

**Item 1 – Cover Page**

**Blackstone Multi-Asset Advisors L.L.C.**

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as of March 2021

Form ADV, Part 2; the “Disclosure Brochure” or “Brochure”, required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), provides information about the qualifications and business practices of Blackstone Multi-Asset Advisors L.L.C. (“BMAA”).

If you have any questions about the contents of this Brochure, please contact us at (212) 583-5000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about BMAA is also available at the SEC’s website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link “Investment Adviser Search”, select “Investment Adviser Firm” and type in our firm name “Blackstone”). The search results will provide you with both Parts 1 and 2A of our Form ADV. If you would like another copy of this Brochure, please download it from the SEC website as indicated above or you may contact BMAA’s Chief Compliance Officer, Anna Guerin, at (212) 583-5000 or [Anna.Guerin@Blackstone.com](mailto:Anna.Guerin@Blackstone.com).

BMAA is registered with the SEC as an investment adviser. BMAA’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, serve as information for you to use to evaluate BMAA and should be considered in your decision of whether to invest in an investment vehicle advised by BMAA.

## **Item 2 – Material Changes**

There has not been a material change to this Brochure since the other-than-annual update in January 2021.

However, please carefully read Items 5, 8 and 10, which have expanded upon the description of certain fees and expenses, potential risk of loss and potential conflicts of interest, respectively.

BMAA, at any time, may update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) 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 BMAA's Chief Compliance Officer at (212) 583-5000.

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#### Item 4 – Advisory Business

Blackstone Multi-Asset Advisors L.L.C. (“BMAA”), a Delaware limited liability company, formerly known as Blackstone Total Alternatives Solution Advisors L.L.C., was founded in 2014 as part of Blackstone (as defined below). As an umbrella advisor, BMAA currently consists of two primary divisions, Blackstone Total Alternatives Solution (“BTAS”), and Blackstone Advisors (“Blackstone Advisors”) (BTAS and Blackstone Advisors, collectively, the “BMAA Divisions”), and engages in other advisory activities outside of those divisions as described herein.

BMAA, through BTAS, provides investment advisory services to pooled investment vehicles (the “BTAS Partnerships”), managed accounts or arrangements or alternative investment vehicles relating to the foregoing and other investment vehicles (including successor vehicles) having the same or similar investment objectives as the BTAS Partnerships (collectively, the “BTAS Funds” and each, a “BTAS Fund”). BMAA is responsible for the management of the BTAS Funds’ investment program pursuant to an investment advisory agreement entered into between each BTAS Fund and BMAA, and has the authority to make commitments to investments and to make investment allocation and management decisions for the BTAS Funds on a discretionary basis. BMAA will seek to invest each BTAS Fund’s assets into a variety of appropriate investment opportunities primarily by investing each BTAS Fund’s assets in or alongside Other Blackstone Clients (as defined below). Subject to the investment limitations of each BTAS Fund, BTAS may also invest in or alongside investment funds, vehicles or accounts managed by third parties (“Third Party Vehicles”) and in other appropriate investment opportunities selected by BMAA in accordance with the BTAS Funds’ investment objectives. As used herein, the Other Blackstone Clients and Third Party Vehicles are collectively referred to as the “Underlying Accounts” or “Underlying Vehicles” and the managers of the Other Blackstone Clients and the Third Party Vehicles are collectively referred to as the “Underlying Managers.”

With respect to accounts for charitable programs, endowments and/or related entities established by, or associated with, Blackstone and/or certain of its affiliates or employees (current and/or former) (collectively, the “Associated Endowment Program”), BMAA delegates investment advisory responsibility to Blackstone Advisors as sub-advisor. The Associated Endowment Program seeks to invest largely in or alongside a range of Other Blackstone Clients, but may also invest in other investment opportunities determined to be appropriate by Blackstone Advisors in good faith, including Third Party Vehicles.

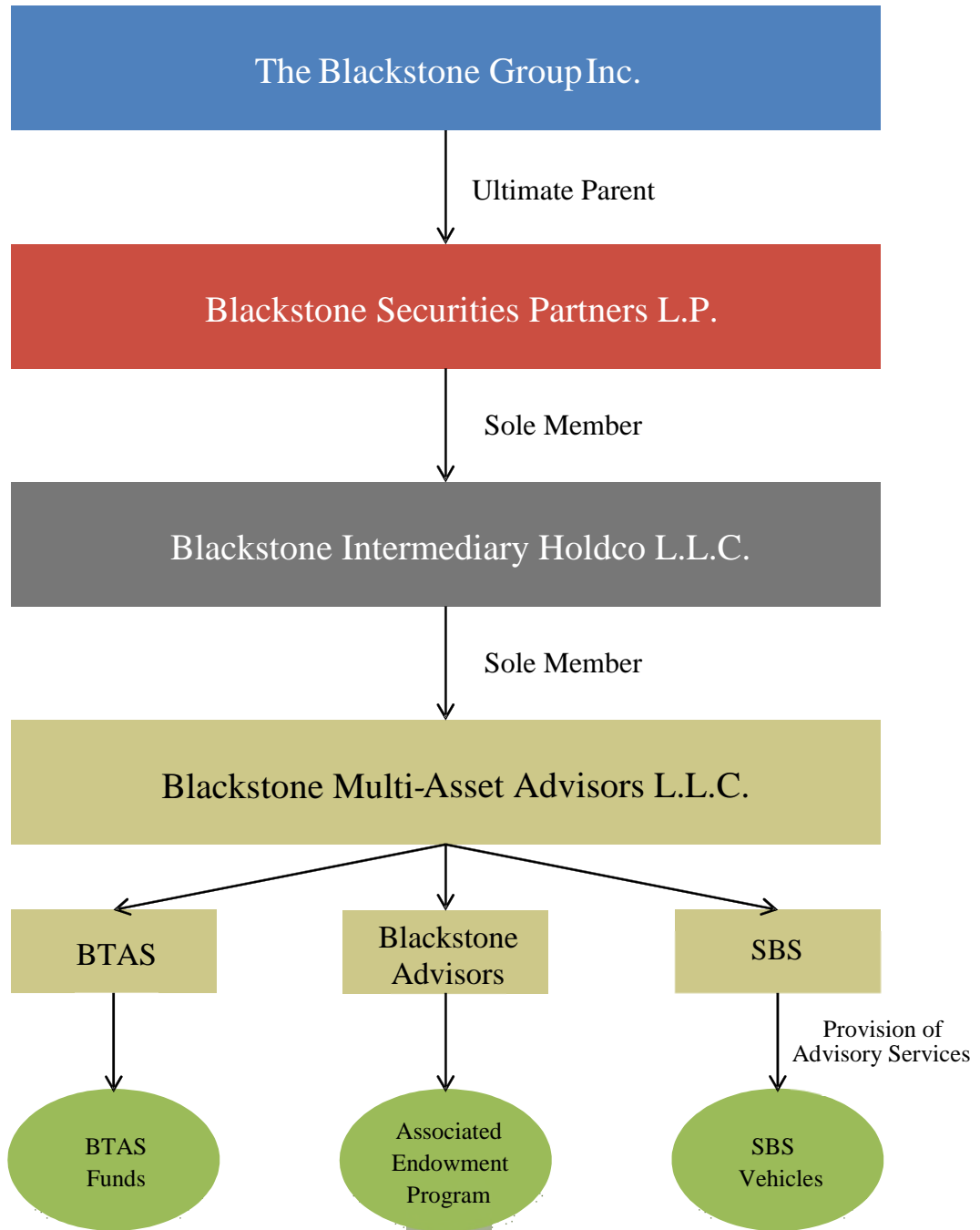
BMAA also advises other types of investment vehicles and managed accounts or arrangements, including various side-by-side investment vehicles sponsored by Blackstone (collectively, the “SBS Vehicles” and each, an “SBS Vehicle”) that invest alongside various underlying Blackstone sponsored funds and/or Other Blackstone Clients (directly or indirectly). With respect to the SBS Vehicles, BMAA provides administrative and other services, including determining the commitment to investments with respect to the SBS Vehicles across various underlying investment strategies. However, as of the date hereof, BMAA does not currently expect there to be any new capital commitments or investments in the SBS Vehicles advised by BMAA in the near future.

For purposes hereof, the foregoing clients of BMAA, including the BTAS Funds, the Associated Endowment Program, and the SBS Vehicles are referred to herein as the “BMAA Clients”. BTAS and Blackstone Advisors are separate divisions and/or investment programs of BMAA and generally utilize separate portfolio managers with respect to the provision of investment management services to their BMAA Clients. BMAA, as adviser to the SBS Vehicles, acts separately from the BMAA Divisions when it provides administrative and other services with respect to the SBS Vehicles.

The Blackstone Group Inc. (together, with its affiliates, “Blackstone”) is the ultimate parent of BMAA and is a publicly traded corporation that has common shares which trade on the New York Stock Exchange under the symbol “BX”. Blackstone Intermediary Holdco L.L.C. is the sole member of BMAA. Blackstone Securities Partners L.P. (“BSP”) is the sole member of Blackstone Intermediary Holdco L.L.C. Blackstone Holdings I L.P. is the general partner of BSP. 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 next page.<sup>1</sup> Blackstone is a leading global alternative investment manager with investment vehicles focused on private equity, real estate, hedge fund solutions, credit, secondary funds, tactical opportunities, infrastructure, insurance solutions and life sciences. Please see Item 10 – Other Financial Industry Activities and Affiliations and Item 11 – Code of Ethics for more information.

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<sup>1</sup> The chart on the next page is a simplified version and does not include a depiction of Blackstone Holdings I L.P. or Blackstone Holdings I/II GP L.L.C.



## Overview of BTAS Advisory Services

As investment advisor to the BTAS Funds, BMAA:

- ▶ Identifies investment opportunities for the BTAS Funds
- ▶ Participates in the monitoring and evaluation of the BTAS Funds' investments
- ▶ Makes recommendations to the general partners of the BTAS Funds regarding the purchase and/or sale of investments and allocation decisions, as further described herein

The individual needs of the investors in the BTAS Funds are not the basis of investment decisions by BMAA. Investment advice is provided directly to the BTAS Funds by BMAA and not individually to the BTAS Funds' respective investors. Investors in the BTAS Funds are entitled to the rights and benefits described in the applicable confidential offering memorandum, limited partnership agreements, investment advisory agreements, subscription documents and other applicable constituent fund documents of each BTAS Fund (the "BTAS Fund Constituent Documents").

With respect to the BTAS Funds, the BTAS investment committee (the "BTAS Investment Committee"), which includes certain Blackstone Senior Managing Directors and Managing Directors, determines the investment policy and guidelines of each BTAS Fund.

