

# Finance of America Capital Management LLC

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of Finance of America Capital Management LLC (“FOACM” or the “Firm”), (f/k/a Incenter Capital Management LLC). If you have any questions about the contents of this brochure, please contact us at 651-412-2014 or [info@foacapital.com](mailto:info@foacapital.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. FOACM is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about FOACM is also available on the SEC’s website at:

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

Since the last annual update to the Form ADV Part 2A (the Brochure) on March 30, 2020, the following material changes have occurred:

***Change in Indirect Ownership***

In October 2020, the Firm's indirect owner, Finance of America Equity Capital LLC ("FOAEC") and Replay Acquisition Corp. (NYSE: RPLA), a publicly traded special purpose acquisition company, agreed to a business combination that resulted in the Firm becoming a subsidiary of a publicly traded company, Finance of America Companies Inc. (NYSE Ticker: FOA), effective April 1, 2021. The transaction did not result in a change of the Firm's direct ownership as it continues to be directly wholly owned by Incenter LLC, and indirectly owned in majority by its existing equity owners.

The Schedule B of the Form ADV Part 1A (Indirect Owners) and this Brochure have been amended to reflect the changes.

***Additional Personnel***

In October 2020, the following individuals joined FOACM's team:

- Cameron Seymore, President
- Khalil Kanaan, Chief Investment Officer and Managing Director
- Travis Mayes, Portfolio Manager

***Change in Legal Name***

Effective February 26, 2021, the Firm changed its legal name to Finance of America Capital Management LLC.

In addition to the above changes, this Brochure contains the following material changes. Please carefully read Items 4, 5, 6, 8, 10, 11, and 15 which have expanded upon the description of certain fees and expenses, potential risk of loss and potential conflicts of interest and custody.

***Item 4 A. Description of Finance of America Capital Management LLC and Principal Owners***

In September 2020, two new intervening holding companies, FOAEC and Finance of America Funding LLC ("FOAF") were added to the chain of ownership above the Firm's parent company, Incenter LLC and below UFG Holdings LLC as part of an internal reorganization. The change resulted in Incenter LLC being wholly owned by FOAF, and FOAF being wholly owned by FOAEC. The ownership above FOAEC remained unchanged.

In April 2021, UFG Holdings LLC, UFG Global LLC and their respective manager(s) were removed from the Schedule B resulting in BTO Urban Holdings LLC and the Libman Family Holdings LLC directly owning controlling interest in FOAEC. Finance of America Companies Inc. was also added as an indirect controlling interest owner of FOAEC upon the completion of the merger referenced above.

***Item 4 B. Description of Advisory Services***

The Firm began managing mortgage related private funds, and therefore, the description of advisory services was amended to reflect the advisory and management services provided to private funds.

***Item 5 A. Fee***

A description of fees related to private funds has been added.

***Item 5B. Fee Methodology***

A description of the fee methodology and assessment to private funds has been added.

***Item 5C. Other Fees and Expenses Generally Applicable to Client Accounts***

A description of additional fees and expenses as well as those related to private funds has been added.

***Item 6: Incentive and side-by-side Management***

The Firm charges incentive fees to private funds that are managed. As such, this section was amended to reflect such fees.

***Item 8. Method of Analysis, Investment Strategies and Risk of Loss***

The section was amended to include potential risks associated with operating events, risk associated with material misrepresentation or omission on the part of a borrower, and the risk associated with lawsuits that can be brought by an unpaid creditor or representative of a creditor or a borrower.

***Item 10. Other Financial Industry Activities and Affiliations***

This section was amended to remove certain securities and investment advisory affiliates that are under common control by the Blackstone Group Inc., and to include FOAEC, FOAF, Finance of America Companies Inc., Finance of America Farm Finance LLC, and other related entities.

***Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

A description related to Material Non-Public Information and insider trading, personal trading and other ethical restrictions, as well as reference to the Firm's outside activity policy was added.

***Item 15. Custody***

The Firm related person is a general partner (a special purpose vehicle) of a private fund that is advised and managed by the Firm. Accordingly, the section was amended to reflect the Firm's requirements under Rule 206(4)-2.

FOACM, at any time, may update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (e-mail) or in hard copy form). If you would like another copy of this Brochure, please download it from the SEC's website as indicated on the cover of this Brochure, or you may contact us at 651-412-2014 or [info@foacapital.com](mailto:info@foacapital.com).

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## **Item 4: Advisory Business**

### **A. Description of FOACM and Principal Owners**

FOACM is a Delaware limited liability company and is a privately held investment adviser founded in 2016. FOACM is majority owned, through one or more intermediate entities, by FOAEC, and minority owned, through one or more intermediate entities, by Finance of America Companies Inc. (“FoA”), BTO Urban Holdings LLC (“BTO Urban Holdings”) and the Libman Family Holdings, LLC (“Libman Family Holdings”). FoA maintains its interests in FOACM through Replay Acquisition LLC, Blackstone Tactical Opportunities Funds (Urban Feeder)-NQ L.L.C., and FOAEC. BTO Urban Holdings and Libman Family Holdings maintain their interests in FOACM primarily through FOAEC and FOAF. FOACM remains directly, wholly owned by Incenter LLC.

Libman Family Holdings is held equally by Libman-Alpha Holdings, LLC, Libman-Eta Holdings LLC and Libman-Kappa Holdings LLC. Interests in BTO Urban Holdings are held by a series of limited partnership funds for which Blackstone Tactical Opportunities Associates – NQ L.L.C. serves as General Partner and Blackstone Tactical Opportunities Advisors L.L.C. serves as investment advisor. Information regarding Blackstone Tactical Opportunities Advisors L.L.C. is available in its Form ADV filed with the Commission.

### **B. Description of Advisory Services**

FOACM provides investment advisory and asset management services to mortgage securitizations trusts, and private funds that invest in mortgage related assets and hedging instruments (“Clients”). The services are provided in accordance with applicable investment guidelines and restrictions, including applicable restrictions on investing in certain assets or other financial instruments that are developed in consultation with the Clients, or in accordance with the mandate selected by the Clients.

### **C. Tailoring Advisory Services to Individual Needs**

Each investment vehicle or asset managed or otherwise advised by FOACM is managed in accordance with its investment guidelines and restrictions and is tailored to the specifics of each Client (i.e., the securitization trust and private fund) as further described in each Client’s offering memorandum (if applicable), limited partnership agreement and related addenda (if applicable) and subscription documents.

