certain businesses or activities.

For example, certain Underlying Blackstone Accounts could have granted exclusivity to a joint venture partner that limits the Underlying Blackstone Accounts in which the Clients are invested from owning assets within a certain distance of any of the joint venture's assets, or Blackstone or an Underlying Blackstone Accounts could have entered into a non-compete in connection with a sale or other transaction. Furthermore, other Blackstone businesses and their personnel may be prohibited by law or contract from sharing information with the Client's general partner(s) that would be relevant to monitoring such Clients' investments and other activities. These types of restrictions may negatively impact the ability of the Client's to implement their investment program. To the extent Blackstone in its sole discretion 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 Blackstone in its sole discretion. In addition to the service providers (including portfolio entity service providers) and vendors described above, the Underlying Blackstone Accounts 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 will, in certain circumstances, also enter into transactions with other counterparties of the Underlying Blackstone Accounts and their portfolio entities, as well as service providers, vendors and investors of the Underlying Blackstone Accounts in which the Clients are invested. 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 Clients' partnership agreements. Furthermore, Blackstone, the Clients, the Underlying Blackstone Accounts 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, include, without limitation:

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 for themselves on an individual basis. The fees received by Equity Healthcare in connection with such services provided to investments will not offset the Management Fee payable by the limited partners.

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 Clients, Underlying Blackstone Accounts or any of their portfolio entities.

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

LNLS. Blackstone wholly owns a leading national title agency, Lexington National Land Services (“**LNLS**”), a title agent company. LNLS acts as an agent for one or more underwriters in issuing title policies and/or providing support services in connection with investments by Clients, Underlying Blackstone Accounts 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 Clients and Underlying Blackstone Accounts 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 Clients based on its equity interest in LNLS. In each case, there will be no related offset to Clients. As a result, while Blackstone believes that venture 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.

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 Clients and their Portfolio Entities.

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

Kryalos. Blackstone through one or more of its funds made a minority investment in Kryalos, an operating partner in certain real estate investments made by Underlying Blackstone Accounts, and Kryalos may perform services for the Clients and Underlying Blackstone Accounts.

PSAV. PSAV, Inc. is a portfolio company held by certain Blackstone private equity funds that provides outsourced audiovisual services and event production and may provide goods and services for Clients and their portfolio entities.

Certain Blackstone-affiliated service providers and their respective personnel will receive a management promote, an incentive fee and/or other performance-based compensation or payments in respect of investments. 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), provided that these amounts will not exceed market rates as determined by the Registrant to be appropriate under the circumstances.

Blackstone will make determinations of market rates (i.e., rates that fall within a range that Blackstone 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 Blackstone's experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by Blackstone 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., within property management services, different assets may receive different property management 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 specific characteristics of individual assets then owned or to be acquired by an Underlying Blackstone Account (such as location or size), or the particular characteristics of services provided. For these reasons, such market comparisons may not result in precise market terms for comparable services. Finally, in certain circumstances Blackstone 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 states) or because Blackstone has access to adequate market data to make the determination without reference to third party benchmarking.

One or more such service providers may become available for acquisition by the Clients as an investment (as a single asset or as part of an operating platform). In such transactions, Blackstone, one or more portfolio entities and/or Underlying Blackstone Account may be a seller to the Clients and/or participate alongside the Clients as a buyer. The general partners and/or the Registrant are expected to establish a valuation methodology in relation to the acquisition of any such service provider. In addition, before entering into any such transaction with respect to any such service provider, it is anticipated that the general partners and/or the Registrant will obtain such consents that may be required under the Advisers Act or other applicable laws or regulations and, by executing a subscription agreement for interests in the

applicable partnership agreement, a limited partner consents to all such transactions to the fullest extent permitted by law.

In addition, investment banks or other financial institutions, as well as Blackstone employees, may also be investors in the Clients. These institutions and employees are a potential source of information and ideas that could benefit the Clients. The Registrant has procedures in place reasonably designed to prevent the inappropriate use of such information by the Clients.

Advisors and service providers, or their affiliates, often charge different rates or have different arrangements for services. With respect to service providers, for example, the fee for a given type of work may vary depending on the complexity of the matter as well as the expertise required and demands placed on the service provider. Therefore, to the extent the types of services used by the Clients and/or a portfolio entity are different from those used by Blackstone (including its personnel), the Registrant or its affiliates (including its personnel), Blackstone may pay different amounts or rates than those paid by the Clients and/or a portfolio entity.

In addition, certain advisors and service providers (including law firms) may temporarily provide their personnel to Blackstone, the Clients, Underlying Blackstone Accounts or their portfolio entities pursuant to various arrangements including at cost or at no cost. While often the Clients, Underlying Blackstone Accounts 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 advisor or service provider also provides services to the Clients in the ordinary course. Such personnel may provide services in respect of multiple matters, including in respect of matters related to Blackstone, its affiliates and/or portfolio entities and any costs of such personnel may be allocated accordingly.

Blackstone's Treasury group may provide foreign currency exchange ("FX") services to the Clients or the Underlying Blackstone Accounts 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 Clients or Underlying Blackstone Accounts, the Blackstone Treasury group will exchange foreign currencies from Blackstone's own account on behalf of the Clients or the Underlying Blackstone Accounts 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 Clients or the Underlying Blackstone Accounts would incur on any FX payment or receipt regardless of counterparty).

Group Procurement; Discounts. The Underlying Blackstone Accounts, and their portfolio companies will enter into agreements regarding group procurement (such as CoreTrust, an independent group purchasing organization), benefits management, purchase of title and 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 such portfolio companies, 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 Underlying Blackstone Account, Other Blackstone Accounts and their portfolio

companies. Some of these arrangements result in commissions, discounts, rebates or similar payments to Blackstone, its affiliates, their personnel, or Other Blackstone Accounts and their portfolio companies, including as a result of transactions entered into by the Underlying Blackstone Accounts and their portfolio companies, and such commissions or payment generally will not be subject to any applicable management fee offset provisions applicable to an Underlying Blackstone Account. Blackstone may also receive consulting or other fees from the parties to these group procurement arrangements. To the extent that a portfolio company of an Other Blackstone Account is providing such a service, such portfolio company and such Other Blackstone Account will benefit. Further, the benefits received by the particular portfolio company providing the service may be greater than those received by the Underlying Blackstone Accounts and their portfolio companies receiving the service. Conflicts exist in the allocation of the costs and benefits of these arrangements, and the Client relies on the general partners of the Underlying Blackstone Accounts to handle them in their sole discretion.