The BTAS Investment Committee is responsible for determining the allocation of investment opportunities among BTAS Funds that have active, overlapping investment periods based on such factors as it determines in good faith to be appropriate, which may include, but not limited to:

- ▶ Each BTAS Fund's existing investment in the relevant Blackstone Asset Classes (as defined below)
- ▶ The investment limitations of each BTAS Fund
- ▶ The potential for the proposed investment opportunity to create an industry or sector imbalance in the portfolio of any of the relevant BTAS Funds
- ▶ The current investment pace and proximity of each relevant BTAS Fund to the end of its specified term/investment period
- ▶ The target deployment levels for each BTAS Fund
- ▶ The tax consequences of such investment to each BTAS Fund and/or its underlying investors
- ▶ Each BTAS Fund's availability of leverage and any requirements or other terms of any existing leverage facilities to which such BTAS Fund is a party
- ▶ Such other considerations deemed relevant by the BTAS Investment Committee

The allocation policies and procedures permit deviations from such policies and procedures if certain circumstances arise that are enumerated in the BTAS Allocation Framework and Strategy Identification (the "Allocation Framework") or where strict compliance with such allocation policies and procedures may not be possible and/or if unusual or extraordinary conditions warrant deviation from standard practices. In such circumstances, the BTAS Investment Committee (or the BTAS portfolio management team (the "BTAS Portfolio Management Team"), pursuant to the authority delegated to it by the BTAS Investment Committee, as described below) shall determine the appropriate actions which, in its reasonable judgment, will serve the best interests of, and will be fair and reasonable with respect to, all of the BTAS Funds.

The BTAS Investment Committee, along with the BTAS Portfolio Management Team, will also seek to ensure strategy diversification within a given BTAS Fund pursuant to the applicable BTAS Fund Constituent Documents. If a commitment is made to an investment that is also being made by two or more Other Blackstone Clients which are part of different Blackstone Asset Classes, the BTAS Portfolio Management Team will make an allocation determination for the purposes of the Blackstone Asset Class and fund strategy diversification limits. In making such determination, the BTAS Portfolio Management Team will consider the following factors:

- ▶ The primary Blackstone investment committee approving the transaction
- ▶ The primary Blackstone investment team undertaking the due diligence on the investment opportunity
- ▶ The primary investment objective of the Other Blackstone Clients
- ▶ The fundamentals of the investment, such as geography and target asset
- ▶ The relative amounts of capital committed by the Other Blackstone Clients
- ▶ The relative amounts of capital committed by the BTAS Funds through fund life commitments and periodic elections to the Other Blackstone Clients
- ▶ The source of the investment opportunity
- ▶ Other considerations deemed relevant by the BTAS Investment Committee

Pursuant to the Allocation Framework, the classification of each investment will be tracked by the BTAS Portfolio Management Team to ensure compliance with the investment guidelines of the applicable BTAS Fund. From time to time, Blackstone will launch new strategies that were not in existence at the time of the BTAS program launch and these will be classified pursuant to the guidelines set out in the Allocation Framework.

### **Blackstone Advisors Portfolio Managers**

The Associated Endowment Program is managed by Blackstone Advisors and Senior Managing Director Gideon Berger (the “Blackstone Advisors Portfolio Managers”) pursuant to the authority delegated to Blackstone Advisors by BMAA.

With respect to the Associated Endowment Program, the Blackstone Advisors Portfolio Managers review the information available to them to make investment and management decisions regarding the Associated Endowment Program in accordance with its constituent documents, agreements and related offering or disclosure materials (the “Associated Endowment Program Constituent Documents”).

### **Other Activities**

BMAA advises other types of investment vehicles and managed accounts or arrangements, such as the SBS Vehicles that it has advised in the past that invest alongside various underlying Blackstone sponsored funds and/or Other Blackstone Clients (directly or indirectly). When serving as adviser to an SBS Vehicle, BMAA provides services pursuant to the applicable confidential offering memorandum, limited partnership agreements, investment advisory agreements, subscription documents and other applicable constituent documents relating to each SBS Vehicle (the “SBS Vehicle Constituent Documents” and together with the BTAS Fund Constituent Documents and Associated Endowment Program Constituent Documents, the “Constituent Documents”).



When serving as adviser to the SBS Vehicles, BMAA makes decisions with respect to commitments to underlying strategies as part of the “side-by-side” investment program in accordance with the applicable investment allocation framework and by balancing a variety of factors, including, but not limited to:

- ▶ Long-term fundamentals
- ▶ Risk profile of the Underlying Vehicles
- ▶ The primary investment objective of the Other Blackstone Clients
- ▶ Positive growth prospects
- ▶ Availability of opportunities to invest in or alongside Underlying Vehicles

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

### **Assets Under Management**

BMAA’s regulatory assets under management are approximately \$8,459,939,878, all of which are managed on a discretionary basis. This regulatory assets under management number consists of \$8,413,319,428 (measured as of December 31, 2020) in the BTAS Funds and \$46,620,450 (measured as of December 31, 2020) in the SBS Vehicles.

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

## Item 5 – Fees and Compensation

### Management Fees

With respect to the BTAS Funds, per the investment advisory agreements with each of the BTAS Funds, BMAA is entitled to compensation for its services to the BTAS Funds in the form of a management fee (“Management Fee”), in the amount and on the terms and conditions described in the relevant BTAS Fund Constituent Documents. The Management Fee paid by BTAS Fund investors will be reduced by an amount equal to the sum of (i) 100% of net break-up and topping fees borne by such BTAS Fund and allocated to such investors, and net commitment fees and (ii) 100% (or, with respect to certain BTAS Funds, 70%) of net monitoring, transaction, financing (solely associated with such BTAS Fund providing financing to a Portfolio Entity), divestment, directors’ and organizational fees received by BMAA and its affiliates; *provided*, that the amount of any such fees will be allocated between the relevant BTAS Fund(s) and any Other Blackstone Client(s) on a *pro rata* basis. Additionally, to the extent any BTAS Fund incurs (a) placement fees with respect to a BTAS Fund investor or (b) administrative servicing fees payable to an administrator of any BTAS Fund investor that is a feeder fund investing in the BTAS Fund in respect of such BTAS Fund investor, in each case, Management Fees will be reduced on a dollar-for-dollar basis. The amount of such fees that are allocable to the Other Blackstone Client(s) generally do not offset the Management Fees payable by investors in the relevant BTAS Fund(s), even if such Other Blackstone Clients provide for lower or no management fees for the investors or participants therein (such as the vehicles established in connection with Blackstone’s side-by-side co-investment rights, which generally do not provide for a management fee or performance-based compensation payable by participants therein). Such fees will be net of reasonable out-of-pocket expenses incurred by BMAA or its affiliates (and not otherwise reimbursed) in connection with the transaction out of which such fees arose. BMAA may also engage and retain on behalf of the BTAS Funds and/or their Portfolio Entities strategic advisors, consultants and other similar professionals who are not employees or affiliates of BMAA and who may, from time to time, receive payments from, or allocations with respect to, Portfolio Entities, and such amounts will not offset the Management Fee paid by the BTAS Funds.

With respect to the Associated Endowment Program, BMAA will not be entitled to receive a Management Fee for the investment management services provided by its sub-advisor, Blackstone Advisors, although BMAA will be entitled to reimbursement for expenses with respect to the Associated Endowment Program (as described below).

To the extent Blackstone Advisors invests the assets of the Associated Endowment Program in or alongside Other Blackstone Clients, it will, to the extent practicable under the circumstances (as determined by Blackstone Advisors), seek to obtain specially reduced or waived management fees for the Associated Endowment Program, although there may be certain Other Blackstone Clients that are not available to the Associated Endowment Program on such a specially reduced or waived fee basis, including as a result of the inability to obtain a waiver or reduction of any management fees with respect thereto. Blackstone Advisors may also invest the Associated Endowment Program’s assets on a discretionary basis (directly or indirectly) into Other Blackstone Clients, Third Party Vehicles and other investment opportunities that may charge management fees with respect to the Associated Endowment Program’s investments therein, in each case, in accordance with the governing agreements thereof.

With respect to SBS Vehicles, BMAA will not be entitled to receive a Management Fee for its management services and decisions regarding commitments to investments. However, BMAA will be entitled to an administrative fee and reimbursement for expenses with respect to the SBS Vehicles (as described below).

Certain investors, including related persons, current or former senior advisors, officers, directors and personnel of Blackstone and their family members and family related vehicles, Portfolio Entities of BMAA Clients or Other Blackstone Clients, personnel of PJT Partners Inc. ("PJT"), charitable programs, endowment funds and related entities established by or associated with any of the foregoing and other persons related to Blackstone ("Blackstone Investors"), will not pay Management Fees and/or performance based or carried interest allocations in connection with their investment in the BTAS Funds. Notwithstanding the foregoing, such investors will either directly pay for their *pro rata* share of certain BTAS Fund expenses (as described below), or the *pro rata* amount of such expenses will be allocated to the general partner or its respective affiliates of the relevant BTAS Fund. Such *pro rata* allocation of BTAS Fund expenses will, in certain circumstances, be calculated based on capital commitments, invested capital, available capital or other metrics as determined by the general partner of the relevant BTAS Fund in their sole discretion. Any such methodology (including the choice thereof) involves inherent conflicts and will, in certain circumstances, not result in perfect attribution and allocation of expenses. In addition, the investments in or alongside the BTAS Fund by such Blackstone Investors may account (in whole or in part) for the general partner's required commitment to the relevant BTAS Fund.

**Additional Fees and Expenses:**

BMAA's Management Fees, the performance-based allocations and the expenses described herein are not inclusive of all the fees which the BTAS Fund investors may bear. Pursuant to the BTAS Fund Constituent Documents, BMAA is entitled to receive servicing fees from certain investors and a fee for administrative services provided by BMAA or its affiliates to the BTAS Funds, in the amount and on the terms and conditions described in the relevant BTAS Fund Constituent Documents. Additionally, BMAA engages third party service providers, such as custodians, administrators and/or auditors, on behalf of the BTAS Funds and expenses associated with such engagements will be borne by BTAS Fund investors to the extent contemplated by the BTAS Fund Constituent Documents. Investors in a BTAS Fund are allocated their *pro rata* share of such additional fees and expenses.

Similarly, the Associated Endowment Program will bear any expenses charged by BMAA with respect to Blackstone Advisors' activities or the general partner of any investment vehicle formed to facilitate the Associated Endowment Program's investment programs as well as its *pro rata* share of fees and expenses of Underlying Vehicles in which the Associated Endowment Program invests.

The SBS Vehicles pay BMAA an administrative fee. BMAA's administrative fee with respect to SBS Vehicles shall be equal to the amount described in the SBS Vehicle Constituent Documents. This administrative fee is calculated based on each investor's invested capital, in accordance with the SBS Vehicle Constituent Documents, in the SBS Vehicle and paid annually in arrears.

The following is a list of fees and/or expenses that are typically borne by BMAA Clients (and indirectly by investors of BMAA Clients). This list is not intended to be exhaustive and the fees and/or expenses borne by the various BMAA Clients may differ from one BMAA Client to another. Prospective and existing investors in the BTAS Funds, the Associated Endowment Program, and the SBS Vehicles are advised to review the applicable Constituent Documents for a more extensive description of applicable fees and expenses associated with an investment in the BTAS Fund, Associated Endowment Program, or the SBS Vehicles as applicable.