### **D. Wrap Fee Programs**

FOACM does not participate in wrap fee programs.

### **E. Assets Under Management**

FOACM manages the assets of the Clients and has the following assets under management:

<b>Discretionary Amounts</b>	<b>Non-Discretionary Amounts</b>	<b>Date Calculated</b>
\$301,314,581.75	0	December 31, 2020

## **Item 5: Fees and Compensation**

### **A. Fees**

#### Securitizations Trusts

FOACM's fees vary generally on the services being provided and by Client based on a number of different factors, including investment mandate and services performed. For asset management services provided to the securitization trusts, FOACM receives up to 0.25% per annum on the unpaid principal balance of loans in the securitized trusts that are managed by FOACM.

#### Private Funds

With respect to each private fund, the applicable fees are set forth in each fund investment management agreement and/or other governing documents, or the private fund's offering memorandum, if the private fund has issued an offering memorandum. FOACM receives a management fee in an amount equal to (i) the management fee rate for the applicable fiscal quarter, multiplied by (ii) the amortized cost basis value of the assets of the private fund for such fiscal quarter. The management fee rate is typically between 1.25% and 1.75% per annum. To the extent permitted under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), FOACM can negotiate and charge performance-based or incentive fees, as well as management fees to private funds. These fees do not include custodial and brokerage fees, interest, taxes, and other expenses. Incentive fees are charged only to accounts of those investors who are "qualified clients" as defined in Rule 205-3 of the Advisers Act.

FOACM may, in its sole discretion, reduce, waive or calculate differently the management fee with respect to any Client.

### **B. Fee Methodology**

The timing of fee payments, mutually agreed upon with each Client, typically is set forth in the applicable investment advisory or management agreement, or in the private fund's relevant governing documents and/or the offering memorandum, if applicable.

#### Securitizations Trusts

The management fee is calculated as of the first date of each calendar month and payable monthly in arrears as outlined within the applicable Sub-Management Agreement.

#### Private Funds

The management fee is generally calculated by multiplying a management fee rate to amortized cost basis value of the assets for such fiscal quarter. The management fee is payable quarterly in arrears and prorated for any partial quarterly periods in the event of a termination of a relationship. Unearned fees, if any, beyond agreed-upon fees, paid in advance will be refunded to the Client. To the extent fees have been earned but not yet billed, such fees will be pro-rated and paid by the Client upon termination. The management fee rate varies per Client.

### **C. Other Fees and Expenses Generally Applicable to Client Accounts**

In addition to the fees described above, Clients may bear other costs associated with investments including but not limited to: (i) custodial charges, brokerage fees, commissions and related costs; (ii) interest expenses; (iii) taxes, duties and other governmental charges; (iv) transfer and registration fees or similar expenses; (v) costs associated with foreign exchange transactions; (vi) other portfolio expenses; (vii) administrative services and (viii) to the extent negotiated in the investment management agreement and/or other governing documents.

Private Funds also generally bear their own organizational, operating and other expenses including, but not limited to, in addition to those listed above: (i) sales expenses; (ii) legal expenses (which includes expenses incurred in connection with a private fund's legal and regulatory compliance with U.S. and non-U.S. laws and regulations (including reporting on and compliance with Form PF), and expenses incurred in connection with complying with provisions in side letter agreements); (iii) internal and external accounting, audit, custody, administration and tax preparation expenses; (iv) out-of-pocket costs of any legal counsel (including litigation expenses); (v) insurance costs, including the cost of any directors and officers liability or other insurance and indemnification (including advances) or extraordinary expense or liability relating to the affairs of private funds; (vi) placement compensation payable to any placement agent (including any out-of-pocket expenses of such placement agent and any indemnification expenses payable to such placement agent); (vii) expenses of the limited partner advisory boards for certain private funds and meetings of the limited partners; (viii) expenses of liquidating and dissolving the private funds, including any fees and expenses of the private funds' liquidator; (ix) certain travel expenses; (x) other service provider expenses (e.g., expenses related to directors of a private fund); (xi) all expenses incurred in connection with a private fund's business, affairs and operations, including identifying, structuring, managing, evaluating, trading, conducting due diligence on, investing in, acquiring, holding, restructuring, disposition of (including the transfer or sale of), any portfolio investments or prospective investments (whether or not consummated), including "broken-deal expenses," legal, accounting, engineering, consulting, management, non-disclosure agreement service providers, and other professional fees, fees of finders or sourcing partners, and travel and lodging expenses; (xii) all expenses incurred in connection with the securing and servicing of financing, including expenses related to the negotiation and documentation of agreements with one or more lenders or the posting of collateral; (xiii) all principal and interest on, and fees, costs and expenses arising out of, all borrowings and guarantees made by, and other indebtedness of, the private funds; (xiv) all extraordinary expenses or liabilities; (xv) all professional fees incurred in connection with the business or management of the private funds, including reasonable dues for professional organizations related to the investment strategy of the private funds; (xvi) all expenses relating to the potential transfer or actual transfer of investors' interests in the private funds (to the extent not paid by the transferor or transferee); (xvii) all expenses relating to any letter agreements, distribution agreements and other similar agreements with investors and prospective investors and modifications and amendments to such agreements; (xviii) all expenses incurred in connection with the creation of, and any restructuring or amendments or supplements to, the offering memorandum or the governing documents of the private funds or of the general partner and related entities; (xix) all expenses incurred in connection with the formation of alternative investment vehicles and special purpose vehicles and subsidiaries of the private funds; (xx) any amounts paid by the private funds or alternative investment vehicles for any hedging transactions (including any amounts necessary

to satisfy margin requirements) or permitted borrowing requirements; (xxi) all expenses incurred in connection with multimedia, analytical, database, news or other third-party research services and related terminals for the delivery of such services; (xxii) all fees charged by third parties for sourcing and/or managing portfolio investments, including fees paid to administrators of portfolio investments as applicable; (xxiii) all third-party fees and expenses charged to the private funds, including in connection with tax and legal advice, custodial services and compliance services; (xxiv) all fees charged, and reasonable out-of-pocket expenses incurred, by the private funds' administrators and custodians and (xxv) management fees other than the ones described above in Item 5A.