Portfolio Entity Relationships. The Clients' portfolio entities are or will be counterparties or participants in agreements, transactions or other arrangements with portfolio entities of other investment funds managed by Blackstone or other Blackstone affiliates, or certain third-party service providers that, would not have otherwise been entered into but for the affiliation or relationship with Blackstone, and which involve fees, commissions, servicing payments, discounts, rebates and or other benefits to Blackstone, its affiliates (including personnel) and/or a portfolio entity which are not subject to the management fee offset provisions described herein. For example, Blackstone may cause the Clients' investments to enter into agreements regarding group procurement (such as the group purchasing organization), benefits management, purchase of title and/or other insurance policies (which will from time to time be pooled across portfolio entities and discounted due to scale) and other operational, administrative or management related matters from a third party or a Blackstone affiliate, and other similar operational initiatives that result in commissions or similar payments, including related to a portion of the savings achieved by the portfolio entity, and in each case payments made to Blackstone in connection therewith will not be subject to the management fee offset provisions otherwise described herein. To the extent that a portfolio entity of an Other Blackstone Fund is providing such a service, such portfolio entity and such Other Blackstone Fund will benefit, and the benefits received by such portfolio entity providing the service may be greater than those received by the Client and its portfolio entities receiving the service. As a part of such benefits management, certain of the Clients' investments may enter into an employer health program arrangement or similar arrangements with Equity Healthcare LLC ("**Equity Healthcare**"), a Blackstone affiliate which negotiates with providers of standard administrative services for health benefit plans and other related services and insurance carriers for cost discounts, quality of service monitoring, data services and clinical consulting. Because of the combined purchasing power of its client participants, Equity Healthcare is able to negotiate pricing terms from providers that are believed to be more favorable than the companies could obtain for themselves on an individual basis.

The payments made to Blackstone in connection with Equity Healthcare, group purchasing, insurance and benefits management will not offset the management fee payable by the Clients.

Additionally, Blackstone will from time to time hold equity or other investments in companies or businesses (even if they are not affiliates of Blackstone) that provide services to or otherwise contract with portfolio entities. Blackstone has in the past entered (and can be expected in the future to enter) into relationships with companies in the information technology and related industries whereby Blackstone acquires an equity or similar interest in such company. In connection with such relationships, Blackstone may also make referrals and/or introductions to portfolio entities (which may result in financial incentives (including additional equity ownership) and/or milestones benefitting Blackstone that are tied or related to participation by portfolio entities). Blackstone has also entered into an investment management arrangement whereby it provides investment management services to Fidelity & Guaranty Life Insurance Company which will involve investments across a variety of asset classes (including investments that may otherwise be appropriate for the Clients), and in the future Blackstone may enter into similar arrangements with other portfolio vehicles. Such arrangements may reduce the allocations of investments to the Clients, and Blackstone may be incentivized to allocate investments away from Clients 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 Clients. The Clients will not share in any fees or economics accruing to Blackstone as a result of these relationships and/or participation by portfolio entities.

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

Certain portfolio entities may have established or invested in, or may in the future establish or invest in, vehicles that are managed exclusively by the portfolio entities and not the Clients or Blackstone or any of its affiliates and that invest in asset classes or industry sectors (such as cyber security) that fall within the Clients' investment strategy. Such vehicles, which would not be considered an affiliate of Blackstone and would not be subject to Blackstone's policies and procedures, may compete with the Clients for investment opportunities.

In addition, a portfolio entity of a Client may enter into agreements, transactions or other arrangements with another portfolio entity of another Client or one or more portfolio entities of an Underlying Blackstone Account, which may give rise to actual or potential conflicts of interest for the Registrant, Clients and/or their respective affiliates. Such agreements,

transactions or other arrangements may be entered into without the consent or direct involvement of the Client and/or such Underlying Blackstone Account or the consent of members of such Underlying Blackstone Accounts' limited partner advisory committees and/or the limited partners of the Client or such Underlying Blackstone Account (including, without limitation, in the case of minority investments by the Client in such portfolio entities or the sale of assets from one portfolio company to another). This is because, among other things, portfolio entities of the Client and portfolio entities of Underlying Blackstone Accounts are not considered affiliates of the Registrant or the Client under the applicable partnership agreement. In any such case, the Client may not be involved in the negotiation process and the terms of any such agreement, transaction or other arrangement may not be as favorable to the Client as otherwise may be the case if the Client was involved.

Certain portfolio entities that provide services to a Client, Underlying Blackstone Accounts and/or portfolio entities or assets of such Client and/or Underlying Blackstone Accounts may be transferred between and among such Client and/or Underlying Blackstone Accounts (where such Client 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). Such transfers may give rise to actual or potential conflicts of interest for the applicable general partner 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 Underlying Blackstone Account 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.

Relatedly, Blackstone and/or Underlying Blackstone Accounts, including Blackstone Strategic Capital Holdings and its related vehicles/entities and successor funds ("**BSCH**"), regularly make minority investments in alternative asset management firms that are not affiliated with Blackstone. Typically, such an investment would involve receiving a share of the carried interest/performance based 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. 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 or anti-dilution arrangements). 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. A Client, its affiliates and its 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 portfolio entities. There can be no assurance that the terms thereof will be at arm's length or that Blackstone will not receive a benefit from such transactions, which may make it more likely that such transactions would be entered into. There can be no assurance that any such conflicts will be resolved in favor of a Client or its limited partners. By acquiring an interest in a Client, its limited partners will be deemed to have acknowledged such arrangements, agree that they will not be entitled to receive notice or disclosure of the terms or occurrence of either the investments in unaffiliated alternative asset management firms or transactions related thereto, and otherwise understand that they will not receive any benefit from such transactions.

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 Clients 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.

Additionally, Blackstone will from time to time hold equity or other investments in companies or businesses (even if they are not "affiliates" of Blackstone) that provide services to or otherwise contract with portfolio entities. Blackstone has in the past entered (and can be expected in the future to enter) into relationships with companies in the information technology and related industries whereby Blackstone acquires an equity or similar interest in such company. In connection with such relationships, Blackstone may also make referrals and/or introductions to portfolio entities (which may result in financial incentives (including additional equity ownership) and/or milestones benefitting Blackstone that are tied or related to participation by portfolio entities). The Clients and their limited partners will not share in any fees or economics accruing to Blackstone as a result of these relationships and/or participation by portfolio entities.

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 Clients may enter into cross collateralization arrangements with another portfolio entity of the Clients or portfolio entities of one or more Underlying Blackstone Accounts. While Blackstone would expect any such financing arrangements to generally be non-recourse to the Clients and the Underlying Blackstone Account, as a result of any cross-collateralization, the Client could also lose its interests in otherwise performing investments due to poorly performing or non-performing investments of Underlying Blackstone Accounts.

It is also possible that a counterparty, lender or other unaffiliated participant in such transaction requires or desires facing only one portfolio entity or group of portfolio entities,

which may result in (i) any of a portfolio entity or a portfolio entity of an Underlying Blackstone Account being solely liable with respect to its own and such third party for such Underlying Blackstone Account's portfolio entity's share of the applicable obligation and therefore, being required to contribute amounts in excess of its pro rata share, including additional capital to make up for any shortfall if such vehicles are unable to repay their pro rata share of such indebtedness and/or (ii) any of the Clients' portfolio entity and such Underlying Blackstone Account's portfolio entity being jointly and severally liable for the full amount of such applicable obligation or liable on a cross-collateralized basis on an investment-by-investment or portfolio wide basis, in each case which may result in the Clients' portfolio entity and such Underlying Blackstone Account's portfolio entity entering into a back-to-back or other similar reimbursement agreement.