- ▶ Legal fees (including, for certain BMAA Clients, compensation costs specifically allocated or attributed by BMAA or its affiliates with respect to in-house attorneys to provide transactional legal advice and/or services to a BTAS Fund on matters related to potential or actual investments)

- ▶ Regulatory filing fees
- ▶ Costs and expenses incurred in connection with ongoing compliance-related matters and reporting obligations including, for example, Form PF and CFTC filings and with respect to the AIFMD, the European Union Sustainable Finance Disclosure Regulation and applicable EEA regulations, in connection with the establishment and offering of interests by the BMAA Clients and, thereafter, as part of the BMAA Clients' ongoing activities
- ▶ Expenses related to Freedom of Information Act and similar requests
- ▶ Risk management
- ▶ Accounting fees
- ▶ Administrative fees, whether paid to Blackstone or a third-party
- ▶ Consultant expenses
- ▶ Technology expenses (which may include internally allocated charges for certain BMAA Clients)
- ▶ Accounting and tax fees
- ▶ Taxes and governmental fees
- ▶ Audit fees
- ▶ Brokerage commissions and hedging and currency conversion costs
- ▶ Transaction Fees
- ▶ Interest payments and related fees
- ▶ Custodial, depository, representative and paying agent and other third-party professional fees
- ▶ Operating partner fees and expenses
- ▶ Travel and accommodation expenses in connection with BMAA Clients' organization, fundraising and investment activities (including first class and/or business class airfare (and/or private charter, where appropriate), first class lodging, ground transportation, travel and premium meals (including closing dinners and mementos, cars and meals, social events with Portfolio Entity management, customers, clients, borrowers, brokers and service providers))
- ▶ Research-related expenses, including news and quotation equipment and services and the costs and expenses of third-party research groups utilized by BMAA
- ▶ Broken deal expenses
- ▶ Expenses associated with the preparation of BMAA Clients' periodic reports and related financial and other statements
- ▶ Organization of vehicles through which a BMAA Client invests
- ▶ Expenses of investor meetings
- ▶ Expenses of any litigation involving BMAA Clients or entities in which BMAA 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 printing and publishing services)
- ▶ Expenses related to derivatives and other hedging arrangements
- ▶ Insurance (including, but not limited to, the cost of title insurance, general partner liability insurance, and one or more “umbrella” or other insurance policies maintained by Blackstone that cover one or more of Blackstone, BMAA, BTAS, Other Blackstone Clients, and/or their respective affiliates)
- ▶ Expenses related to insurance procurement, brokerage, solutions and risk management services
- ▶ Indemnification expenses (including advancement of any fees, costs or expenses to persons entitled to such indemnification)

Investors in a BMAA Client are typically 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 BMAA Client in its sole discretion. From time to time, a general partner of a BMAA Client will be required to decide whether costs and expenses are to be borne by a BMAA Client, on the one hand, or the general partner or BMAA, on the other, and/or whether certain costs and expenses should be allocated between or among a BMAA Client, on the one hand, and Other Blackstone Clients, on the other. Certain expenses may be suitable for only a particular BMAA Client, its parallel fund or participating Other Blackstone Clients and borne only by such fund, or, as is more often the case, expenses may be allocated *pro rata* among the BMAA Client, all of its parallel funds and participating Other Blackstone Clients, even if the expenses relate only to particular vehicle(s) and/or investor(s) therein. The general partner of the applicable BMAA 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 BMAA Client bearing less (or more) expenses.

BMAA 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 BTAS Funds acquire or hold investments and from unconsummated transactions. As described above, the Management Fee paid by BTAS Fund investors will be reduced in whole or in part by certain of these fees.

No employee of BMAA 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**

In addition to the Management Fees and other fees described in Item 5 that are received by BMAA, pursuant to the BTAS Fund Constituent Documents, the general partners of the BTAS Funds will receive a portion of the profits of investment proceeds from the BTAS Funds with respect to each investor (other than Blackstone Investors), which is equal to 20% of the amounts otherwise distributable to such investor with respect to any particular investment as further described in the BTAS Fund Constituent Documents. Such allocation of profits is only allocated to the general partners when specific conditions are met, including the return to the investor of an aggregate amount equal to all capital contributed to the applicable BTAS Fund by such investor for realized investments and any writedowns on unrealized investments, fees and expenses allocable to such investment and the receipt of a preferred return on such amounts.

Performance-based fees will generally not be charged by Blackstone Advisors with respect to the Associated Endowment Program, although the Associated Endowment Program may be subject to performance-based fees with respect to its direct or indirect investments in the Underlying Accounts (including the Other Blackstone Clients).

Performance-based fees will not be charged by BMAA with respect to SBS Vehicles. For the avoidance of doubt, the SBS Vehicles invest alongside the underlying Blackstone funds through one or more side-by-side vehicles and will not be subject to performance-based fees, although they will be subject to the administrative fee described herein. As a result, SBS Vehicles will not pay performance-based fees, directly or indirectly, on investments in Underlying Vehicles.

The fact that BMAA's affiliates are in part compensated based on the performance of the BTAS Funds may create an incentive for BMAA to make investments on behalf of investors that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement, or time the purchase and/or sale of investments in a manner motivated by the personal interests of Blackstone personnel. However, BMAA manages the BTAS Funds in accordance with the investment strategies disclosed in the applicable Constituent Documents to help ensure that investors are aware of the investment strategy and the risks associated with the strategy. The applicable Constituent Documents contain further details regarding each investment's incentive allocation, strategy and risks.

Similarly, the existence of a performance-based fee may incentivize Blackstone Advisors and the Underlying Managers to manage and/or allocate the Associated Endowment Program's assets in a more aggressive manner than if there were no performance-based fee (including, to invest the assets of the Associated Endowment Program to one or more Other Blackstone Clients that charge performance-based fees, directly or indirectly, with respect to the Associated Endowment Program's investment therein).

## Item 7 – Types of Clients

BMAA manages the BTAS Funds. The BTAS Funds' investors can be expected to consist of primarily high net worth individuals (including their related family planning vehicles and family offices). The BTAS Funds' investors can be expected to also consist of public and private retirement and pension plans, state and municipal government agencies, insurance companies, and charitable organizations and foundations. Such investors may invest directly or through a private investment fund managed by a third party.

Investors in the BTAS Funds are not deemed to be clients of BMAA but are entitled to the rights and benefits described in the applicable BTAS Fund Constituent Documents.

All BTAS Fund investors are subject to applicable suitability and securities law requirements. BMAA and the general partners require that each investor in the BTAS Funds be an "accredited investor" as defined in Regulation D under the U.S. Securities Act of 1933, as amended, and a "qualified purchaser" as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"), and meet other suitability requirements (including, in some circumstances, a person that is not a U.S. Person as defined in Regulation S under the Securities Act). Each BTAS Fund has an investment minimum which may be waived by the applicable general partner.

BMAA Clients also include charitable programs, endowments and other accounts in the Associated Endowment Program, corporations and similar business entities, pooled investment vehicles that are exempt from registration under the Investment Company Act, and SBS Vehicles (which may include one or more "employee securities companies" within the meaning of the 1940 Act and other private investment vehicles as part of the Blackstone side-by-side investment program) each of which generally provides for periodic withdrawal rights.

All potential BMAA Client investors are also subject to certain compliance procedures (including anti-money laundering procedures) prior to acceptance of any subscription to any BMAA Client.

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

### **Investment Strategies:**

The investment strategies pursued by BMAA may vary among the BMAA Clients.

#### ***BTAS Funds***

The BTAS Funds make commitments to or invest alongside Blackstone investment vehicles, managed accounts or other Blackstone affiliates (including entities in existence as of the date hereof, those that may be formed in the future and, solely for the purposes hereof, investment vehicles and/or managed accounts sponsored by Pátria Investimentos Ltda.), which may include one or more side-by-side investment vehicles and co-investment vehicles or Third Party Vehicles to the following asset classes: (1) private equity investments; (2) real asset investments; (3) credit focused investments; and (4) opportunistic investments (the “Blackstone Asset Classes”). In pursuing its investment objective, BMAA will invest substantially all of the BTAS Funds’ assets in Other Blackstone Clients and Third Party Vehicles or investments in which Other Blackstone Clients and/or Third Party Vehicles participate.

Central to the BTAS Funds’ investment strategy is the precondition that investments have been evaluated and selected by the investment teams of Other Blackstone Clients. Each of Blackstone’s investment businesses employs a thorough investment origination, diligence and selection process, and each such investment must be approved by each group’s respective investment committee. Once investment opportunities have passed through this process, they will be eligible for the BTAS Funds’ investment process. Subject to the investment limitations of each BTAS Fund, BMAA may also invest the relevant BTAS Fund’s assets in or alongside Third Party Vehicles and in other appropriate investment opportunities selected by BMAA in accordance with the BTAS Fund’s investment objective.

The BTAS Portfolio Management Team and the BTAS Investment Committee will continually monitor the portfolios of the BTAS Funds to periodically determine commitments and approve co-investments while leveraging the broader resources of Blackstone.

BMAA will seek to create a portfolio for each BTAS Fund that is consistent with the risk and concentration parameters established for such BTAS Fund by the BTAS Investment Committee. In evaluating allocations and potential investments, the BTAS Portfolio Management Team and the BTAS Investment Committee will perform a variety of 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. Due diligence will, in certain circumstances, entail evaluation of important and complex business, financial, tax, accounting, environmental, social, governance and legal issues. As part of the diligence and analysis process, the investment team will draw upon the expertise and advice of professionals from Blackstone’s investment businesses and other groups within the firm.

The BTAS Investment Committee is responsible for reviewing and approving all periodic commitments to each strategy for the BTAS Funds, as well as all co-investments, fund-life commitments to closed-end funds, perpetual life commitments to open-ended funds, and allocation modifications that are not approved as part of the commitment approvals made during the periodic election process. The BTAS Portfolio Management Team will submit a proposed commitment amount to each strategy for that year (or other period) to the BTAS Investment Committee, which will then determine whether or not to approve the recommended commitment amount. The BTAS Portfolio Management Team will have discretion to revise fund-life and co-investment commitment amounts (and cause the BTAS Funds to



participate in follow-on investments), up to certain thresholds. Notwithstanding the BTAS Investment Committee's approval of any proposed commitment amount, various factors could result in the available or target commitment amount being lower than that which was approved (including, without limitation, a reduction made in the discretion of the general partner of an Other Blackstone Client), in which case the BTAS Portfolio Management Team accordingly will reduce the commitment amount for the applicable BTAS Funds. Furthermore, once committed to an investment, any determinations made by the general partner of the applicable Other Blackstone Client (e.g., restructuring or merger (including any merger with any other Portfolio Entity) of an investment, amendments to a loan, pricing and execution decisions, or other determinations) will generally apply to the relevant BTAS Fund as well so long as any such determination is being made in accordance with the relevant Other Blackstone Client's governing documents and its general partner's policies and procedures. Co-investment opportunities may be considered for BTAS investment based on investment characteristics and existing portfolio exposure. The BTAS Investment Committee will hold formal sessions regularly and ad hoc as required.