Generally, feeder funds bear a pro rata share of the expenses associated with the related master fund. Accounts or private funds that invest with an underlying manager or in underlying funds generally bear associated fees (which typically include both assets based and performance-based fees) and expenses of such underlying managers and/or underlying funds. Fund investors and Clients bear the cost of investments in funds, which can include private funds or other pooled investment vehicles for which FOACM serves as investment adviser or sub-adviser ("Affiliated Funds"). Further details on expenses that are charged are in the relevant offering memorandum and/or other governing documents.

#### **Item 6: Incentive Allocations and Side-by-Side Management**

Where applicable, performance-based or incentive fees or other performance-based compensation is generally based on investment profits or periodic or cumulative performance "hurdles" and is (i) typically payable on a quarterly basis; (ii) in the case of certain private funds that invest in other affiliated or unaffiliated investment vehicles ("Fund of Funds"), at the time of withdrawal or redemption with respect to the amount withdrawn; and/or (iii) as redeemed or as investments are realized and/or capital is distributed. In some cases, these arrangements are subject to a high-water mark or other provisions intended to assure that prior losses are recouped before giving effect to any performance-based or incentive fees or allocations. Clawback or deferral provisions may apply to performance-based fees paid with respect to certain private funds. The timing and amount of performance-based or incentive fees or allocations typically are described in the relevant governing documents and/or the offering memorandum, if applicable. As discussed in Item 5A, FOACM receives performance-based compensation in the form of incentive fees. Such incentive fees are based on FOACM's ability to drive recapture of the servicing assets acquired by the Funds. Clients should be aware that when an adviser receives performance-based fees or allocations, or FOACM's personnel have any other financial incentive to achieve gains in excess of the disincentive to suffer losses, FOACM and/or such personnel have an incentive to choose investments that are riskier or more speculative than might otherwise be chosen.

FOACM seeks to address these conflicts through careful vetting of investment opportunities by its investment professionals, and full disclosure to the Clients by way of periodic reports.

#### **Item 7: Types of Clients**

FOACM provides advisory and management services to securitization trusts that are special purpose entities used for the issuance of mortgage-backed securities, private funds that invest in mortgage related assets and associated hedging instruments, and other institutional businesses.

FOACM has not currently established a minimum investment amount for Clients.

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

The general investment strategy and methods of analysis that FOACM employs in managing assets, as well as the primary associated risks, are described below.

Clients should note that it is not possible to identify all of the risks associated with investing and that the particular risks applicable to each Client account will depend on the nature of the account, its investment strategy and the characteristics of securities or assets held. Investment in mortgage related assets generally expose Clients to the risks of owning real estate and the risks of leverage investing.

FOACM seeks to manage each account so that risks are appropriate to the mandate prescribed by the Client. However, it is often not possible or desirable to fully mitigate risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved.

Because FOACM limits its advice to particular types of investments, a Client's account is not diversified and is not intended as a complete investment program.

Clients are responsible for appropriately diversifying assets to guard against the risk of loss. FOACM does not offer any products or services that guarantee rates of return on investments for any period. Clients assume the risk that investment returns may be negative or below the rates of return of other investment advisers or products and should be prepared to bear the risk of loss.

#### **Methods of Analysis and Investment Strategies**

FOACM uses a range of methods to identify, analyze and assess potential and existing investment opportunities. This may include arrangements with affiliated or unaffiliated advisors for purposes of obtaining analysis that would assist FOACM in its investment decision-making recommendation process. As a general matter, analytical methods used by FOACM can include gain/loss forecast models, cash-flow models, other financial modeling and simulation, risk sensitivity analysis, charting, and fundamental, technical and cyclical analysis.

FOACM's analysis involves a variety of factors, such as cash yield, risk-adjusted returns, macro-economic environment, market concentration limits, credit concentration limits, liquidity, costs and availability of financing and hedging activities.

#### ***Certain Risk Factors***

**Highly Competitive Market for Certain Types of Investment Opportunities.** The activity of identifying, completing and realizing on attractive residential mortgage assets that fall within the Clients' investment objectives may be, in certain cases, highly competitive, involves a high degree of uncertainty and will be subject to market conditions. Clients may expect to encounter competition from other entities having similar investment objectives and others pursuing the same or similar opportunities. Potential competitors include other alternative investment firms, financial sponsors,

corporations, business development companies, strategic industry participants, sovereign wealth funds, hedge funds, other institutional investors and one or more affiliates of FOACM. There can be no assurance that FOACM will be able to identify, consummate and exit investments satisfying the Clients' investment criteria or that such investments will satisfy the Clients' rate of return objectives. Likewise, there can be no assurance that Clients will be able to realize upon the values of their investments. To the extent that Clients encounter competition for investments, returns may decrease. Clients will be dependent upon the judgment and ability of FOACM in sourcing transactions and investing and managing the capital of the Clients.

Mortgage-Related Investment Risks - General. Clients make investments primarily relating to residential or commercial mortgage credit and prepayment-sensitive assets, including but not limited to, mortgage whole loans such as jumbo and Federal Housing Administration ("FHA") insured reverse mortgages, second lien mortgages, jumbo prime and expanded criteria mortgages, residential construction loans, mortgage servicing rights and securities and/or participation interests whose value is derived from mortgage credit and prepayment-sensitive assets. The investments will be subject to the risks inherent in the ownership of mortgages. Deterioration of real estate fundamentals generally may negatively impact the performance of the Clients by making it more difficult for mortgage holders to satisfy their debt payment obligations, increasing the default risk applicable to mortgage holders, and/or making it relatively more difficult for the Clients to generate attractive risk adjusted returns. Other risks include, but are not limited to, the financial resources of borrowers, changes in availability of debt financing, changes in interest rates, the availability of mortgage funds, increased mortgage defaults, increases in borrowing rates, negative developments in the economy and other factors that are beyond the control of FOACM and its affiliates. The mortgages in which Clients are expected to invest may be subordinated to substantial amounts of senior indebtedness. Clients' investments may be subject to refinancing options, pre-payment options, or similar provisions which, in each case, could result in the borrower repaying the principal on an obligation held by the Clients earlier than expected, resulting in a lower return to the Clients than anticipated or underwritten. There can be no assurance that there will be a ready market for the resale of mortgage investments because such investments will generally not be liquid. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their resale by the Clients. Accordingly, there can be no assurance that the rate of return objectives will be realized.