In the case of Investments involving a "platform company", the Clients will from time to time enter into an arrangement with one or more individuals (who may have experience or capability in sourcing and/or managing investments) to undertake a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. The counterpart individuals may be compensated with a salary and/or equity incentive plan. Such compensation may take the form of a management fee and/or profits allocation (whether paid directly to such individuals and/or to an affiliated entity controlled by such individuals), which may be calculated as a percentage of assets under management and/or a waterfall similar to a carried interest, respectively. The professionals at such platform company, which in certain circumstances may include former employees or current or former senior advisors or consultants to BIS and its affiliates and/or management of portfolio entities of Underlying Blackstone Accounts, can be expected to undertake analysis and evaluation of potential investment and acquisition opportunities for such platform company. In such circumstances, the Clients would initially invest capital to fund a portion of the overhead (including rent, benefits, salary or retainers for the counterpart individuals and/or their affiliated entity) and sourcing costs for such investments. Although the Registrant and its affiliates are generally responsible for certain overhead expenses and investment analysis associated with sourcing and managing investments, as well as compensation costs of investment professionals, the Clients (and not solely the Registrant and its affiliates) may bear the entire cost of such platform companies including costs related to overhead and the sourcing and analysis of Investments, as well as compensation for the related counterparties, for any such platform companies.

Blackstone Strategic Relationships. Blackstone has entered, and it can be expected that Blackstone in the future will enter, into Strategic Relationships. A "**Strategic Relationship**" often involves an investor agreeing to make a capital commitment to multiple Blackstone funds, one or more of which may include a Client. Investors 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 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 allocation of co-

investment, and preferential terms and conditions related to co-investment or other participation in Blackstone vehicles (including any carried interest and/or management fees to be charged with respect thereto)). The co-investment that is part of a Strategic Relationship may include co-investment in investments made by Clients. Strategic Relationships may therefore result in fewer co-investment opportunities (or reduced allocations) being made available to Clients.

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 will, in certain circumstances, pay management fees and performance-based compensation in connection with such arrangements. Blackstone will, in certain circumstances, 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. Some Underlying Blackstone Managers will, however, charge such fees, compensation and expenses of such third parties to the Underlying Blackstone Account. To the extent that the investment opportunities relate to opportunities that are subject to co-investment, the amount of these rebates can be expected to relate to allocations of co-investment opportunities and increase if certain co-investment allocations are not made. While it is possible that the Underlying Blackstone Accounts 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 Underlying Blackstone Accounts 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 Underlying Blackstone Accounts.

Buying and Selling Investments or Assets from Certain Related Parties. The Underlying Blackstone Accounts and their portfolio companies may purchase investments or assets from or sell investments or assets to portfolio companies of Underlying Blackstone Accounts or their respective related parties. Purchases and sales of investments or assets between the Underlying Blackstone Accounts or their portfolio companies, on the one hand, and portfolio companies of Underlying Blackstone Accounts or their respective related parties, on the other hand, are not subject to the approval of a Client. 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.

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 Underlying Blackstone

Accounts' investment programs and Pátria's investment activities, there may be instances in which investment opportunities otherwise appropriate for an Underlying Blackstone Account will be shared with (or allocated to) Pátria. Therefore, there may be opportunities available to Pátria that are not shared with the Underlying Blackstone Accounts, and there may be opportunities available to the Underlying Blackstone Accounts 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 Underlying Blackstone Accounts, 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 Underlying Blackstone Accounts not participating in any such investments or participating therein to a lesser extent. In addition, the Underlying Blackstone Accounts 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, such Underlying Blackstone Accounts 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).

Blackstone Life Sciences. 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 (the "**Legacy Clarus Funds**"). The active Legacy Clarus Funds invest opportunistically in the life sciences, healthcare 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 the BXLS Funds under the BXLS platform whose investment objective is largely consistent with that of the Legacy Clarus Funds. In addition, Blackstone has established (x) the BXG Funds focused on growth equity investments ("**Growth Equity Investments**"), which will primarily provide capital to companies during the critical phase between venture capital investments and traditional buyouts, and (y) the impact funds (the "**Impact Funds**"), which are expected to make (i) direct equity and equity-like investments alongside impact and generalist asset managers and operating partners and, to a lesser extent, (ii) debt investments and primary investments in private, pooled investment vehicles, in each case, where such investment seeks to have a measurable positive social or environmental impact ("**Impact Investments**"). While the investment strategy of Clients would not typically include Defined Exit Investments, or Growth Equity Investments or Impact Investments, it is possible that certain of those investment opportunities (or other investment opportunities within the investment objectives of the BXLS Funds, and/or the BXG Funds and/or the Impact Funds) may fit within, or overlap with, the investment objectives of Clients and such investment opportunities may be allocated in whole or in part to such other funds and may result in Clients participating less or not participating at all in such investment opportunities.

Related Financing Counterparties. The Underlying Blackstone Accounts may invest in companies or other entities in which Other Blackstone Accounts make an investment in a different part of the capital structure (and vice versa). The Underlying Blackstone Managers may request in the ordinary course proposals from lenders and other sources to provide

financing to the Underlying Blackstone Accounts and their portfolio companies. The Underlying Blackstone Managers generally take into account various facts and circumstances they deem 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 Underlying Blackstone Accounts and their portfolio companies is expected to be provided, from time to time, by Other Blackstone Accounts, their portfolio companies and other parties with material relationships with Blackstone, such as shareholders of and lenders to Blackstone and lenders to Other Blackstone Accounts and their portfolio companies. Blackstone could have incentives to cause the Underlying Blackstone Accounts and their portfolio companies to accept less favorable financing terms from Other Blackstone Accounts, their portfolio companies and other parties with material relationships with Blackstone than they would from a third party. Although less common, an Underlying Blackstone Account or a portfolio company of an Underlying Blackstone Account could also occupy a more senior position in the capital structure than an Other Blackstone Account, its portfolio companies or other parties with material relationships with Blackstone, in which case Blackstone could have an incentive to cause such Underlying Blackstone Account or portfolio company to offer more favorable financing terms to such parties. In the case of a related party financing between the Underlying Blackstone Accounts or their portfolio companies, on the one hand, and Blackstone, Other Blackstone Accounts or their portfolio companies, on the other hand, the Underlying Blackstone Managers could, but are generally not obligated to, rely on a third-party agent to confirm the terms offered by the counterparty are consistent with market terms, or the Underlying Blackstone Managers could instead rely on their own internal analysis, which the Underlying Blackstone Managers generally believe is often superior to third-party analysis given Blackstone's scale in the market. If however any of Blackstone, the Underlying Blackstone Accounts, an Underlying Blackstone Account or any of their portfolio companies 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 an Underlying Blackstone Account or a portfolio company of an Underlying Blackstone Account by a financing syndicate in which Other Blackstone Account 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 Account had not participated; it is also possible that the frequent participation of Other Blackstone Accounts 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 Underlying Blackstone Accounts.