### ***Blackstone Advisors***

Blackstone Advisors' investment process for evaluating potential opportunities and investments may include a variety of proprietary and non-proprietary research models and methods of analysis. Blackstone Advisors derives information used to make investment decisions on behalf of the Associated Endowment Program from a variety of both internal and external resources, such as financial newspapers and magazines, online resources, research and reports provided by third parties and corporate ratings services.

While the degree to which Blackstone Advisors seeks to invest the Associated Endowment Program's assets in Third Party Vehicles will vary depending on the Associated Endowment Program, in making any such investments relating to a Third Party Vehicle, Blackstone Advisors will seek to identify established third-party managers that it believes can provide upside potential and mitigate downside risk and make investments through those third party managers based on the investment guidelines and policies relating to the applicable Associated Endowment Program.

In addition, Blackstone Advisors will seek to draw on its knowledge of the investment programs of the Other Blackstone Clients (subject to applicable limitations), as well as from the private offering memoranda, quarterly and annual reports and other available information relating to the Underlying Vehicles and their investments, in connection with making investment decisions.

The investment strategies pursued by Blackstone Advisors may vary among the Associated Endowment Program accounts. Blackstone Advisors employs various types of investment strategies, which include, but are not limited to, diversified fixed income, diversified fund of hedge funds, and diversified investments in Underlying Vehicles pursuing strategies that may include but are not limited to real estate-related investments, distressed debt or "mezzanine" investments, credit-related investments, secondary investment programs, leveraged buyouts, venture capital investments and equity investments.

### ***Other***

BMAA may act outside of BMAA Divisions when advising certain asset classes and/or providing services to BMAA Clients. When BMAA advises such other asset classes, including SBS Vehicles, BMAA may evaluate investments by using an approach similar (but not identical) to that of Blackstone Advisors and will make investment decisions with respect to SBS Vehicles in accordance with the prevailing allocation framework, as described in the SBS Vehicle Constituent Documents.

**Risk of Loss:**

An investment in a BMAA Client entails a significant degree of risk and therefore should be undertaken only by investors capable of evaluating the risks of an investment in such BMAA Client and bearing the risks such investments represent. Set forth below is a non-exhaustive list of such risks (some of which may not apply to a particular BMAA Client):

1. No Assurance of Investment Return
2. Limited Operating History
3. Reliance on BMAA
4. Role of Investment Professionals
5. Highly Competitive Market for Investment Opportunities; Operators and Other Partners
6. General Economic and Market Conditions
7. Financial Market Fluctuations; Availability of Financing
8. Benchmark Reform and the Impact on LIBOR and other IBORs
9. Inflation
10. Investments Outside the United States Generally
11. Economic, Political and Social Risks
12. Regional Risk; Interdependence of Markets
13. Trade Policy
14. Terrorist Activities
15. Natural Disasters
16. Weather and Climatological Risks
17. Corruption Risk; FCPA
18. Privatization
19. Foreign Investment Controls
20. Foreign Capital Controls
21. Legal Framework and Corporate Governance
22. Accounting, Disclosure and Regulatory Standards
23. Investments in Emerging Markets and the Asia Pacific Region
24. Potential Re-emergence of the eurozone crisis
25. United Kingdom relations with the EU
26. Compliance with the EU and UK AIFM Regimes

27. European and UK Regulatory Environment
28. Data Protection
29. Chinese Growth Slowdown; Chinese Economy
30. Bankruptcy
31. Investments in the Blackstone Asset Classes Generally
32. No Management or Control of the Blackstone Asset Classes
33. Concentration of Investments in the Blackstone Asset Classes
34. Risks Associated with the Removal of a general partner of an Other Blackstone Client
35. Differences Between Investing in Other Blackstone Clients that Invest alongside the BMAA Clients
36. Commitment Amounts Approved by Investment Committees
37. Broad Investment Mandate
38. Risk of Limited Number of Portfolio Entities
39. Co-Investment Opportunities
40. Investments Longer than Term
41. Investments in Open Market Purchases; Publicly Traded Securities
42. Convertible Securities
43. Illiquid and Long-Term Investments
44. Non-Controlling Investments; Investments with Third Parties
45. Investments in Less Established Companies
46. Growth Investments
47. Investments in Junior Securities
48. Investments in Regulated Industries
49. Future Investment Techniques and Instruments
50. Disruptions
51. Investments in the Life Sciences Industry
52. Development and Regulatory Risk
53. Certain Healthcare Reform Measures
54. Environmental Matters
55. Sustainability Risks

56. Governmental Action Risk
57. CFIUS
58. Force Majeure Risk
59. Epidemics/Pandemics
60. Coronavirus and Public Health Emergencies
61. Material Non-Public Information
62. Availability of Insurance Against Certain Catastrophic Losses
63. Credit Support
64. Volatility of Commodity Prices
65. Technical Risk
66. Catastrophe Risk
67. Drilling, Exploration, Development and Mining Risks
68. Risks Related to Hydraulic Fracturing
69. Regulatory Approvals
70. Renewable Energy Policy Risk
71. Sovereign Risk
72. "Platform" Investments; Additional Capital
73. Adequacy of Reserves
74. Deployment of Capital
75. Distributions In-Kind
76. Failure to Make Payments
77. Risks Relating to Due Diligence of Investments
78. Access to Information from Portfolio Entities
79. Political Activities
80. Reliance on Portfolio Entity Management and Third Parties
81. Outsourcing
82. Risks in Effecting Operating Improvements
83. Expedited Transactions
84. Portfolio Entity Liabilities

- 85. Risks from Operations of Other Portfolio Entities
- 86. Volatility of Credit Markets May Affect Ability to Finance and Consummate Investments
- 87. Bridge Financings
- 88. Leverage; Subscription Line of Credit
- 89. Foreign Currency and Exchange Rate Risks
- 90. Hedging Risks/Derivatives
- 91. Risk of Limited Number of Investments; Lack of Diversification
- 92. Real Estate Investments Risks Generally
- 93. Commercial Mortgage Loans
- 94. Residential Real Estate Investments
- 95. Distressed Investments; Workouts and Restructurings
- 96. Debt/Credit Investments
- 97. CMBS
- 98. CLOs
- 99. Undervalued Investments
- 100. Aerospace
- 101. Agriculture and Timber Investments
- 102. Infrastructure Investments
- 103. Nature of the Infrastructure Investments Generally
- 104. Insurance Investments
- 105. Telecommunications Investments
- 106. Transportations and Shipping Investments
- 107. Commodity Investments
- 108. Derivative; Counterparty Risks
- 109. Short Sales
- 110. Investments in the Technology Sector
- 111. Investments in the Financial Services Industry
- 112. Liabilities on Disposition of Investments
- 113. Documentation and Legal Risks

- 114. Permits, Approvals, and Licenses
- 115. Legal, Tax, and Regulatory Risks
- 116. Alternative Investment Vehicles
- 117. OFAC and Sanctions Considerations
- 118. Absence of Oversight Under the Investment Company Act
- 119. Registration under the U.S. Commodity Exchange Act
- 120. Pay-to-Play Laws, Regulations, and Policies
- 121. Cayman Islands Regulatory Oversight
- 122. Financial Industry Regulation
- 123. Change of Law Risk
- 124. Litigation
- 125. FATCA
- 126. Possible Legislative or Other Developments
- 127. Legislation Adversely Affecting Blackstone Employees and Other Service Providers
- 128. Limitations on Deductions of Business Interest
- 129. General Tax Considerations
- 130. Partnership Audit Legislation
- 131. Phantom Income
- 132. Taxation in Certain Jurisdictions
- 133. UBTI & ECI
- 134. Risk Arising from Potential Control Group Liability
- 135. Cyber Security Breaches
- 136. Software Code Protection
- 137. Operational Risk
- 138. No Market for Limited Partnership Interests; Restrictions on Transfers
- 139. Dilution from Additional Closings
- 140. Recycling; Reinvestment
- 141. Possible Exclusion
- 142. Amendments

- 143. Sponsor Voting
- 144. Handling of Mail
- 145. Valuation Matters
- 146. Uncertainty of Projections

**Investors are advised to review the applicable Constituent Documents for a more extensive description of the applicable investment strategies and the risks of investing in the BMAA 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 BMAA manages that may be out of BMAA's control. BMAA cannot guarantee any level of performance or that investors in the BMAA Clients will not experience a substantial or complete investment loss. There is no assurance that the BMAA 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 BMAA Clients. The expenses of the BMAA Clients may exceed their income, and an investor in a BMAA Client could lose the entire amount of its contributed capital. Therefore, an investor should only invest in a BMAA Client as part of an overall investment strategy, and only if the investor can withstand a total loss of its investment. The past investment performance of the BMAA Clients cannot be taken to guarantee future results of the BMAA Clients or any investment in the BMAA Clients.

Epidemics/Pandemics. Certain countries have been susceptible to epidemics or pandemics, most recently a novel and highly contagious form of coronavirus ("COVID-19"). The outbreak of such epidemics or pandemics, 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 BMAA Clients invest), and thereby is expected to adversely affect the performance of BMAA Clients' investments. Furthermore, the rapid development of epidemics or pandemics 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 BMAA Clients and the performance of their investments or operations, and the ability of BMAA Clients to achieve their investment objectives.

Coronavirus and Public Health Emergencies. There is currently an outbreak of 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. In addition, state, federal and non-U.S. laws and regulations have been implemented (and other laws and regulations are being considered) that place restrictions on lenders and landlords in the real estate sector and other industries from exercising certain of their rights in the event of borrower or tenant defaults or delinquencies, including with respect to foreclosure and eviction rights. For example, certain jurisdictions have implemented debt payment relief packages or suspended the enforcement of residential and

commercial evictions. Countries across Europe have also instituted similar protections, including residential and commercial protections for non-payment of rent, payment holidays and increased notice periods prior to evictions. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are (i) expected to have a material adverse impact on tenants, real estate lenders and commercial property owners, (ii) creating significant disruption in supply chains and economic activity and (iii) 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 BMAA Clients and their Portfolio Entities and could adversely affect a BMAA Client's ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on BMAA 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, in addition to restrictions implemented to protect borrowers in the real estate and other industries, 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 a BMAA Client's Portfolio Entities, a BMAA Client's ability to source, manage and divest investments and a BMAA Client's ability to achieve its investment objectives, all of which could result in significant losses to a BMAA Client. In particular, a public health emergency may have a greater impact on leveraged assets.

In addition, the operations of BMAA Clients, their Portfolio Entities, and BMAA 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. *See also* "—Epidemics/Pandemics" herein.