Risk of Leverage Investing. Use of borrowed funds to leverage investments involves a significant degree of financial risk and can rapidly multiply the effect of any increase or decrease in the value of any investment. For example, a leverage strategy may increase the exposure of the leveraged investments to adverse economic factors, such as interest rate fluctuations, economic downturns and other circumstances that could cause deterioration in the value of the investments.

Interest Rate Fluctuations. General fluctuations in the market prices of securities and interest rates may adversely affect the value of the investments and/or increase the risks associated inherent in such investments. Interest rate changes may affect the value of a debt instrument directly (in the case of adjustable rate instruments) or indirectly (in the case of fixed rate instruments). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. In addition, interest rates affect the mortgage industry and the housing market generally with respect to the property value securing the mortgage,

the amount of mortgages that originators can provide, the number of borrowers eligible to obtain mortgages and whether existing borrowers can refinance their mortgages. To the extent the borrowers of mortgages held by the Clients refinance with another lender, the Clients may be adversely affected.

Derivatives; Hedging; Policy and Counterparty Risk. Clients may engage in derivative or similar transactions as part of their mortgage and real estate debt and risk management programs, the use of which is a highly specialized activity that may entail greater than ordinary investment risks. These transactions may involve the use of forward contracts, swap agreements (such as credit default swaps, interest rate swaps or total return swaps), put and call options, floors, collars, bilateral agreements or other arrangements. Such instruments may be difficult to value, may be illiquid and may be subject to wide swings in valuation. Clients may also seek to utilize derivative instruments to replicate the economics of an otherwise permitted investment in lieu of making such investment directly. Derivative instruments related to mortgages may be illiquid, highly-volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable cost, and any such hedging transactions for debt and interest rates may not be effective in mitigating risk in all market conditions or against all types of risk (including unidentified or unanticipated risks), thereby resulting in losses to the Clients. The investment techniques related to derivative instruments are highly specialized and may be considered speculative. Such techniques often involve forecasts and complex judgments regarding relative price movements and other economic developments. The success or failure of these investment techniques may turn on small changes in exogenous factors not within the control of the Clients, FOACM and/or their respective affiliates. Engaging in hedging and derivative transactions may result in a poorer overall performance for the Clients than if they had not engaged in any such hedging transaction, and FOACM may not be able to effectively hedge against, or accurately anticipate, certain risks that may adversely affect the Clients' investment portfolio. In addition, the Clients' investment portfolio will always be exposed to certain risks that cannot be fully or effectively hedged, such as credit risk relating both to particular securities and counterparties. Moreover, derivative agreements and contracts entered into by the Clients may be subject to the risk that one or more counterparties may experience financial hardship or default on their payment obligations to the Clients, which may adversely affect the value and/or effectiveness of such derivative instruments. Concentrations of such derivatives in any one counterparty would subject the Clients to an additional degree of risk with respect to defaults by such counterparty. For all of the foregoing reasons, the use of derivatives and related techniques with respect to mortgage related assets can expose Clients and the investments to significant risk of loss.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of the investments that may adversely affect Clients. For example, from time to time the market for private equity real estate transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions.

The regulatory environment for private investment funds is evolving, and changes in the regulation of private investment funds may adversely affect the value of investments held by Clients and the ability of Clients to effectively employ their investment and trading strategies. Increased scrutiny and newly proposed legislation applicable to private investment funds and their sponsors may also impose significant administrative burdens on FOACM and may divert time and attention from portfolio management activities. In addition, and in particular in light of the changing global regulatory climate, Clients may be required to register under certain foreign laws and regulations

and need to engage distributors or other agents in certain jurisdictions in order to market interests to potential investors. The effect of any future regulatory change on the Clients could be substantial and adverse. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The SEC, other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action.

Change of Law Risk. Clients should expect to operate in an environment with increasing regulatory scrutiny and heightened potential for material changes in laws and/or regulations, which could affect the Clients and the investments. Any such legal, tax and/or regulatory changes during the term of the investments may adversely affect the Clients, the funds industry and/or the Clients' operations. Clients also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations or policy-making that impose more comprehensive or stringent requirements on Clients or their investments. Governments have considerable discretion in implementing regulations, including, for example, the possible imposition or increase of taxes on income earned by Clients or gains recognized by Clients that could impact Clients' business and Clients' return on investments with respect to the Clients' business. In addition, current and/or future legislation related to residential or commercial mortgage assets may also restrict the ability of certain types of investors from participating in the Clients or restrict the ability of the Clients to make certain investments.

Terrorist Activities. The continued threat of global terrorism and the impact of military and other action will likely continue to cause volatility in equity and debt markets and could affect the Clients' financial results. To the extent the Clients invest in mortgages, the investments may involve mortgages secured by real estate exposed to a greater risk of being the subject of a terrorist attack. Any terrorist attacks that occur at or near real estate in which a Client holds a mortgage would likely cause significant harm to homeowners, property and, potentially, the surrounding community, and may result in losses far in excess of available insurance coverage. As a result of global events and continued terrorism concerns, insurers significantly reduced the amount of insurance coverage available for liability to persons other than employees for claims resulting from acts of terrorism, war or similar events. As a result of terrorist attacks or terrorist activities in general, the Clients may not be able to obtain insurance coverage and other endorsements at commercially reasonable prices or at all.

Force Majeure Risk. Investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concerns, war, terrorism and labor strikes). Some force majeure events may adversely affect the ability of a party (including the Clients or a counterparty to the Clients) to perform their obligations until they are able to remedy the force majeure event. In addition, the cost to the mortgage borrower and underlying holder of real estate of repairing or replacing damaged real estate assets resulting from such force majeure event could be considerable, which would negatively affect the mortgage borrower's ability to repay the mortgages and mortgage-related debt. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Clients may invest specifically. Additionally, a major governmental intervention into industry, including the re-nationalization of an industry (including the mortgage industry) or the

assertion of control over the Clients or their assets, could result in a loss to the Clients, including if their investments are canceled, unwound or acquired (which could be without what the Clients consider to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of the Clients and the investments.