Blackstone could cause actions adverse to an Underlying Blackstone Account to be taken for the benefit of Other Blackstone Accounts that have made an investment more senior in the capital structure of a portfolio company of an Underlying Blackstone Account than an Underlying Blackstone Account (e.g., provide financing to a portfolio company, the equity of which is owned by an Underlying Blackstone Account) and, vice versa, actions may be taken for the benefit of the Underlying Blackstone Accounts and their portfolio companies that are adverse to the Other Blackstone Accounts. Blackstone could seek to implement policies and procedures to mitigate conflicts of interest in these situations.

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 Account) 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 the Underlying Blackstone Managers determine 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 Underlying Blackstone Accounts and their portfolio companies receive market terms.

In certain circumstances, the Underlying Blackstone Accounts 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, Other Blackstone Accounts 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 partnership agreements of the Underlying Blackstone Accounts and would be sold down ahead of the Underlying Blackstone Accounts’ investments. In any such circumstance, the Other Blackstone Accounts and/or Blackstone itself may receive compensation for providing such financing and/or commitment (including origination, ticking or commitment fees), which fees will not be shared with and/or otherwise result in an offset of management fees payable by the limited partners of the Underlying Blackstone Accounts. The conflicts applicable to Other Blackstone Accounts who invest in different securities of portfolio companies will apply equally to Blackstone itself in such situations.

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

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

Conflicting Fiduciary Duties to Debt Funds. Other Blackstone Accounts include funds and accounts that make investments in senior secured loans, distressed debt, subordinated debt, high-yield securities, CMBS and other debt instruments. As discussed above, it is expected that these Other Blackstone Accounts will be offered the opportunity to provide financing with respect to investments made by Underlying Blackstone Accounts and their portfolio companies. Blackstone owes a fiduciary duty to these Other Blackstone Accounts as well as to the Underlying Blackstone Accounts and will encounter conflicts in the exercise of these duties. For example, if an Other Blackstone Account purchases high-yield securities or other debt instruments of a portfolio company of an Underlying Blackstone Account, or otherwise occupies a senior (or other different) position in the capital structure of an investment relative such Underlying Blackstone Account, Blackstone will encounter conflicts in providing advice to these Underlying Blackstone Accounts and to these Other Blackstone Accounts 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. For example, in a bankruptcy proceeding, in circumstances where a Client or an Underlying Blackstone Account holds an equity investment in a Portfolio Entity, the holders of such Portfolio Entity's debt instruments (which may include one or more Underlying Blackstone Account) may take actions for their benefit (particularly in circumstances where such Portfolio Entity faces financial difficulties or distress) that subordinate or adversely impact the value of such Client or Underlying Blackstone Account's investment in such Portfolio Entity. Furthermore, an Underlying Blackstone Account may hold an investment that is senior in the capital structure, such as a debt instrument, to an Other Blackstone Account. Although measures described above can mitigate these conflicts, they cannot completely eliminate them.

Similarly, certain Other Blackstone Accounts can be expected to invest in securities of publicly traded companies that are actual or potential investments of Underlying Blackstone Accounts or their portfolio companies. The trading activities of Other Blackstone Accounts may differ from or be inconsistent with activities that are undertaken for the account of Underlying Blackstone Accounts or their portfolio companies in any such securities. In addition, the Underlying Blackstone Accounts may not pursue an investment in a portfolio company otherwise within the investment mandate of the Underlying Blackstone Accounts as a result of such trading activities by such Other Blackstone Accounts.

Liability Arising From Transactions Entered into Alongside Certain Underlying Blackstone Accounts. Participating in investments alongside Other Blackstone Accounts will subject the

Underlying Blackstone Accounts to a number of risks and conflicts. At times, a transaction counterparty will, in certain circumstances, require facing only one fund entity, which can be expected to result in (i) if an Underlying Blackstone Account is a direct counterparty to a transaction, such Underlying Blackstone Account being solely liable with respect to its own share as well as Other Blackstone Accounts' shares of any applicable obligations, or (ii) if an Underlying Blackstone Account is not the direct counterparty, such Underlying Blackstone Account having a contribution obligation to the relevant Other Blackstone Accounts. Alternatively, a counterparty may agree to face multiple funds, which could result in an Underlying Blackstone Account being jointly and severally liable alongside Other Blackstone Accounts for the full amount of the applicable obligations. In cases in which an Underlying Blackstone Account could be responsible for the liability of an Other Blackstone Account, 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 can be expected to be advantageous for counterparties to trade solely with the Underlying Blackstone Accounts. For these transactions, it is anticipated that the Underlying Blackstone Accounts would then enter into back-to-back trade confirmations or other similar arrangements with the relevant Other Blackstone Accounts. 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 Underlying Blackstone Accounts or Other Blackstone Accounts 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 company of an Underlying Blackstone Account (e.g., an initial public offering), Blackstone will seek to track the ownership interests, liabilities and obligations of such Underlying Blackstone Account and any Other Blackstone Accounts owning an interest in such portfolio company, but it is possible that the Underlying Blackstone Accounts and applicable Other Blackstone Accounts will, in certain circumstances, incur shared, disproportionate or crossed liabilities. Furthermore, depending on various factors including the relative assets, expiration dates, investment objectives and return profiles of the Underlying Blackstone Accounts and such Other Blackstone Accounts, 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.

Syndication; Warehousing. Blackstone, Other Blackstone Accounts, 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 a Client or the Underlying Blackstone Accounts in an affiliate or related party transaction. Similarly, an Account or the Underlying Blackstone Accounts will, in certain circumstances, acquire an investment and subsequently syndicate, or sell some or all of it, to Blackstone, Other Blackstone Accounts, Joint Venture Partners, or affiliates or related parties of the foregoing or other third parties. The Registrant or the Underlying Blackstone Managers 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. The Registrant or

the Underlying Blackstone Managers may also determine another methodology for pricing these transfers, including fair market value at the time of transfer. Also, the Registrant or the Underlying Blackstone Managers will, in certain circumstances, 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, an Underlying Blackstone Manager will have a potential conflict of interest when it receives fees, including carried interest, from a Client or an Other Blackstone Account acquiring from or transferring to an Underlying Blackstone Account all or a portion of an investment. Furthermore, Underlying Blackstone Managers and their affiliates have the right to commit to or initially acquire a portion of an investment alongside the Underlying Blackstone Accounts if they intend to syndicate such amounts to Other Blackstone Accounts or third parties (which may include one or more investors in Other Blackstone Accounts), and to retain such amounts not ultimately syndicated after having used reasonable efforts to syndicate. The equity committed/used in any such underwriting by the Underlying Blackstone Managers and their 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 Account. In such circumstances, Blackstone will have the right to earn underwriting and/or syndication fees from the Underlying Blackstone Account, the portfolio entity, or the purchasers of such equity, and the Underlying Blackstone Account and the limited partners will not be entitled to share in or receive the benefit of any such underwriting and/or syndication fees. As a result, the Underlying Blackstone Managers 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 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.