## **Item 9 – Disciplinary Information**

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

On occasion, in the ordinary course of its business, Blackstone is named as a defendant in a legal action. Although there can be no assurance of the outcome of such legal actions, BMAA does not believe that any current legal proceeding or claim to which Blackstone is a party would individually or in the aggregate materially affect BMAA and/or the BMAA Clients’ results of operations, financial position or cash flows. Certain regulatory, litigation and other similar matters are disclosed in (i) Blackstone’s and BMAA’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](http://www.sec.gov)) or Blackstone (<http://ir.blackstone.com/investors/annual-reports-and-sec-filings/default.aspx>) and (ii) materials made available through Blackstone’s BXAccess online portal related to the BMAA Clients and/or certain of its affiliates, which is accessible to Blackstone’s limited partners for the funds in which they are invested. Anything disclosed in Blackstone’s or BMAA’s public filings and/or which are otherwise made available to BMAA Client investors, 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**

### **Other Financial Industry Activities**

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

BMAA will take such actions as may be required by the Constituent Documents of the applicable BMAA Clients to handle conflicts.

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

If any matter arises that BMAA determines in its good faith judgment constitutes an actual and material conflict of interest, BMAA and relevant affiliates will take the actions they determine appropriate to mitigate the conflict, which will be deemed to fully satisfy any fiduciary duties they may have to BMAA

Clients or BMAA Client investors. Thereafter, BMAA and relevant affiliates will be relieved of any liability related to the conflict to the fullest extent permitted by law.

Actions that could be taken by BMAA or its affiliates to mitigate a conflict include, by way of example and without limitation, (i) if applicable, handling the conflict as described in the Constituent Documents, (ii) disposing of the investment or security giving rise to the conflict of interest, (iii) disclosing the conflict to the BMAA Client investors (including, without limitation, in drawdown notices, distribution notices, financial statements, quarterly letters or other communications), (iv) appointing an independent representative (an “Independent Client Representative”) to act or provide consent with respect to the matter giving rise to the conflict of interest, (v) in connection with a matter giving rise to a conflict of interest with respect to an investment, consulting with BMAA Client investors or Independent Client Representatives (if any) regarding the conflict of interest and either obtaining a waiver or consent from such Independent Client Representative of the conflict of interest or acting in a manner, or pursuant to standards or procedures, approved by such Independent Client Representative with respect to such conflict of interest, (vi) validating the arms-length nature of the transaction by referencing participation by unaffiliated third parties, (vii) in the case of conflicts among clients, creating groups of personnel within Blackstone separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients, (viii) in connection with a matter giving rise to a conflict of interest with respect to an investment, relying on the consultation between the general partner of an Other Blackstone Client which is invested alongside such BMAA Client in such investment and such Other Blackstone Client’s limited partner advisory committee, (ix) implementing policies and procedures reasonably designed to mitigate the conflict of interest, or (x) otherwise handling the conflict as determined appropriate by BMAA in its discretion.

There can be no assurance that BMAA will identify, mitigate or resolve all conflicts of interest or to do so in a manner that is favorable to BMAA Clients.

For purposes of this Brochure, (a) “BCP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Management Partners L.L.C.; (b) “BCEP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Core Equity Advisors L.L.C.; (c) “BREP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Advisors L.P.; (d) “BPP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Property Advisors L.P.; (e) “BREDS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Real Estate Special Situations Advisors L.L.C.; (f) “TacOpps Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Tactical Opportunities Advisors L.L.C.; (g) “BAAM Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Alternative Asset Management LP; (h) “BIP Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Infrastructure Advisors L.L.C.; (i) “BIS Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by either Blackstone ISG-I Advisors L.L.C. or Blackstone ISG-II Advisors L.L.C.; (j) “Blackstone Credit Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Alternative Credit Advisors LP (formerly known as GSO Capital Partners LP) or its affiliated advisory entities that operate as part of the credit-focused business of Blackstone; (k) “Bxls Funds” shall be deemed to include

any account, client, fund, vehicle or any other similar arrangement managed by either Clarus Ventures, LLC or Blackstone Life Sciences Advisors L.L.C.; (l) “BXG Funds” shall be deemed to include any account, client, fund, vehicle or any other similar arrangement managed by Blackstone Growth Advisors L.L.C.; (m) “BXMT Funds” shall mean accounts, clients, funds, vehicles or any other similar arrangements managed by BXMT Advisors L.L.C.; (n) “Clarus” shall mean Clarus Ventures, LLC and its related vehicles/entities and successor funds; and (o) “BSCH” shall mean Blackstone Strategic Capital Holdings and its related vehicles/entities and successor funds.

References to “Other Blackstone Clients” describe, as the context requires, individually and collectively, any of the following in existence on the date hereof and those that may be formed in the future: (i) the BCEP Funds, the BREP Funds, the BPP Funds, the BREDS Funds, the BCP Funds, the TacOpps Funds, the BAAM Funds, the BIP Funds, the BIS Funds, the Blackstone Credit Funds, the BXLS Funds, the BXG Funds and the BXMT Funds, (ii) any successor funds to any of the funds described in (i), (iii) vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto, and (iv) any other funds, vehicles or accounts, including separately managed accounts, managed or advised by Blackstone, other than the BMAA Clients and their alternative investment vehicles.

***Performance-Based Compensation.*** A general partner’s carried interest creates a greater incentive for such general partner to make more speculative investments on behalf of BMAA Clients or time the purchase or sale of investments in a manner motivated by the personal interest of Blackstone personnel than if such performance-based compensation did not exist, as such general partner receives a disproportionate share of profits (above the preferred return hurdle, where applicable under the Constituent Documents). However, the significant commitment by Blackstone to invest in BMAA Clients and the general partner clawback should reduce the incentives for a general partner to make more speculative investments or otherwise time the purchase or sale of investments based on considerations related to carried interest. The general partner clawback potentially creates other misalignments of interests between a general partner and limited partners, such as an incentive for a general partner to defer disposition of an investment that would result in a realized loss (or a return on investment that was less than the preferred return, where applicable under the Constituent Documents) and trigger the clawback, or delay the dissolution and liquidation of BMAA Clients if doing so would trigger a clawback obligation. 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 the general partner to cause BMAA Clients to accelerate deployment of capital at the beginning of such BMAA Client’s investment period, hold investments longer to ensure long-term capital gains treatment or dispose of investments prior to any change in law that would result in a higher effective income tax rate on carried interest. Furthermore, upon a withdrawal by a BMAA Client investor from the BMAA Client in certain circumstances and upon the liquidation of BMAA Clients, the general partner of such BMAA Client may receive carried interest distributions with respect to a distribution in-kind of non-marketable securities. The amount of carried interest will be dependent on the valuation of the non-marketable securities distributed, which will be determined by the general partner and could incentivize such general partner to value the securities higher than if there were no carried interest. A 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. Moreover, under the terms of the Constituent Documents, a general partner is entitled to elect to receive its carried interest in the form of an in-kind distribution of marketable securities, including if the purpose of such election is to permit Blackstone personnel to donate such securities to charity (which may include private foundations, funds or other charities).

associated with any such personnel). The tax benefit derived from charitable giving has the effect of reinforcing and enhancing the incentives otherwise resulting from the existence of the general partner's carried interest described above.

In addition, the general partner and/or general partners of the Other Blackstone Clients are incentivized to make certain determinations in a manner that result in the receipt of a greater amount of, or earlier payment of, carried interest. For example, unlike disposition proceeds, distributions of current income may not take into account a return of capital from the respective investment or a return of allocable fees or expenses thereto, which can create an incentive for the general partner and/or general partners of the Other Blackstone Clients to determine that a recapitalization, refinancing or other similar transaction was not a "Disposition" (in whole or in part) for purposes of the Constituent Documents and/or partnership agreements of such Other Blackstone Clients (including for purposes of calculating the general partners' carried interest). Additionally, regardless of whether a recapitalization, refinancing or other similar transaction is treated as a "Disposition" (in whole or in part) for purposes of determining the general partners' carried interest, such recapitalization, refinancing or other similar transaction may not be treated as a "Disposition" (in whole or in part) for purposes of calculating "Invested Capital" under the Constituent Documents and/or investment advisory agreements of such Other Blackstone Client. In addition to the foregoing, in connection with certain investments and/or co-investments alongside (or through) Other Blackstone Clients, a general partner is expected to allocate a portion of the carried interest earned with respect to such investments to the Blackstone teams and/or personnel responsible for the investment activities of the relevant Other Blackstone Client(s). Such arrangements may result in a general partner receiving an allocation that it might not otherwise have received.

***Allocation of Personnel.*** BMAA will devote such time as shall be necessary to conduct the business affairs of BMAA Clients in an appropriate manner. However, Blackstone personnel serving as members of an investment committee and/or investment team of BMAA Clients will work on other projects and/or Other Blackstone Clients, including, without limitations, as members of the investment committee and/or investment teams serving Blackstone Asset Classes and/or Other Blackstone Clients, will serve on other committees (including boards of directors) and have other responsibilities, including senior management responsibilities, throughout Blackstone and/or its Portfolio Entities, and, therefore, conflicts are expected to arise in the allocation of personnel and personnel's time. Certain members of the BMAA Clients' investment teams are also members of other BMAA Clients' or Other Blackstone Clients' investment teams and will continue to serve in those roles and as a result, not all of their business time will be devoted to a particular BMAA Client. Similarly, non-investment professionals may not be dedicated solely to a particular BMAA Client and may perform work for other BMAA Clients or Other Blackstone Clients which is expected to detract from the time such persons devote to a particular BMAA Client. In this regard, however, a core group of Blackstone investment professionals will devote such time as is reasonably necessary to the business related to BMAA 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).

Time spent on other initiatives diverts attention from the activities of BMAA Clients, which could negatively impact BMAA 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. BMAA's determination of the amount of time necessary to conduct BMAA Clients' activities will be conclusive, and the BMAA Client investors rely on BMAA's judgment in this regard.

***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 BMAA Clients, Other Blackstone Clients and their respective Portfolio Entities, 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 BMAA Clients, including if such other entities compete with BMAA Clients 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 BMAA Clients. This involvement would create conflicts of interest in making investments on behalf of BMAA Clients and such other funds, accounts and other entities. Although BMAA will generally seek to minimize the impact of any such conflicts, there can be no assurance they will be resolved favorably for BMAA Clients. 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), 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 Other Blackstone Clients, including BMAA Clients, or otherwise relate to companies or issuers in which the BMAA Clients 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 BMAA Clients. BMAA Client investors will not receive any benefit from any such investments, and the financial incentives of Blackstone personnel in such other investments could be greater than their financial incentives in relation to BMAA Clients.

Additionally, certain personnel and other professionals of Blackstone have family members or relatives that are actively involved in industries and sectors in which BMAA Clients 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 BMAA Clients or other counterparties of BMAA Clients and their Portfolio Entities and/or assets. Moreover, in certain instances, BMAA Clients or their Portfolio Entities may purchase or sell companies or assets from or to, or otherwise transact with, companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. In most such circumstances, the Constituent Documents will not preclude BMAA Clients from undertaking any of these investment activities or transactions. To the extent Blackstone determines appropriate, conflict mitigation strategies may be put in place with respect to a particular circumstance, such as internal information barriers or recusal, disclosure or other steps determined appropriate by the applicable general partner. The BMAA Client investors rely on the applicable general partner to manage these conflicts in its sole discretion.