Uncertainty of Estimates and Financial Projections. Estimates or projections of real estate and market conditions and supply and demand dynamics are key factors in evaluating potential investment opportunities and valuing the investments and related assets. These estimates are subject to wide variances based on changes in interest rates, market conditions, underlying assumptions and technical or investment-related assumptions. Accordingly, it is possible for such estimates to be significantly revised from time to time, creating significant changes in the value of the company subject to such factors. Projected operating results will often be based on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

General Economic and Market Conditions. The success of the Clients' investment activities will be affected by general economic, real estate and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in applicable laws (including laws relating to taxation of the investments), trade barriers, currency exchange controls, the rate of inflation and local, national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity of the Clients' investments, which could impair the Clients' profitability or result in losses. There are also no assurances that yields on the investments will be stable, and volatility in yields may materially adversely affect the Clients' performance. In addition, general fluctuations in the market prices of securities and interest rates may affect the Clients' investment opportunities and the value of the Clients' investments. A recession, slowdown and/or sustained downturn in the U.S. or global economy and real estate market (or any particular segment thereof) or weakening of credit markets (including a perceived increase in counterparty default risk) could adversely affect the Clients' profitability, impede the ability of the investments to perform under or refinance their existing obligations, and impair the Clients' ability to effectively deploy their capital and realize investments on favorable terms. Any of the foregoing events could result in substantial or total losses to the Clients in respect to certain of the investments, which losses will likely be exacerbated by the presence of leverage in the Clients' capital structure. Any market turmoil, coupled with the threat of an economic slow-down, as well as a perceived increase in counterparty default risk, may have an adverse impact on the availability of credit to businesses generally, which in turn may adversely affect or restrict the ability of the Clients to sell or liquidate investments at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and operations of the Clients, restrict the Clients' investment activities and/or impede the Clients' ability to effectively achieve their investment objective.

Financial Market and Interest Rate Fluctuations. General fluctuations in the market prices of securities and/or interest rates may adversely affect the value of the investments and/or increase the risks associated inherent in the investments. The uncertain state of global credit markets may make it difficult for the Clients to obtain favorable financing terms for their investments. Any

deterioration of the global debt markets (particularly the U. S. debt markets), any possible future failures of certain U. S. financial services companies and a significant rise in market perception of counterparty default risk, interest rates and/or taxes will likely significantly reduce demand and liquidity for debt, which in turn is likely to lead certain lenders to be unwilling or significantly less willing to finance new investments or to only offer committed financing for investments on less favorable terms than had been prevailing in the recent past. The Clients' ability to generate attractive investment returns may be adversely affected to the extent Clients are unable to obtain favorable financing terms for their investments. In the event Clients are unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on unfavorable terms, Clients may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned. Any market turmoil, as well as a perceived increase in counterparty default risk, may have an adverse impact on the availability of credit to businesses generally and may lead to an overall weakening of the U. S. and global economies. Such an economic downturn could adversely affect the financial resources of mortgage borrowers in which the Clients have invested and result in the inability of such borrowers to make principal and interest payments on outstanding debt when due. In the event of such defaults, the Clients may suffer a partial or total loss of capital invested in such mortgages, which could, in turn, have an adverse effect on the Clients' returns. Such marketplace events may also adversely affect or restrict the ability of the Clients to sell or liquidate investments at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and operations of the Clients. Interest rate changes may also affect the value of mortgages directly (in the case of adjustable-rate mortgages) or indirectly (in the case of fixed rate mortgages). In general, rising interest rates will negatively impact the price of a fixed rate mortgage and falling interest rates will have a positive effect on price. While interest rates are currently expected to remain at favorable rates in the near term, the U.S. Federal Reserve is expected to increase benchmark interest rates in the future, which would be expected to negatively impact the price of debt securities and could adversely affect the value of the Clients' investments.

Valuation Matters. The carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of the investments will affect the amount and timing, under certain circumstances, of the amount of Management Fees and Incentive Fees payable to FOACM.

Operating Events. Operating Events may include, but are not limited to the placement of orders (either purchases or sales) in excess of the amount of securities or derivative instruments intended to trade for a Portfolio, the purchase (or sale) of a security or a derivative instrument when it should have been sold (or purchased), the purchase or sale of a security or mortgage related asset not intended for the Portfolio, the purchase or sale of a security contrary to applicable investment guidelines or restrictions, incorrect allocations of trades, failure to properly file for and/or pay taxes, or transactions with a non-authorized counterparty. Operating Events can also occur in connection with other activities that are undertaken by FOACM and its affiliates, such as amortizing cost basis calculation, management fee calculations, calculations of carried interest or incentive fees, trade recording and settlement and other matters that are non-advisory in nature. Operating Events may result in gains or losses or could have no financial impact. FOACM maintains policies and procedures that address identification and correction of Operating Events, consistent with applicable standards of care and each Client's investment guidelines and other governing documents.

Litigation. In the ordinary course of business, FOACM or a Client may become a party to litigation, disputes, and other potential claims. There are no known current or pending material litigation, disputes, and other potential claims.

Fraud. Of paramount concern in originating loans is the possibility of material misrepresentation or omission on the part of a borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the likelihood that a lien on the collateral securing the loans has been properly created and perfected. Under certain circumstances, payments to a portfolio may be reclaimed if any such payment or distribution is later determined to have been made with intent to defraud or prefer creditors.

Fraudulent Conveyance Risk. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of a borrower, such as a trustee in bankruptcy or the borrower as debtor-in-possession, were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by a loan made by a portfolio and the grant of any security interest or other lien securing such investment made by a portfolio, and, after giving effect to the incurring of such indebtedness, the borrower (a) was insolvent; (b) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital; or (c) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could invalidate, in whole or in part, such indebtedness and such security interest or other lien as fraudulent conveyances, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower (including to the relevant portfolio) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness.

Risks Associated with Forward Trades. Clients may invest in forward transactions. Forward contracts and options thereon are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the dealer or counterparty being contracted with to fulfill its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a Client has a forward contract. Although FOACM will seek to trade with reliable counterparties, failure by a counterparty to fulfill its contractual obligation could expose such Client to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with unusually wide spreads between the prices at which they were prepared to buy and those at which they were prepared to sell. Disruptions can occur in forward markets due to unusually high trading volume, political intervention, or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading to a lower volume than that which FOACM would otherwise recommend, to the possible detriment of the Clients. Market illiquidity or disruption could result in significant losses to the Clients.