Broken Deal Expenses. The Underlying Blackstone Managers are 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. 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 the Registrant or the Underlying Blackstone Managers, be allocated solely to the applicable Clients or the Underlying Blackstone Accounts and not to Other Blackstone Accounts or co-investment vehicles that could have made the investment, even when the Other Blackstone Account or co-investment vehicle commonly invests alongside a Client or the Underlying Blackstone Accounts in its investments or Blackstone or Other Blackstone Accounts in their investments. In such cases a Client's or the Underlying Blackstone Accounts' shares of expenses would increase. In the event broken deal expenses are allocated to an Other Blackstone Account or a co-

investment vehicle, the Underlying Blackstone Managers or a Client will, in certain circumstances, advance such fees and expenses without charging interest until paid by the Other Blackstone Account or co-investment vehicle, as applicable.

Related Party Leasing. The Underlying Blackstone Accounts and their portfolio companies will, in certain circumstances, lease property to or from Blackstone, Other Blackstone Accounts and their portfolio companies 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 can be expected to nonetheless have conflicts of interest in making these determinations. There can be no assurance that the Underlying Blackstone Accounts and their portfolio companies will lease to or from any such related parties on terms as favorable to the Underlying Blackstone Accounts and their portfolio companies as would apply if the counterparties were unrelated.

Cross-Guarantees and Cross-Collateralization. In certain circumstances, portfolio companies of the Underlying Blackstone Accounts may enter into cross-collateralization arrangements with Other Blackstone Accounts and their portfolio companies, particularly in circumstances in which better financing terms are available through a cross-collateralized arrangement. Also, any cross-collateralization arrangements between Underlying Blackstone Accounts and Other Blackstone Accounts or their portfolio companies could result in Underlying Blackstone Accounts losing their interests in otherwise performing investments due to poorly performing or non-performing investments of Other Blackstone Accounts in the collateral pool.

Similarly, a lender could require that it face only one portfolio company of the Underlying Blackstone Accounts and Other Blackstone Accounts, even though multiple portfolio companies of the Underlying Blackstone Accounts and Other Blackstone Accounts benefit from the lending, which will typically result in (i) the portfolio company 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 companies of the Underlying Blackstone Accounts or Other Blackstone Accounts, and (ii) portfolio companies of the Underlying Blackstone Accounts and Other Blackstone Accounts 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 companies of the Underlying Blackstone Accounts and Other Blackstone Accounts benefiting from a financing may enter into a back-to-back or other similar reimbursement agreements to ensure no portfolio company of the Underlying Blackstone Accounts or Other Blackstone Accounts bears more than its pro rata portion of the debt and related obligations. It is not expected that any portfolio companies of the Underlying Blackstone Accounts would be compensated (or provide compensation to other portfolio companies of the Underlying Blackstone Accounts or Other Blackstone Accounts) for being primarily liable, or jointly liable, for such other portfolio companies' pro rata share of any financing.

Joint Venture Partners. The Underlying Blackstone Accounts may from time to time enter into one or more joint venture arrangements with third-party joint venture partners (“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 the Underlying Blackstone Managers in their sole discretion. The Joint Venture Partners could provide services to the Underlying Blackstone Accounts similar to those provided by the Underlying Blackstone Managers. Yet, generally no compensation or fees paid to the Joint Venture Partners would reduce or offset management fees payable by investors in an Underlying Blackstone Account (including a Client) or carried interest payable to the Underlying Blackstone Manager. 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 Registrant, the Underlying Blackstone Accounts, Other Blackstone Accounts, or their respective portfolio companies, or any affiliate, personnel, officer or agent of any of the foregoing.

Insurance. Clients and the Underlying Blackstone Accounts will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure a Client, the Registrant, the Underlying Blackstone Accounts, portfolio companies, the Underlying Blackstone Managers, Blackstone and their respective directors, officers, employees, agents and representatives, and other indemnified parties (and in certain circumstances, such person’s agents and representatives), against liability in connection with the activities of a Client or the Underlying Blackstone Accounts. 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 a Client, the Underlying Blackstone Accounts, the Underlying Blackstone Managers, the Registrant and Blackstone (including their respective directors, officers, employees, agents and representatives, and other indemnified parties). The Registrant and the Underlying Blackstone Managers will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella”, group or other insurance policies among one or more of a Client, the Underlying Blackstone Accounts, the Registrant, the Underlying Blackstone Managers and Blackstone on a fair and reasonable basis, in their sole discretion, and may make corrective allocations should they determine subsequently that such corrections are necessary or advisable.

Similarly, the Underlying Blackstone Accounts and their portfolio companies may enter into arrangements with Other Blackstone Accounts and their respective portfolio companies whereby property and/or other types of insurance is procured as a group where the insurance provider may charge lower premiums to the group than it would on an individual property-by-property 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 assets that are insured by such policies (or other factors that Blackstone may reasonably determine). Additionally, a Client, the Underlying Blackstone Accounts and Other Blackstone Accounts (and their respective portfolio companies) 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

properties that are insured by such policies (or other factors that Blackstone may reasonably determine).

In respect of such insurance arrangements, 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 different allocations or arrangements than those implemented by Blackstone as provided above would not result in a Client, the Underlying Blackstone Accounts and their portfolio companies bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies.

Coronavirus and Public Health Emergencies. As of the date of this Brochure, there is an outbreak of a novel and highly contagious form of coronavirus (“**COVID-19**”), which the World Health Organization has declared to constitute a “Public Health Emergency of International Concern.” The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. Moreover, with the continued spread of COVID-19, governments and businesses are likely to take increasingly aggressive measures to help slow its spread. For this reason, among others, as COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on Clients, Underlying Blackstone Accounts and their Portfolio Entities and could adversely affect Clients’ ability to fulfill their investment objectives.

The extent of the impact of any public health emergency on the Clients’ and their Portfolio Entities’ operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the Clients’ and Underlying Blackstone Accounts’ Portfolio Entities, their ability to source, manage and divest investments and their ability to achieve their investment objectives, all of which could result in significant losses to the Clients. In addition,

the operations of the Clients, Underlying Blackstone Accounts, their Portfolio Entities, and the Registrant may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers.