***Secondments and Internships.*** Certain personnel of Blackstone, including Consultants (as defined herein), will, in certain circumstances, be seconded to one or more Portfolio Entities, service providers and vendors or investors of BMAA Clients and Other Blackstone Clients to provide finance, accounting, operational support, data management and other similar services, including the sourcing of investments for BMAA Clients or other parties. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment could be borne by Blackstone or the organization for which the personnel are working or both. In addition, personnel of Portfolio Entities, vendors, service providers

(including law firms and accounting firms) and investors of BMAA Clients and Other Blackstone Clients will, in certain circumstances, be seconded to, serve internships at or otherwise provide consulting services to, Blackstone, BMAA Clients, Portfolio Entities and Other Blackstone Clients. While often BMAA Clients, Other Blackstone Clients and their Portfolio Entities are the beneficiaries of these types of arrangements, Blackstone is from time to time a beneficiary of these arrangements as well, including in circumstances where the vendor or service provider or otherwise also provides services to BMAA Clients, Other Blackstone Clients or Blackstone in the ordinary course. Blackstone or the Portfolio Entity may or may not pay salary or cover expenses associated with such secondees and interns, and if a Portfolio Entity pays the cost it will be borne directly or indirectly by a BMAA Client. Blackstone, BMAA Clients, Other Blackstone Clients or their Portfolio Entities could receive benefits from these arrangements at no cost, or alternatively could pay all or a portion of the fees, compensation or other expenses in respect of these arrangements. The Management Fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. The personnel described above may provide services in respect of multiple matters, including in respect of matters related to Blackstone, BMAA Clients, Other Blackstone Clients, Portfolio Entities, each of their respective affiliates and related parties, and any costs of such personnel may be allocated accordingly. Blackstone will endeavor in good faith to allocate the costs of these arrangements, if any, to Blackstone, BMAA Clients, Other Blackstone Clients, Portfolio Entities and other parties based on time spent by the personnel or another methodology Blackstone deems appropriate in a particular circumstance.

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

**Advisors, Consultants and Partners.** BMAA, its affiliates and their personnel and related parties engage and retain strategic advisors, consultants, senior advisors, industry experts, joint venture and other partners and professionals, any of whom might be current or former executives or other personnel of BMAA, its affiliates or Portfolio Entities of BMAA Clients or Other Blackstone Clients (collectively, “Consultants”), to provide a variety of services. Similarly, BMAA Clients, Other Blackstone Clients and their Portfolio Entities retain and pay compensation to Consultants to provide services, or to undertake a build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. Any amounts paid by BMAA Clients or a Portfolio Entity to Consultants in connection with the above services, including cash fees, profits or equity interests in a Portfolio Entity, discretionary bonus awards, performance-based compensation (e.g., promote), retainers and expense reimbursements, will be treated as partnership expenses or expenses of the Portfolio Entity, as the case may be, and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by BMAA or its affiliates, be chargeable to BMAA or its affiliates or deemed paid to or received by BMAA or its affiliates, or offset or reduce any Management Fees to BMAA or its affiliates or be subordinated to return of the BMAA Client investor’s capital. Amounts charged by Consultants will not necessarily be confirmed

as being comparable to market rates for such services. Also, Consultants often co-invest alongside BMAA Clients in Portfolio Entities and investments, participate in long-term incentive plans of a Portfolio Entity, and invest directly in BMAA Clients or in vehicles controlled by BMAA Clients, with reduced or waived management fees and carried interest and such co-investment or participation (which generally will result in BMAA Clients being allocated a smaller share of an investment and less co-investment being available to BMAA Client investors) may or may not be considered part of Blackstone's side-by-side co-investment rights, as determined by BMAA or its 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 BMAA with industry-specific insights and feedback on investment themes, assists in transaction due diligence, and makes introductions to, and provides reference checks on, management teams. In other cases, Consultants take on more extensive roles, including serving as executives or directors on the boards of Portfolio Entities and contributing to the identification and origination of new investment opportunities. BMAA Clients may rely on these Consultants to recommend BMAA and BMAA Clients 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 BMAA Clients for any length of time. BMAA and BMAA Clients 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 Constituent Documents, and their salary and related expenses are paid by BMAA Clients as partnership expenses or by Portfolio Entities without any reduction or offset to Management Fees. Some Consultants work only for BMAA Clients and their Portfolio Entities, while other Consultants may have other clients. In particular, in some cases, Consultants, including those with a "Senior Advisor" title, have been and will be engaged with the responsibility to source and recommend transactions to BMAA potentially on a full-time and/or exclusive basis and, notwithstanding any overlap with the responsibilities of BMAA under the Constituent Documents, the compensation to such Consultants may be borne fully by BMAA Clients and/or Portfolio Entities (with no reduction or offset to Management Fees) and not BMAA. Consultants could have conflicts of interest between their work for BMAA Clients and their Portfolio Entities, on the one hand, and themselves or other clients, on the other hand, and BMAA is limited in its ability to monitor and mitigate these conflicts. Additionally, from time to time Consultants provide services on behalf of both BMAA Clients and Other Blackstone Clients, and any work performed by Consultants retained on behalf of BMAA Clients may benefit such Other Blackstone Clients (and alternatively, work performed by Consultants on behalf of Other Blackstone Clients may benefit BMAA Clients), and BMAA shall have no obligation to allocate any portion of the costs to be borne by BMAA Clients in respect of such Consultant to such Other Blackstone Clients, except as described below.

In addition, BMAA Clients will, in certain circumstances, from time to time enter into an arrangement with one or more individuals (who may be former personnel of Blackstone or current or former personnel of Portfolio Entities of BMAA Clients or Other Blackstone Clients, may have experience or capability in sourcing or managing investments, and may form a management team) to undertake a

build-up strategy to acquire and develop assets and businesses in a particular sector or involving a particular strategy. The services provided by such individuals or relevant Portfolio Entity, as the case may be, could include: origination or sourcing, due diligence, evaluation, negotiation, servicing, development, management (including turnaround) and disposition. The individuals or relevant Portfolio Entity could be compensated with a salary and equity incentive plan, including a portion of profits derived from BMAA Clients or a Portfolio Entity or asset of BMAA Clients, 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. BMAA Clients could 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 BMAA Clients as partnership expenses (or broken deal expenses, if applicable) or indirectly through expenditures by a Portfolio Entity. None of such Portfolio Entities or Consultants will be treated as affiliates of BMAA for purposes of the Constituent Documents and none of the fees, costs or expenses described above will reduce or offset the Management Fee.

In addition, the general partners and/or the general partners of Other Blackstone Clients may engage third parties as Consultants (or another similar capacity) in order to advise them with respect to existing investments, specific investment opportunities, and economic and industry trends. Such Consultants may receive reimbursement of reasonable related expenses by Portfolio Entities or BMAA Clients and/or Other Blackstone Clients and may have the opportunity to invest in a portion of the equity available to BMAA Clients and/or Other Blackstone Clients for investment which may be taken by the general partners and/or the general partners of Other Blackstone Clients and their affiliates. If such Consultants generate investment opportunities on BMAA Clients' behalf, such Consultants may receive special additional fees or allocations comparable to those received by a third-party in an arm's length transaction and such additional fees or allocations would be borne fully by BMAA Clients and/or Portfolio Entities (with no reduction or offset to Management Fees) and not BMAA.

**Multiple Blackstone Business Lines.** Blackstone has multiple business lines, including the Blackstone Capital Markets Group, which Blackstone, BMAA Clients, Other Blackstone Clients, Portfolio Entities of BMAA Clients and Other Blackstone Clients 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 BMAA Clients' ability to engage in potential transactions. Similarly, other Blackstone businesses and their personnel may be prohibited by law or contract from sharing information with BMAA that would be relevant to monitoring BMAA Clients' investments and other activities. Additionally, Blackstone or Other Blackstone Clients can be expected to enter into covenants that restrict or otherwise limit the ability of BMAA Clients or their Portfolio Entities and their affiliates to make investments in, or otherwise engage in, certain businesses or activities. For example, Other Blackstone Clients could have granted exclusivity to a joint venture partner that limits BMAA Clients and Other Blackstone Clients from owning assets within a certain distance of any of the joint venture's assets, or Blackstone or an Other Blackstone Client could have entered into a non-compete in connection with a sale or other transaction. These types of restrictions may negatively impact the ability of BMAA Clients to implement its investment program. (See *also* "—Other Blackstone Clients; Allocation of Investment Opportunities; Predecessor and Successor Funds" herein.) Finally, Blackstone personnel who are members of the investment team or investment committee, including members of BMAA Client investment committees, 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 BMAA Clients will not benefit from their experience. The BMAA Client investors 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 BMAA Clients. Blackstone has long-term relationships with a significant number of corporations and their senior management. BMAA will consider those relationships when evaluating an investment opportunity, which may result in BMAA 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). BMAA 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 transactions or investments that Blackstone 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 BMAA Clients. (See “—Other Blackstone Clients; Allocation of Investment Opportunities; Predecessor and Successor Funds” and “—Portfolio Entity Relationships Generally” herein.) BMAA Clients 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 BMAA with respect to BMAA Clients’ investments and otherwise result in a conflict. (See also “—Other Blackstone Clients; Allocation of Investment Opportunities; Predecessor and Successor Funds” herein.)

Finally, Blackstone and Other Blackstone Clients could acquire limited partnership interests in BMAA Clients in the secondary market. Blackstone and Other Blackstone Clients would generally have greater information than counterparties in such transactions, and the existence of such business could produce conflicts, including in the valuation of BMAA Clients’ investments.