Certain Risks Associated with Cybersecurity. Investment advisers, including FOACM, rely in part on digital and network technologies (collectively, “cyber networks”) to conduct business. Such cyber networks might in some circumstances be at risk of cyberattacks that could potentially seek unauthorized access to digital systems for purposes such as misappropriating sensitive information, corrupting data, or causing operational disruption. Cyberattacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. FOACM maintains an information technology security policy and various technical and physical safeguards designed to protect the confidentiality of its data. Nevertheless, cyber incidents could potentially occur, and might in some circumstances result in unauthorized access to sensitive information about FOACM and/or its Clients.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with FOACM. Prospective Investors and Clients should read the entire Brochure as well as other materials that may be provided by FOACM prior to engaging FOACM’s services.

#### **Item 9: Disciplinary Information**

FOACM is not aware, after having conducted reasonable due diligence on itself and its management personnel, of any legal or disciplinary events that would be material to a Client (or prospective Client), or a Client’s evaluation of FOACM’s advisory business or the integrity of its management personnel.

#### **Item 10: Other Financial Industry Activities and Affiliations**

As described further below, FOACM may have business arrangements with affiliates that are material to its advisory business and the Clients. In some cases, these business arrangements may create a potential conflict of interest or the appearance of a conflict of interest. FOACM will review each of these arrangements to ensure that they do not adversely impact Clients and will have in place policies and procedures to address conflicts if and as they arise.

FOACM is affiliated with FoA, FOAF, FOAEC, Finance of America Commercial LLC (“FACo”), Finance of America Mortgage LLC (“FAM”), Finance of America Reverse LLC (“FAR”), and Finance of America Farm Finance LLC (“FAFF”) and, together with FoA, FOAF, FOAEC, FACo, FAM, FAR, and FAFF collectively, the “Finance of America Affiliates”). The Finance of America Affiliates are in the business of originating and servicing forward and reverse residential mortgage loans, as well as commercial mortgage and agricultural loans. FOACM, in connection with its sub-advisory management responsibilities to the Clients, expects to provide its advisory services in conjunction with the asset management guidelines identified in the applicable advisory agreements including agreement to service securitization assets created by the Finance of America Affiliates.

An affiliate of FOACM, Incenter Securities Group LLC (“Incenter Securities Group”), is a registered broker-dealer with the SEC and a member of FINRA. FOACM is also affiliated with Incenter LLC (“I”) and its related subsidiaries, Incenter Insurance Solutions LLC (“IIS”), IMAC Advisory Services (“IMAC”), Incenter Appraisal Management LLC (“IAM”), Incenter Solutions LLC (“IS”), Incenter Agency Solution LLC (“IAS”), Incenter Mortgage Advisors LLC (“IMA”), Incenter

Secondary Market Advisors LLC (“ISMA”), Boston National Holdings LLC (“BHM”) and its related subsidiaries, Agents National Title Holding Company (“ANTIC”) and its related subsidiaries, Campus Door Holding, Inc (“Campus Door”), Silvernest, Inc., (“Silvernest”) and Upli LLC (“Upli”). (Incenter Securities Group, I, IIS, IMAC, IAM, IS, IAS, IMA, ISMA, BHM, ANTIC, Campus Door, Silvernest, and Upli are collectively referred to herein as the “Incenter Affiliates”).

The Incenter Affiliates provide services to mortgage loan and specialty finance originators and servicers. Such services include, without limitation: (i) brokering and/or underwriting lender placed insurance policies, (ii) loan origination fulfillment services and (iii) whole loan and mortgage servicing rights brokerage services, pipeline management advisory services, and valuation, reporting and analytics services (collectively, the “Incenter Affiliate Services”) as well as broker-dealer services. The Incenter Affiliates may from time to time enter into agreements with Clients to provide Incenter Affiliate Services.

FOACM’s status as a subsidiary of BTO Urban Holdings may give rise to potential conflicts of interest. A number of other potential conflicts of interest exist with respect to the Blackstone Affiliates, as more fully detailed under “Potential Conflicts of Interest” or similar headings in the respective Client organizational and offering documents. A list of Blackstone Affiliated entities is included below under “Other Financial Industry Affiliations”.

In addition, neither FOACM nor any of its management persons are registered or have an application pending to register as a commodity pool operator, futures commission merchant or commodities trading adviser.

### **Other Financial Industry Affiliations**

FOACM is an affiliate of these other entities:

<b>Bank Entity</b>	
Luminor Bank AS*	A Baltic bank purchased by Blackstone Capital Partners
<b>Broker-Dealer Entities</b>	
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 Securities Partners L.P.	Provides a variety of limited investment banking services

FEF Distributors LLC*	Serves as distributor and principal underwriter to the First Eagle mutual funds and private investment funds
Incenter Securities Group LLC**	Provides a variety of limited investment banking services
<b>Investment Advisor Entities</b>	
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>i.e.</i> , fund of hedge funds)
Blackstone Alternative Investment Advisors L.L.C.	Provides investment advisory services to open end mutual funds and UCITS
Blackstone Alternative Solutions L.L.C.	Provides investment advisory services to private investment funds which participate in a broad range of direct investment opportunities
Blackstone Communications Advisors I L.L.C. (Relying Adviser)	Provides investment advisory services to a private investment fund specializing in communications-related private equity investments
Blackstone Core Equity Advisors L.L.C. (Relying Adviser)	Provides investment advisory services to various private equity funds
Blackstone Credit Systematic Strategies LLC	Provides investment advisory services to debt-focused separately managed accounts, private investment funds, closed-end funds and UCITS 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 Structured Products 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. (Relying Adviser)	Provides investment advisory services to various private equity funds
Blackstone Multi-Asset Advisors L.L.C.	Provides investment advisory services to various private investment funds focusing on investments across Blackstone's private equity, real asset, credit, hedge fund and opportunistic alternative asset management strategies
Blackstone 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 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 Advisors 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. (Relying Adviser)	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 and separately managed accounts

Blackstone Treasury Solutions Advisors L.L.C.	Provides investment advisory services to funds invested primarily in diversified fixed income and hedge fund products
Blackstone CLO Management LLC (Management Series) (Relying Adviser)	Provides investment advisory services to U.S. CLOs
Blackstone Ireland Limited (Relying Adviser)	Provides investment advisory services to a number of debt-focused private investment funds and separately managed accounts
Blackstone Ireland Fund Management Limited (Relying Adviser)	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 Partners II Manager, LLC (Relying Adviser)	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 Separate Account Management, LLC*	Investment adviser created to provide investment advisory services to a business development company that has not yet launched
First Eagle Investment Management, LLC*	Provides investment advisory services to mutual funds, private investment funds, institutional accounts and high net worth individuals
Blackstone Credit BDC Advisors LLC	Provides investment advisory services to a debt-focused investment company electing to do business as a business development company
Blackstone Liquid Credit Advisors I LLC	Provides investment advisory services to a number of debt-focused private investment funds and separately managed accounts