Additional Potential Conflicts of Interest. The officers, directors, members, managers and personnel of the Registrant and the Underlying Blackstone Managers can be expected to trade in securities and make personal investments 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 the Registrant or the Underlying Blackstone Managers. Such personal securities transactions and investments will, in certain circumstances, result in conflicts of interest to the extent they relate to (i) a company in which the Clients and Underlying Blackstone Accounts hold or acquire an interest (either directly through a privately negotiated investment or indirectly through the purchase of securities or other traded instruments related thereto) and (ii) entities that have interests which are adverse to those of the Clients and Underlying Blackstone Accounts or pursue similar investment opportunities as the Clients or Underlying Blackstone Accounts. In addition, as a consequence of Blackstone's status as a public company, the officers, directors, members, managers and personnel of the Registrant and the Underlying Blackstone Managers can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of a Client, the Underlying Blackstone Accounts 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 a Client and the Underlying Blackstone Accounts. Finally, although Blackstone believes its positive reputation in the marketplace provides benefit to a Client, the Underlying Blackstone Accounts, the Registrant or the Underlying Blackstone Managers could decline to undertake investment activity or transact with a counterparty on behalf of a Client or the Underlying Blackstone Accounts for reputational reasons, and this decision could result in a Client or the Underlying Blackstone Accounts foregoing a profit or suffering a loss.

Line of Credit Disclosure. The Clients are typically parties to one or more subscription-based credit facilities and borrowings by the Clients under such facilities will generally be secured by the Clients' investors' capital commitments and/or by the Clients' assets, and the terms of such facilities may provide that during the continuance of a default under such facilities, the interests of the Clients' investors may be subordinated to such facilities. Use of a subscription-based credit facility or asset-backed facility (or other facility) may result in a higher reported IRR (on an investment level and/or a fund-level) for a Client than if the facility had not been utilized because such borrowings were used in lieu of capital contributions or in advance of related capital contributions that would only be made at a later date (although the use of a subscription-based line (or other long-term leverage) may also result in a lower total return for a Client), and as a result of this and other factors (including that the interest rate on such borrowings is typically less than the rate of the preferred return (if any) and that such preferred

return (if any) does not accrue on such borrowings, and only accrues on capital contributions when made) may present conflicts of interest and the general partners of the Clients may make distributions prior to the repayment of outstanding borrowings. As a result, use of such facilities or other long-term leverage arrangements with respect to investments may reduce or eliminate the preferred return (if any) received by the Clients' investors and provide the general partners of the Clients with an incentive to fund investments through long-term borrowings in lieu of capital contributions. Subject to the limitations in the Constituent Documents, the use of a subscription-based credit facility by a Client is within the applicable general partner's discretion. In addition, subject to the applicable partnership agreement, lenders to a Client may include limited partners and their affiliates and/or the limited partners (or affiliates of limited partners) of Underlying Blackstone Accounts.

Loan Refinancings; Investments in Portfolio Entities. The Clients expect to participate in investments relating to (i) the refinancing of loan investments or portfolios held by certain Underlying Blackstone Accounts and/or (ii) portfolio entities of one or more Underlying Blackstone Accounts, including primary or secondary issuances of loans or other interests by such portfolio entities. While it is expected that the participation by the Clients in connection with any such transactions will be at arms' length and on market terms, such transactions will generally give rise to potential or actual conflicts of interest, which could adversely impact the Clients.

Blackstone Involvement in Financing of Third Party Acquisitions and Dispositions by the Investment Vehicles. The Clients are able to dispose, of all or a portion of an investment by way of a third party purchaser's bid or acquisition whereby Blackstone or one or more Underlying Blackstone Accounts provide financing as part of such bid or acquisition of such investment or the underlying assets thereof. This may include circumstances where Blackstone or one or more Underlying Blackstone Accounts makes a commitment to provide financing at, prior to, or around the time such third party purchaser commits to purchase or purchases such investment or assets from a Client. In addition, Blackstone or one or more Underlying Blackstone Accounts are able to provide financing with respect to one or more portfolio entities or borrowers in connection with a proposed acquisition or investment by a Client relating to such portfolio entities, their underlying assets and/or assets that they manage. The involvement of Blackstone or one or more Underlying Blackstone Accounts as a provider of debt financing in connection with the potential acquisition or disposition of portfolio investments by third parties from or to a Client will give rise to potential or actual conflicts of interest. In circumstances where one or more Underlying Blackstone Accounts is providing debt financing in connection with the potential acquisition or disposition of portfolio investments or assets, the Underlying Blackstone Account alongside (or through) which the Client participates in such investment may be motivated to cause such Underlying Blackstone Account (and thus the Registrant) to agree to terms that are less favorable to the applicable portfolio entity and/or the Underlying Blackstone Account than might have otherwise been obtained if such debt financing was not available, which may adversely impact such Client.

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

Data. Blackstone receives or obtains various kinds of data and information from the Clients, Underlying Blackstone Accounts 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 may 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 Clients, Underlying Blackstone Accounts and their portfolio entities. Blackstone has entered and will continue to enter into information sharing and use arrangements with the Clients, Underlying Blackstone Accounts, and their portfolio entities, related parties and service providers, which will 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 Clients and Underlying Blackstone Accounts, information obtained from the Clients and their portfolio entities also provides material benefits to Blackstone or Underlying Blackstone Accounts without compensation or other benefit accruing to the Clients or their investors. For example, information from portfolio entities owned by the Clients may enable Blackstone to better understand a particular industry and execute trading and investment strategies in reliance on that understanding for Blackstone and Underlying Blackstone Accounts that do not own an interest in the portfolio entity, without compensation or benefit to the Clients 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 nonpublic information, Blackstone is generally free to use data and information from the Clients’ activities to assist in the pursuit of Blackstone’s various other activities, including to trade for the benefit of Blackstone or an Underlying Blackstone Account. Any confidentiality obligations in the Constituent 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 is expected to provide a material benefit to Blackstone without compensation or other benefit to the Clients or their investors.

The sharing and use of “big data” and other information presents potential conflicts of interest and the Client investors 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 Clients or their investors. As a result, the PE Advisers have an incentive to pursue investments that have data and information that can be utilized in a manner that benefits Blackstone or Underlying Blackstone Accounts

Data Management Services. Blackstone or an affiliate of Blackstone formed in the future will provide data management services to portfolio entities and will provide such services directly to the Clients and Underlying Blackstone Accounts (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 Constituent Documents and any other applicable contractual limitations, with the Clients, Underlying Blackstone Accounts, portfolio entities and other Blackstone affiliates and associated entities (including funds in which Blackstone and Underlying Blackstone Accounts make investments, and portfolio entities thereof). If Blackstone enters into data services arrangement with portfolio entities and receives compensation from such portfolio entities for such data services, Clients will indirectly bear their share of such compensation based on their pro rata ownership of such portfolio entities. 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 Blackstone in its sole discretion, with Blackstone 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 is also expected to 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)) that will not be subject to the management fee offset provisions or otherwise shared with the Client or Client investors. Additionally, Blackstone is also expected to determine to share the products from such data management services within Blackstone or its affiliates (including Underlying Blackstone Accounts 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 Clients 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. (See also “Data” herein.)