***Minority Investments in Asset Management Firms.*** Blackstone and Other Blackstone Clients, including Blackstone Strategic Capital Holdings (“BSCH”) and its related parties, regularly make minority investments in alternative asset management firms that are not affiliated with Blackstone, BMAA Clients, Other Blackstone Clients and their respective Portfolio Entities, and which may from time to time engage in similar investment transactions, including with respect to purchase and sale of investments, with these asset management firms and their sponsored funds and portfolio entities. Typically, the Blackstone-related party with an interest in the asset management firm would be entitled to receive a share of carried interest/performance based incentive compensation and net fee income or revenue share generated by the various products, vehicles, funds and accounts managed by that third-party asset management firm that are included in the transaction or activities of the third-party asset management firm, or a subset of such activities such as transactions with a Blackstone-related party. In addition, while such minority investments are generally structured so that Blackstone does not “control” such third-party asset management firms, Blackstone may nonetheless be afforded certain governance rights in relation to such investments (typically in the nature of “protective” rights, negative control rights or anti-dilution arrangements, as well as certain reporting and consultation rights) that afford Blackstone the ability to influence the firm. Although Blackstone and Other Blackstone Clients, including BSCH, do not intend to control such third-party asset management firms, there can be no assurance that all third parties will similarly conclude that such investments are non-control investments or that, due to the provisions of the governing documents of such third-party asset management firms or the interpretation of applicable law or regulations, investments by Blackstone and Other Blackstone Clients, including BSCH, will not be

deemed to have control elements for certain contractual, regulatory or other purposes. While such third-party asset managers will not be deemed “affiliates” of Blackstone under the Constituent Documents or for any other purpose, Blackstone may, under certain circumstances, be in a position to influence the management and operations of such asset managers and the existence of its economic/revenue sharing interest therein may give rise to conflicts of interest. Participation rights in a third-party asset management firm (or other similar business), negotiated governance arrangements and/or the interpretation of applicable law or regulations could expose the investments of BMAA Clients to claims by third parties in connection with such investments (as indirect owners of such asset management firms or similar businesses) that may have an adverse financial or reputational impact on the performance of BMAA Clients. Furthermore, it is expected that from time to time the BMAA Clients, their affiliates and their respective Portfolio Entities will engage in transactions with, and buy and sell investments from, any such third-party asset managers and their sponsored funds, and make investments in vehicles sponsored by such third party asset managers, which may result in the Blackstone-related party earning carried interest/performance-based incentive compensation and/or fee income in respect of any such transactions. Such transactions and other commercial arrangements between BMAA Clients and their Portfolio Entities, on the one hand, and such third-party asset managers, on the other, are not subject to BMAA Client investor approval. There can be no assurance that the terms of these transactions between parties related to Blackstone, on the one hand, and BMAA Clients and their Portfolio Entities, on the other hand, will be at arm’s length or that Blackstone will not receive a benefit from such transactions, which can be expected to incentivize Blackstone to cause these transactions to occur. Such conflicts related to investments in and arrangements with other asset management firms will not necessarily be resolved in favor of the BMAA Clients. Investors will not be entitled to receive notice or disclosure of the terms or occurrence of either the investments in alternative asset management firms or transactions therewith and will not receive any benefit from such transactions.

***Blackstone Policies and Procedures; Information Walls.*** Blackstone has implemented policies and procedures to address conflicts that arise as a result of its various activities, as well as regulatory and other legal considerations. Specified policies and procedures implemented by Blackstone to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions will reduce the synergies across Blackstone’s various businesses that the BMAA Clients expect to draw on for purposes of pursuing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, including private equity, a credit business, a hedge fund business, a capital markets group, a life sciences business 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 and to protect against the inappropriate sharing and/or use of information between the BMAA Clients and the other business units at Blackstone, Blackstone has implemented certain policies and procedures (e.g., Blackstone’s information wall policy), regarding the sharing of information that may reduce the positive synergies that BMAA Clients could otherwise expect to utilize for purposes of identifying and managing attractive investments. For example, Blackstone will from time to time come into possession of material non-public information with respect to companies in which Other Blackstone Clients may be considering making an investment or companies that are clients of Blackstone. As a consequence, that information, which could be of benefit to a BMAA Client, might become restricted to those other respective businesses and otherwise be unavailable to such BMAA Client. There can be no assurance, however, that any such policies and/or procedures will be effective in accomplishing their stated purpose and/or that they will not otherwise adversely affect the ability of the BMAA Clients to

effectively achieve their investment objective by unduly limiting the investment flexibility of BMAA Clients and/or the flow of otherwise appropriate information between BMAA and other business units at Blackstone. Personnel of Blackstone may be unable, for example, to assist with the activities of BMAA Clients as a result of these walls. There can be no assurance that additional restrictions will not be imposed that would further limit the ability of Blackstone to share information internally.

In addition, to the extent that Blackstone is in possession of material non-public information or is otherwise restricted from trading in certain securities, BMAA Clients and BMAA may also be deemed to be in possession of such information or otherwise restricted. Additionally, the terms of confidentiality or other agreements with or related to companies in which any Blackstone fund has or has considered making an investment or which is otherwise a client of Blackstone will from time to time restrict or otherwise limit the ability of BMAA Clients and/or their Portfolio Entities and their affiliates to make investments in or otherwise engage in businesses or activities competitive with such companies. Blackstone may enter into strategic relationships with investors (and/or one or more of their affiliates) that involve an overall relationship with Blackstone that could incorporate one or more strategies in addition to BMAA Clients' strategies ("Strategic Relationships") in certain regions or with respect to certain types of investments that, although intended to provide greater opportunities for BMAA Clients, may require BMAA Clients to share such opportunities or otherwise limit the amount of an opportunity BMAA Clients can otherwise take.

**Data Management Services.** Blackstone or an affiliate of Blackstone formed in the future will provide data management services to Portfolio Entities, to investors in the BMAA Clients and in Other Blackstone Clients, and to the BMAA Clients and Other Blackstone Clients (collectively, "Data Holders"). Such services may include assistance with obtaining, analyzing, curating, processing, packaging, organizing, mapping, holding, transforming, enhancing, marketing and selling such data (among other related data management and consulting services) for monetization through licensing or sale arrangements with third parties and, subject to the limitations in the Constituent Documents and any other applicable contractual limitations, with the BMAA Clients, Other Blackstone Clients, Portfolio Entities, investors in the BMAA Clients and in Other Blackstone Clients, and other Blackstone affiliates and associated entities (including funds in which Blackstone and Other Blackstone Clients make investments, and Portfolio Entities thereof). If Blackstone enters into data services arrangements with Portfolio Entities and receives compensation from such Portfolio Entities for such data services, BMAA 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 BMAA Client or BMAA Client investors. Additionally, Blackstone is also expected to determine to share the products from such data management services within Blackstone or its affiliates (including Other Blackstone Clients or their Portfolio Entities) at no charge and, in such cases, the Data Holders may not receive any financial or other benefit from having provided such data to Blackstone. The potential receipt of such compensation

by Blackstone may create incentives for Blackstone to cause the BMAA 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.)

**Data.** Blackstone receives or obtains various kinds of data and information from the BMAA Clients, Other Blackstone Clients, their Portfolio Entities, and investors in the BMAA Clients and in Other Blackstone Clients, 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 BMAA Clients, Other Blackstone Clients, their Portfolio Entities and investors in the BMAA Clients and in Other Blackstone Clients. Blackstone has entered and will continue to enter into information sharing and use arrangements with the BMAA Clients, Other Blackstone Clients, their Portfolio Entities, investors in the BMAA Clients and in Other Blackstone Clients, related parties and service providers, which may give Blackstone access to (and rights regarding) data that it would not otherwise obtain in the ordinary course. Although Blackstone believes that these activities improve Blackstone’s investment management activities on behalf of the BMAA Clients and Other Blackstone Clients, information obtained from the BMAA Clients, their Portfolio Entities and investors in the BMAA Clients and in Other Blackstone Clients also provides material benefits to Blackstone or Other Blackstone Clients without compensation or other benefit accruing to the BMAA Clients or their investors. For example, information from Portfolio Entities owned by the BMAA Clients may enable Blackstone to better understand a particular industry and execute trading and investment strategies in reliance on that understanding for Blackstone and Other Blackstone Clients that do not own an interest in the Portfolio Entity, without compensation or benefit to the BMAA 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 non-public information, Blackstone is generally free to use data and information from the BMAA Clients’ activities to assist in the pursuit of Blackstone’s various other activities, including to trade for the benefit of Blackstone or an Other Blackstone Client. Any confidentiality obligations in the 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 BMAA Clients or their investors.

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

***Buying and Selling Investments or Assets from Certain Related Parties.*** BMAA Clients and their Portfolio Entities may purchase investments or assets from or sell investments or assets of BMAA Clients to limited partners, Portfolio Entities of other BMAA Clients or Other Blackstone Clients or their respective related parties. Purchases and sales of investments or assets of the BMAA Clients between the BMAA Clients or their Portfolio Entities, on the one hand, and limited partners and/or Portfolio Entities of other BMAA Clients or Other Blackstone Clients or their respective related parties, on the other hand, are not

subject to the approval of any limited partner except as expressly required under the applicable Constituent Document or unless otherwise required under the Advisers Act or other applicable laws or regulations. For example, a Portfolio Entity may sell its data to limited partners, Portfolio Entities of other BMAA Clients or Other Blackstone Clients or their respective related parties. (See also “Data Management Services”). These transactions involve conflicts of interest, as Blackstone may receive fees and other benefits, directly or indirectly, from or otherwise have interests in both parties to the transaction, including different financial incentives Blackstone may have with respect to the parties to the transaction. For example, there can be no assurance that any investment or asset sold by BMAA Clients to a limited partner, Portfolio Entity of Other Blackstone Client or any of their respective related parties will not be valued or allocated a sale price that is lower than might otherwise have been the case if such asset were sold to a third-party rather than to a limited partner, a Portfolio Entity of an Other Blackstone Client or any of their respective related parties. Blackstone will not be required to solicit third-party bids or obtain a third-party valuation prior to causing the BMAA Clients or any of their Portfolio Entities to purchase or sell any asset or investment from or to a limited partner, a Portfolio Entity of an Other Blackstone Client or any of their respective related parties as provided above.

***Blackstone’s Relationship with Pátria.*** On October 1, 2010, Blackstone purchased a 40% equity interest in Pátria Investments Limited and Pátria Investimentos Ltda. (collectively, “Pátria”). Pátria is a leading alternative asset manager in Latin America. 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). On January 26, 2021, Pátria completed its initial public offering (“IPO”), pursuant to which Blackstone sold a portion of its interest and no longer has representatives or the right to designate representatives on Pátria’s board of directors. As a result of Pátria’s pre-IPO reorganization transactions (which included Blackstone’s sale of 10% of Pátria’s pre-IPO shares to Pátria’s controlling shareholder) and the consummation of the IPO, Blackstone is deemed to no longer have significant influence over Pátria due to its decreased ownership and lack of board representation.

***Other Blackstone Clients; Allocation of Investment Opportunities; Predecessor and Successor Funds.*** Blackstone invests its own capital and third-party capital on behalf of Other Blackstone Clients and BMAA Clients in a wide variety of investment opportunities throughout the world. To the extent any Other Blackstone Clients have investment objectives or guidelines that overlap with those of BMAA Clients, such Other Blackstone Clients may receive priority over BMAA Clients with respect to any investment opportunity that falls within such common objectives or guidelines or such investment opportunity may be allocated in any manner deemed appropriate by Blackstone in its sole discretion. In addition, certain exceptions exist that allow specified types of investment opportunities that fall within BMAA Clients’ investment objectives or strategy to be allocated in whole or in part to Blackstone itself and/or Other Blackstone Clients, such as strategic investments made by Blackstone itself (whether in financial institutions or otherwise) and the exception for Other Blackstone Clients that have investment objectives or guidelines similar to or overlapping, in whole or in part, with those of BMAA Clients to some extent, or pursue similar returns as a BMAA Client but have a different investment strategy or objective. It is expected that some activities of Blackstone, the Other Blackstone Clients and their Portfolio Entities will compete with BMAA Clients and their Portfolio Entities for one or more investment opportunities that are consistent with BMAA Clients’ investment objectives, and as a result such investment opportunities may only be available on a limited basis, or not at all, to BMAA Clients. Blackstone may also from time to time make and hold investments of various types with or in lieu of Other Blackstone Clients. Although such investments would be limited or restricted by the Constituent Documents or the agreements for Other

Blackstone Clients, to the extent Blackstone does make or hold such investments, many of the conflicts of interest associated with the activities of Other Blackstone Clients also apply to such investment activities of Blackstone. BMAA has conflicting loyalties in determining whether an investment opportunity should be allocated to BMAA Clients, Blackstone or an Other Blackstone Client, and these conflicts may not necessarily be resolved in favor of BMAA Clients. Blackstone has adopted guidelines and policies, which it can be expected to update from time to time, regarding allocation of investment opportunities.