Blackstone Liquid Credit Advisors II LLC (Relying Adviser)	Provides investment advisory services to a number of debt-focused separately managed accounts
Blackstone Alternative Credit Advisors LP	Provides investment advisory services to a number of debt-focused private investment funds and closed-end funds
Blackstone Liquid Credit Strategies 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
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
First Eagle Alternative Capital BDC, Inc.*	Provides investment advisory services to certain private funds and separate accounts that have invested alongside First Eagle Alternative Capital BDC, Inc.
First Eagle Direct Lending Manager III, LLC* (Relying Adviser)	Serves as the manager of a private direct lending fund
NIBC Bank N.V.***	Entity is an advisory/banking affiliate of NIBC, a PE and BTO portfolio company
NIBC Credit Management, Inc.***	Entity is an advisory affiliate of NIBC, a PE and BTO portfolio company
Blackstone Advisors India Private Limited	India investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
Blackstone Assessoria em Investimento Ltda.	Brazilian investment advisory firm, which serves as a sub-advisor to the registrant
Blackstone Europe Fund Management S.a.r.l.	Provides services to various alternative investment funds
Blackstone Real Estate Australia Pty Limited	Australia investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also provides investment advisory services to funds controlled by the registrant
Blackstone (Shanghai) Equity Investment Management Co. Ltd.	Chinese investment advisory firm, which serves as sub-advisor to affiliates of the registrant
Blackstone (Shanghai) Equity Investments Management Co. Ltd. – Beijing Branch Office	Chinese investment advisory firm, which serves as sub-advisor to affiliates of the registrant

Blackstone Singapore Pte Ltd	Singapore investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also provides investment advisory services to funds controlled by the registrant
BX Mexico Advisors S.A. de C.V.	Mexican advisory entity which provides services to certain publicly registered trusts
The Blackstone Group (Australia) Pty Limited	Australian investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
The Blackstone Group (HK) Limited	Hong Kong investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also has a broker-dealer license for fund marketing
The Blackstone Group International Partners LLP	U.K. investment advisory firm, which serves as a sub-advisor to affiliates of the registrant
The Blackstone Group Japan K.K.	Japanese investment advisory firm, which serves as a sub-advisor to affiliates of the registrant and also has a broker-dealer license for fund marketing
The Blackstone Group Spain SLU	Spain investment advisory firm, which serves as a sub-advisor to the registrant
<b>Registered Commodity Trading Advisor and/or Registered Commodity Pool Operator Entities</b>	
Blackstone Alternative Asset Management L.P. (CTA/CPO)	Manages a series of private and closed-end funds engaged in multi-manager investment programs ( <i>i.e.</i> , fund of hedge funds)
Blackstone Alternative 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
<b>Insurance Entities</b>	
Agents National Title Holding Company**	A wholly owned subsidiary of Incenter and is a title insurance broker serving consumers and lenders through a network of independent title agents

Boston National Holdings LLC**	A wholly owned subsidiary of Incenter and is a title insurance agency
HealthMarkets Insurance Agency, Inc.*	An independent health insurance agency that distributes healthcare and Medicare advantage insurance products from more than 200 insurance companies, as well as its own underwritten supplemental insurance products
Gryphon Mutual Insurance Company****	A captive property insurance company
Lexington National Land Services	A wholly owned title and escrow agent
Partners Life Limited**	Life and medical insurance company in New Zealand

\*Portfolio company of affiliated private equity fund

\*\*Portfolio company of affiliated Tactical Opportunities funds

\*\*\*Portfolio company of affiliated private equity and tactical opportunities funds

\*\*\*\*Portfolio company owned by its participants, including Blackstone Real Estate Funds, and managed by an affiliate of Blackstone.

### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

FOACM manages the assets of its Clients in accordance with the investment mandate selected by each Client and applicable law, and will seek to give advice to, and make investment decisions FOACM believes to be in the best interests of the Client. However, from time to time, investment allocation decisions are made which adversely affect the size or price of the assets purchased or sold for a Client and the results of the investment activities of a Client may differ significantly from the results achieved by FOACM for other current or future Clients. Thus, the management of Client accounts and other services provided by FOACM creates a number of potential conflicts of interest. Additionally, regulatory and legal restrictions (including those relating to the aggregation of positions among different funds and accounts) and FOACM's internal policies and procedures restrict certain investment activities of FOACM for its Clients.

These and other potential conflicts are discussed generally herein or in the relevant investment management agreement, offering documents and/or governing documents of the investment funds managed by FOACM, which should be reviewed in conjunction with any investment in a specific fund. Given the interrelationships among FOACM and its affiliated entities and the changing nature of the business, affiliations and opportunities, as well as legislative and regulatory developments, there may be other or different potential conflicts that arise in the future or that are not covered in this Brochure. As a fiduciary, FOACM is committed to putting the interests of Clients ahead of its own in the provision of investment management and advisory services.

#### *Material Non-Public Information/Insider Trading*

FOACM receives material non-public information in the ordinary course of its business. This is

information that is not available to other investors or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. This information is received voluntarily and involuntarily and under varying circumstances, including, but not limited to, upon execution of a non-disclosure agreement, as a result of serving on the board of directors of a company, serving on ad hoc or official creditors' committees and participation in risk, advisory or other committees for various related entities and organizations. Under applicable law, employees are generally prohibited from disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether that person is a Client of FOACM. FOACM has adopted an Insider Trading Policy which establishes procedures reasonably designed to prevent the misuse of material non-public information by FOACM and its personnel. Under the FOACM Insider Trading Policy, employees are not permitted to use material non-public information obtained by FOACM or affiliates of FOACM in the course of its business activities or otherwise, in effecting purchases and sales in securities transactions for FOACM Clients or for their personal accounts.