Other Financial Industry Affiliations

The Registrant is an affiliate of the following entities:

| Broker-Dealer Entities | |
|----------------------------------|--|
| Alight Financial Solutions, LLC* | Provides self-directed brokerage windows to participants of plan sponsored 401(k) retirement plans |

| | |
|---|--|
| Assetpoint Financial, LLC* | Operates a service that facilitates the entry by banks and other financial institutions in to repurchase agreement transactions for themselves or as agent for their customers |
| 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 |
| 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 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 |
| 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 |
| Investment Advisor Entities | |
| Alight Financial Advisors, LLC (D/B/A Aon Hewitt 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.e., 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 Growth Advisors L.L.C. | Provides investment advisory services to private growth investment funds |
| Blackstone Infrastructure Advisors L.L.C. | Provides investment advisory services to one or more infrastructure-focused investment funds |
| Blackstone ISF Advisors LP | Provides investment advisory services to a number of debt-focused separately managed accounts |
| 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 Blackstone Life Sciences V L.P. |
| Blackstone Management Partners L.L.C. | Provides investment advisory services to various private equity funds |
| Blackstone Management Partners IV L.L.C. | Provides investment advisory services to various private equity funds |

| | |
|--|--|
| Blackstone Mezzanine Advisors L.P. | Provides investment advisory services to private investment funds specializing in mezzanine financing |
| Blackstone Multi-Asset Advisors L.L.C. | Provides investment advisory services to various private investment funds focusing on investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic alternative asset management strategies |
| Blackstone Property Advisors L.P. | Provides investment advisory services to various private real estate investment funds |
| Blackstone Real Estate Advisors Europe L.P. | Provides investment advisory services to various real estate investment funds |
| Blackstone Real Estate 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 Income Advisors L.L.C. | Provides investment advisory services to one or more registered closed-end 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 Real Estate Special Situations Advisors L.L.C. | Provides investment advisory services to various private real estate investment funds |
| Blackstone Strategic Alliance Advisors L.L.C. | Manages a series of private funds engaged in a hedge fund "seeding" program |
| Blackstone Strategic Capital Advisors L.L.C. | Manages private funds engaged in acquisitions of minority interests in alternative asset managers |
| Blackstone Tactical Opportunities Advisors L.L.C. | Provides investment advisory services to multi-discipline, multi-asset class private funds |

| | |
|--|---|
| Blackstone Treasury Solutions Advisors L.L.C. | Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products |
| Blackstone / GSO CLO Management LLC (Management Series) | Provides investment advisory services to U.S. CLOs |
| 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. |
| BX REIT Advisors L.L.C. | Provides investment advisory services to a public, non-traded REIT |
| BXMT Advisors L.L.C. | Provides investment advisory services to a REIT and other investment vehicles |
| 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 Alternative Credit, LLC* | Provides investment advisory services for both direct lending and broadly syndicated investments, through public and private vehicles, collateralized loan obligations, separately managed accounts and co-mingled funds |
| First Eagle Alternative Credit SLS, LLC* | Provides investment advisory services to clients in below investment grade investment opportunities in bank loans, high yield debt, collateralized loan obligations (“CLOs”), including CLO debt or equity mandates, and other securities |

| | |
|---|---|
| First Eagle BDC Adviser LLC* | Investment adviser created to provide investment advisory services to a business development company that has not yet launched |
| First Eagle Commercial Loan Originator II LLC* | Provides investment advisory services to CLO's specializing in middle market credit |
| First Eagle Investment Management, LLC* | Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals |
| 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 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 |
| 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 |
| Refinitiv Global Markets Inc. (D/B/A IFR Markets, Municipal Market Data)* | Provides investment advisory services to U.S. treasuries and municipal markets |
| 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 |

| | |
|--|---|
| THL Credit, Inc.* | Provides investment advisory services to certain private funds and separate accounts that have invested alongside THL Credit, Inc. |
| THL Credit Direct Lending Manager III LLC* | Serves as the manager of a private direct lending fund |
| Blackstone Insurance Solutions Europe LLP | Provides investment advisory services to one or more private investment funds and managed accounts focusing on European investment grade securities, investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic asset management strategies and origination opportunities |
| The Blackstone Group International Partners LLP | U.K. investment advisory firm, which serves as a sub-advisor to affiliates of the registrant |
| Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities | |
| Blackstone Alternative Asset Management L.P. (CTA/CPO) | Manages a series of private and closed-end funds engaged in multi-manager investment programs (i.e., fund of hedge funds) |
| Blackstone Alternative Investment Advisors LLC (CTA/CPO) | Provides investment advisory services to open end mutual funds and UCITS |
| 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 |
| Insurance Entities | |
| 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 private equity fund

**Portfolio company of affiliated Tactical Opportunities funds

The Registrant may enter into “side letters” with investors in the Clients, which allow for certain additional rights in the event of tax, regulatory or legal circumstances applicable to such investors. Side letters generally do not provide for reduction in management fees or performance allocations.

Various management and marketing personnel are registered with Blackstone’s broker-dealer, BAP, which may serve as placement agent to funds managed by the Registrant in the U.S. but is not compensated for such services. Blackstone does not believe these registrations, in and of themselves, create conflicts for the Clients’ investors.

A more detailed description of applicable conflicts of interest is set forth in the relevant Constituent Documents.

Item 11 – 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 Clients. The Code of Ethics is designed to ensure that the Registrant meets its fiduciary obligation to the 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 of Ethics 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 of Ethics 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
- 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 of Ethics.

Certain Potential Conflicts of Interest

Blackstone offers many different products and services, and there are several potential conflicts of interest which may arise, including, but not limited to, those investment related potential conflicts identified in **Item 10 – Other Financial Industry Activities and Affiliations** and below. The Registrant has adopted policies and procedures reasonably designed to address such potential conflicts of interest.

Potential investors are encouraged to also review the information and disclosures regarding certain potential risk factors and potential conflicts of interest included in the separate offering and/or disclosure documentation and Constituent Documents provided to potential investors with respect to the Clients.

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 (other than certain transactions excepted under the Code of Ethics) receive pre-

clearance from the Blackstone Legal and Compliance Department (provided, however, that the guidelines prohibit the purchase of all single-name securities). These guidelines are reasonably designed to comply with SEC requirements that registered investment advisors have a Code of Ethics, and are intended to assist Blackstone with identifying and mitigating actual or potential conflicts of interest with Blackstone's clients that may arise as a result of such transactions. In addition, Blackstone has implemented certain policies and procedures (e.g., information walls) to restrict access to material non-public information. . The Blackstone Legal and Compliance Department is responsible for overseeing compliance with the requirements of the Code of Ethics, which requirements include, but are not limited to, reporting of personal investment activities, accounts, pre-clearance of personal securities transactions, reporting of certain investment transactions and periodic compliance certifications. The Code of Ethics is available for review upon request.

Clients may request a copy of the Code of Ethics by contacting Jeffrey Iverson - Chief Compliance Officer at +1 (212) 583-5000 or Jeffrey.Iverson@Blackstone.com.

Item 12 – Brokerage Practices

The Registrant will not generally trade in public securities; however, in the event the Registrant executes a brokerage transaction for a Client (e.g., trades in public securities or enters into hedging transactions), the Registrant will generally enter into such transactions on the basis of best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that the Registrant believe to be of benefit to the Clients.

Principal Transactions and Cross Trades

The Registrant or an affiliate on occasion may engage in principal transactions with a Client. A principal transaction occurs when an investment advisor, acting for its own account (or the account of an affiliate) buys a security from, or sells a security to, a client's account. The Registrant will conduct all principal transactions according to the disclosure and client consent requirements of Section 206(3) of the Advisers Act. The Registrant must determine that any principal transaction is in the best interest of the participating Client.

The Registrant, to the extent permitted under applicable law, also may effect cross transactions in which the Registrant causes a transaction to be effected between a Client and another account advised by the Registrant or any of its affiliates (a "**Cross Trade**"). Cross trades, which may or may not constitute principal transactions, will be conducted in accordance with the Registrant's fiduciary responsibility to each participating Client, must be in the best interest of each participating Client and must be consistent with the Registrant's duty to seek best execution.

An Independent Client Representative will be retained for the Clients, as needed, for purposes of considering whether to grant, and granting or withholding, client (including, as pertinent, investors in the Client) consent to certain transactions that may give rise to conflicts of interest.

Trade Errors

Trade errors will be 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 affected Client 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 a Client, the Registrant will attempt to recover the amount of loss from the third party for such Client. The Registrant does not assume responsibility for compensating the applicable Client, or making the third party compensate the applicable Client, in such cases.

Underlying Managers

The managers of the Underlying Blackstone Accounts and the third party managers which manage the Third Party Vehicles engage brokers based on their own criteria. To the extent the

Registrant effectuates any brokerage transactions in the future, there will be no limitations as to which broker-dealers are used or as to the commission rates or similar charges paid, subject to the Registrant's duty to seek best execution.

Research and Other Soft Dollar Benefits

The Registrant does not currently utilize soft dollars to pay for research or brokerage services. To the extent the Registrant utilizes soft dollars in the future, it will do so within the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended (the "**Section 28(e) safe harbor**"). Research products or services might include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, and other products or services used by the Registrant in the performance of its investment decision-making responsibilities. Managers of the Underlying Blackstone Accounts 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.

Brokerage for Client Referrals

The Registrant does not use brokerage relationships for client referrals. The Registrant does not currently engage any unaffiliated person or entity to provide client referrals, although it may do so in the future.

Item 13 – Review of Accounts

Review of Accounts

The Clients' accounts and investment positions will be monitored by the Registrant's investment professionals, including certain senior Blackstone investment professionals, and the certain BIS committees and/or subcommittees (collectively, the "**Committees**"), on a regular and current basis.

One or more of the Committees will consist of certain senior Blackstone professionals, some of whom will be Senior Managing Directors or Managing Directors from a number of Blackstone's other investment businesses. One or more of the Committees will hold formal sessions regularly and meet ad hoc or make decisions by email as required to review and/or approve:

- Compliance with the investment strategy and limitations of the provided in the Investment Guidelines of the relevant Client
- General portfolio composition
- Strategy allocation percentages
- Investment concentrations
- Investment allocations and opportunities
- Constrained Opportunities
- Co-investments
- Market conditions
- Potential conflicts of interest
- Recent trading activities

Additionally, one or more of the Committees may periodically review on an expedited basis the assets of the Clients following a unique occurrence in the financial industry or market generally.

Reports to Investors

The Clients and investors therein will receive reporting as agreed upon between the Registrant and/or the Clients and such investors in the Clients and as described in the relevant Constituent Documents. The Registrant makes use of a website, BX Access, available at www.bxaccess.com for the distribution of reports and other information to the Clients and investors in the Clients.

Certain investors in the Clients may request additional information relating to the Clients and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, the Registrant 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 Clients that may not be known to other investors. As a result, certain investors can be expected 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

BAP may serve as a placement agent for the Clients in the U.S. but will not be compensated for such services. Typically, third-party solicitors (if any) 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). If third-party solicitors are engaged, a prospective investor solicited by a third party may be informed of (and may be asked to acknowledge in writing its understanding of) any such arrangement. Any such fees for these solicitation services will be ultimately paid/borne by the Registrant through a corresponding reduction in the management fee or other transfer and none of the investors in the Clients will 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. will 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 securities or funds or having any authority to obtain possession of them.

The Registrant may be deemed to have custody of the Clients’ funds. In such instances, the Registrant will comply with the provisions of the Custody Rule and will either provide the Clients with account statements on a quarterly or more frequent basis from their applicable custodians or will have securities verified by actual examination at least annually by an independent public accounting firm at a time chosen by the accounting firm without prior notice to the Registrant (a “Surprise Examination”). If a Surprise Examination is conducted, the accounting firm’s report concerning the Surprise Examination will be publicly available on the Form ADV-E at the website provided on the cover page of this Brochure.

Item 16 – Investment Discretion

Investment decisions are made within the investment guidelines as described in the applicable Client's Constituent Documents. The Registrant has discretion in determining the Underlying Accounts in or alongside which the Clients may invest and the amount to invest.

In making investment decisions on behalf of the Clients, the Registrant will seek to invest their assets across a range of Underlying Blackstone Accounts and, where applicable, other investment opportunities and asset classes related thereto in good faith in accordance with their respective investment guidelines and Constituent Documents.

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

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 the Registrant may be deemed to have authority to vote proxies relating to the companies in which its clients invest, the Registrant has adopted a set of policies and procedures (together, the “**Proxy Policy**”) in compliance with the Proxy Rule. To the extent that the Registrant exercises or is deemed to be exercising voting authority over its clients’ securities, the Proxy 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 Clients, as determined by the Registrant in its sole discretion.

From time to time, conflicts can be expected to arise between the interests of a Client, on the one hand, and the interests of the Registrant, Blackstone or its affiliates, on the other hand. If the Registrant determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, the Registrant will address matters involving such conflicts of interest on a case-by-case basis in a fair and equitable manner, subject to legal, regulatory, contractual or other applicable considerations. The Registrant, in its sole discretion, may elect not to vote a proxy if unduly burdensome.

The Clients and investors therein may request a copy of the Proxy Policy and the voting records relating to proxies as provided by the Proxy Rule by contacting Jeffrey Iverson - Chief Compliance Officer; (212) 583-5000; Jeffrey.Iverson@blackstone.com.

Item 18 – Financial Information

The Registrant does not charge fees more than six months in advance, 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 Clients.

Item 19 – Requirements for State Registered Advisers

Not applicable as the Registrant is not registered in any state.