#### *Personal Trading and other Ethical Restrictions*

FOACM's directors, officers, and employees buy, sell, and hold for their own and their family members' accounts public securities, private securities, and other investments in which they have a pecuniary interest, whether because they are also bought, sold, or held for FOACM's Clients or through accounts (or investments in funds) managed by FOACM or otherwise. As a result of differing trading and investment strategies or constraints, positions taken by FOACM's directors, officers, and employees can be the same as or different from, or made contemporaneously or at different times than, positions taken for FOACM's Clients. As these situations involve potential conflicts of interest, FOACM has adopted a formal compliance code of conduct that includes a securities trading code of ethics, insider trading policies and procedures, and procedures to address "pay to play" rules and regulations. Among other things, the code of conduct requires that employees act with integrity, place the interests of Clients above their own, avoid actual and potential conflicts of interest, and comply with applicable provisions of all laws. The policies also require employees to pre-clear certain personal securities transactions, report most personal securities transactions on at least a quarterly basis, and provide FOACM with a detailed summary of certain securities holdings annually.

#### *Outside Activities*

FOACM maintains an Outside Activity Policy that requires employees to obtain approval from Compliance before engaging in any outside activities so that FOACM has the opportunity to consider whether such activities create actual or potential conflicts of interest. The Outside Activity Policy is intended to identify activities that have the potential to conflict with an employee's role at FOACM and/or FOACM's activities.

A copy of FOACM's code of ethics compliance policy will be provided to the Client or prospective Client (or investor or prospective investor therein) upon request.

### **Item 12: Brokerage Practices**

In executing portfolio transactions and selecting brokers or dealers (if applicable), FOACM will use

its best efforts to seek on behalf of Clients the best overall terms available. FOACM considers all factors that it deems relevant in seeking best execution, including the breadth of the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer, and the reasonableness of the commission, if any, both for the specific transaction and on a continuing basis. In evaluating the best overall terms available, and in selecting the broker or dealer to execute a particular transaction, FOACM also considers whether such broker or dealer furnishes research and other information or services to FOACM.

FOACM does not generally seek in advance competitive bidding for the most favorable commission rate applicable to any particular purchase, sale or other transaction, or to select any broker-dealer on the basis of its purported or "posted" commission rate, but endeavors to be aware of the current level of charges of eligible broker-dealers and to minimize the expense incurred for effecting purchases, sales and other transactions to the extent consistent with the interests and policies of the Client. Although FOACM will generally seek competitive commission rates, it is not required to pay the lowest commission or commission equivalent, provided that such decision is made to promote the best interests of the Client.

FOACM does not permit Clients to direct brokerage.

### **Item 13: Review of Accounts**

FOACM's primary investment manager is responsible for evaluating investment opportunities, making investment decisions, reviewing Client portfolios and ensuring that transactions are properly executed.

### **Item 14: Client Referrals and Other Compensation**

Currently, FOACM does not provide compensation to any unaffiliated third party related to the solicitation of new Clients.

### **Item 15: Custody**

Rule 206(4)-2 promulgated under the Investment Advisers Act of 1940 (the "Custody Rule") (and certain related rules and regulations under the Investment Advisers Act of 1940) imposes certain obligations on registered investment advisers that have custody or possession of any funds or securities in which any Client has any beneficial interest. An investment adviser is deemed to have custody or possession of Client funds or securities if the adviser directly or indirectly holds Client funds or securities or has the authority to obtain possession of them (regardless of whether the exercise of that authority or ability would be lawful).

FOACM is deemed to have custody of certain private funds advised by FOACM for which it or an affiliate serves as managing member or general partner. In addition, FOACM is deemed to have custody of certain special purpose vehicles for which FOACM or an affiliate serves as managing member or general partner (or similar role) and through which certain Clients including private funds make one or more investments. Investors in such private funds or special purpose vehicles will generally receive the vehicle's annual audited financial statements. Such investors should

review these statements carefully. If investors in the private funds or special purpose vehicles do not receive audited financial statements in a timely manner (120 days for most Private Funds and special purpose vehicles and 180 days for private funds that are funds of funds), then they should contact FOACM immediately.

To the extent that a private fund or special purpose vehicle for which FOACM is deemed to have custody does not provide investors with its annual financial statements as described above, such investors will instead receive quarterly account statements from the qualified custodian or indenture trustee of such private fund or special purpose vehicle and should contact FOACM immediately if they fail to receive such account statements.

#### **Item 16: Investment Discretion**

FOACM serves as the adviser with discretionary authority to implement investment decisions for the Clients. FOACM's investment decisions and advice with respect to the Clients is subject to any guidelines included in the applicable advisory agreement, subscription agreement or other governing documents which generally authorizes FOACM to invest and trade the Clients' assets in a broad range of investments. Further, FOACM may employ any investment methodology or strategy it deems appropriate, consistent with each client investment management agreement and/or other governing documents.

#### **Item 17: Voting Client Securities**

FOACM's Clients primarily holds investments which typically do not issue proxies. However, FOACM votes any applicable proxies with diligence, care, and in the best interests of the Client. FOACM's voting policies and procedures ensure that in cases where FOACM votes proxies with respect to Client's securities, such proxies are voted in the best interests of the Client. In voting proxies, FOACM generally votes in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated). Generally, FOACM will vote against proposals that make it more difficult to replace members of a board of directors. For all other proposals, FOACM will determine whether a proposal is in the best interests of the Client and may take into account the following factors, among others: (i) whether the proposal was recommended by management and FOACM's opinion of management; (ii) whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance.

FOACM's Clients are not permitted to direct votes in a particular solicitation.

If a material conflict of interest between FOACM and the Client exists, FOACM will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the Client or take some other appropriate action.

Existing and prospective Clients may obtain a copy of FOACM's proxy voting policies and procedures and information about how FOACM voted a Client's proxies by contacting Cameron Seymore, President, using the contact information included on the cover page of this brochure.

Subject to the applicable advisory agreement with a Client, FOACM has the authority to direct the Client's participation in class actions. The applicable investment committee or authorized investment personnel determine whether the Client will (a) participate in a recovery achieved through a class action, or (b) opt out of the class action and separately pursue their own remedy. The Chief Compliance Officer and authorized investment personnel evaluate any conflicts of interest with regard to participating in a class action and determine an appropriate course of action for FOACM on behalf of the Client. FOACM generally does not serve as the lead plaintiff in class actions because the costs of such participation typically exceed any extra benefits that accrue to lead plaintiffs.

#### **Item 18: Financial Information**

FOACM has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to provide investment advisory services to the Client.