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

- *Certain Investments Inside BMAA Clients' Mandate that are not Pursued by BMAA Clients:* Under certain circumstances, Blackstone can be expected to determine not to pursue some or all of an investment opportunity within BMAA Clients' mandate, including without limitation, as a result of business, reputational or other reasons applicable to BMAA Clients, Other Blackstone Clients, their respective Portfolio Entities or Blackstone. In addition, BMAA will, in certain circumstances, determine that BMAA Clients should not pursue some or all of an investment opportunity, including, by way of example and without limitation, because BMAA Clients have insufficient capital to pursue the investment, the BMAA Clients have already invested sufficient capital in the investment, sector, industry, geographic region or markets in question, as determined by BMAA in its good faith discretion, or the investment is not appropriate for BMAA Clients for other reasons as determined by BMAA in its sole discretion. In any such case Blackstone could, thereafter, offer such opportunity to other parties, including Other Blackstone Clients or Portfolio Entities or investors of a BMAA Client or Other Blackstone Clients, joint venture partners, related parties or third parties, and such parties may pursue the opportunity. In such instances, investment opportunities which are within such common objectives or guidelines will be allocated between BMAA Clients and such other vehicle by the general partner on a basis that the general partner believes in good faith to be fair and reasonable (which may result in BMAA Clients not participating and/or not participating to the same extent in such investment opportunity). In making its good faith determination as to what is "fair and reasonable" under the circumstances, the general partner and its affiliates shall be permitted to consider a number of factors including, without limitation, the specific nature of the investment, size and type of the investment, relative investment strategies and primary investment mandates, portfolio diversification concerns, contractual obligations, applicable investment limitations or guidelines and other terms of such funds, relative amounts of available capital for each investment fund, duration of the investment period of each fund, source of the investment opportunity, the investment focus of each fund, anticipated holding period and remaining investment periods, co-investment arrangements, the nature and extent of involvement of the respective teams of investment professionals dedicated to BMAA Clients when compared to the Other Blackstone Clients, legal, tax, regulatory, accounting and other similar considerations, and other considerations deemed relevant in good faith. In addition, as a general matter, it is expected that Blackstone's Real Estate and Credit business will receive priority over most real estate opportunities and certain types of credit opportunities, respectively. The arrangements described herein may result in investments that fit within the primary investment mandate of BMAA Clients being wholly or partially allocated to one or more Other Blackstone Clients. Any such Other Blackstone Clients may be advised by a different Blackstone business group with a different investment committee, which could determine an investment opportunity to be more attractive than BMAA believes to be the case. In any event, there can be no assurance that BMAA's assessment will prove correct or that the performance of any investments actually pursued by BMAA Clients will be comparable to any investment opportunities that are not pursued by BMAA Clients. Blackstone, including its personnel will, in certain circumstances, receive compensation from any such party that makes the investment, including an allocation of carried interest, referral fees, or revenue share, and any such compensation could be greater than amounts paid by BMAA Clients to BMAA. In some cases, Blackstone earns greater fees when Other Blackstone Clients participate alongside or instead of BMAA Clients in an investment.

Blackstone has launched an infrastructure investment program, which consists of Blackstone Infrastructure Partners L.P. and potentially one or more other open-ended commingled private investment funds and separate accounts, including a separate account through which a large sovereign wealth fund investor has committed to generally match up to \$20 billion of capital commitments from third-party investors (such funds, vehicles and accounts, including any successors thereto, collectively,

“BIP”). It is therefore expected that BIP will, from time to time, have up to, or in excess of, \$40 billion in available capital for investments in infrastructure assets, which may include investments in energy infrastructure, “waste-to-energy” and/or other energy or natural resources-related companies or projects that could be considered to fit within the common investment objectives of BMAA Clients and BIP, and there can be no assurances that any such investments will not be wholly or partially allocated to BIP following consideration of the guidelines and factors described herein. In addition, Blackstone’s energy and natural resources-related investment activities have expanded with the formation of certain Blackstone Credit Funds (“Credit Energy Funds”), which focus primarily on making energy and natural resources-related debt investments, and with Blackstone’s acquisition of Harvest Fund Advisors LLC, which sponsors or manages funds, vehicles and accounts (the “Harvest Funds”) that invest in the securities of energy or natural resources-focused midstream master limited partnerships (“MLPs”). As a result, it can be expected that investments that could be considered to fit within the common investment objectives of BMAA Clients and Credit Energy Funds, such as energy and natural resources-related debt and/or equity investments, may be allocated in whole or in part to Credit Energy Funds, and that investments that could be considered to fit within the common investment objectives of BMAA Clients and the Harvest Funds, such as investments in energy or natural resources-focused MLPs, may be allocated in whole or in part to the Harvest Funds. Furthermore, other types of investments that could be considered to fit within the common investment objectives of BMAA Clients and Other Blackstone Clients may be allocated in whole or in part to such Other Blackstone Clients. For example, it can be expected that investments in companies with substantial real estate holdings may be allocated to Blackstone’s real estate funds. Additionally, it can be expected that minority investments may be allocated to BTO, and Growth Equity Investments (as defined below) may be allocated to BXG Funds. Accordingly, there can be no assurances that any investments that could be considered to fit within the investment objectives of BMAA Clients will not, following consideration of the guidelines and factors described herein, be wholly or partially allocated to BIP, Credit Energy Funds, the Harvest Funds or any other existing or future Other Blackstone Clients.

With respect to each general partner’s ability to allocate investment opportunities, including where such opportunities are within the common objectives and guidelines of BMAA Clients and Other Blackstone Client (which allocations are to be made on a basis that each general partner believes in good faith to be fair and reasonable), Blackstone has established general guidelines for determining how such allocations are to be made, which, among other things, set forth priorities and presumptions regarding what constitutes “debt” investments, “control oriented equity” investments, “energy” investments, “preferred” investments, risk and return characteristics for defining “core” or “core+” investments and “infrastructure” investments, presumptions regarding allocation for certain types of investments (e.g., distressed investments) and other matters. The application of such guidelines may result in the BMAA Clients not participating, or not participating to the same extent, in investment opportunities in which it would have otherwise participated had the guidelines not existed.

- *Financial Compensation to Allocate Investment Opportunities to Other Blackstone Clients:* When BMAA determines not to pursue some or all of an investment opportunity for BMAA Clients that would otherwise be within BMAA Clients’ objectives and strategies, and Blackstone provides the opportunity or offers the opportunity to Other Blackstone Clients, Blackstone, including its personnel (including real estate personnel) can be expected to receive compensation from the Other Blackstone Clients, whether or not in respect of a particular investment, including an allocation of carried interest, referral fees, or revenue share, and any such compensation could be greater than amounts paid by BMAA Clients to BMAA. As a result, BMAA (including its personnel who receive such compensation) could be incentivized



to allocate investment opportunities away from BMAA Clients to or source investment opportunities for Other Blackstone Clients, which could result in fewer opportunities (or reduced allocations) being made available to the BMAA Clients or to the investors in the BMAA Clients as co-investment. In addition, in some cases Blackstone can be expected to earn greater fees when Other Blackstone Clients participate alongside or instead of BMAA Clients in an investment.

- *Basis for Investment Allocation Determinations:* BMAA makes good faith determinations for allocation decisions based on expectations that will, in certain circumstances, prove inaccurate and such determinations require it to make subjective judgements regarding application of the guidelines and arrangements described herein. Information unavailable to BMAA, or circumstances not foreseen by BMAA at the time of allocation, may cause an investment opportunity to yield a different return than expected. For example, an investment opportunity that BMAA determines to be consistent with the return objectives of a lower return fund rather than BMAA Clients may not match BMAA's expectations and underwriting and generate an actual return that would have been appropriate for BMAA Clients. Conversely, an investment that BMAA expects to be consistent with BMAA Clients' return objectives will, in certain circumstances, fail to achieve them or exceed them. Any such judgments and application involves inherent conflicts and risks that assumptions regarding investment opportunities may not ultimately prove correct. As such, there can be no assurance that the subjective judgments made by BMAA will prove correct in hindsight.

- *Investment Alongside (or In) Other Blackstone Clients:* BMAA Clients will also invest alongside Other Blackstone Clients (including other vehicles in which Blackstone or its personnel invest) in investments that are suitable for one or more of BMAA Clients and such Other Blackstone Clients. To the extent BMAA Clients jointly hold securities with any Other Blackstone Client that has a different expected duration or liquidity terms, conflicts of interest will arise between BMAA Clients and such Other Blackstone Client with respect to the timing and manner of disposition of opportunities. In order to mitigate any such conflicts of interest, BMAA Clients may recuse themselves from participating in any decisions relating or with respect to the investment by BMAA Clients or the Other Blackstone Client. If the Other Blackstone Client maintains voting rights with respect to the securities it holds, or if BMAA Clients do not recuse themselves, Blackstone may be required to take action where it will have conflicting loyalties between its duties to BMAA Clients and such Other Blackstone Clients, which may adversely impact BMAA Clients. (See also "—Other Blackstone Clients; Allocation of Investment Opportunities; Predecessor and Successor Funds" herein). Even if BMAA Clients and any Other Blackstone Clients (and/or co-investment or other vehicles) invest in the same securities, conflicts of interest may still arise. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for BMAA Clients and such other funds and vehicles may not be the same. Additionally, BMAA Clients and such Other Blackstone Clients and/or vehicles will generally have different expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may also impact the allocation of investment opportunities (including follow-on investments related to earlier investments made by the BMAA Clients and Other Blackstone Clients). Such Other Blackstone Clients may also have certain governance rights for legal, regulatory or other reasons that the BMAA Clients will not have. As such, BMAA Clients and/or such Other Blackstone Clients may dispose of any such shared investment (or choose whether to invest in related investments (such as follow-on investments)) at different times and on different terms.

Furthermore, with respect to instances where a BMAA Client participates in an Other Blackstone Client through a fund life commitment to such Other Blackstone Client, it is likely that the investment period of that particular BMAA Client will differ from the investment period of such Other Blackstone Client (e.g., the BMAA Client's investment period may terminate prior to the termination of the investment period of such Other Blackstone Client). In such instances, BMAA Clients will only participate in such fund life commitment and satisfy funding obligations with respect to new investments made by such Other Blackstone Client for the duration of such BMAA Client's (and not such Other Blackstone Client's) investment period. However, throughout the duration of such BMAA Client's term, it will continue to satisfy funding obligations with respect to investments made by the Other Blackstone Client during such BMAA Client's investment period and its *pro rata* share of non-investment related partnership expenses of such Other Blackstone Client. As a result, the investment performance of such BMAA Client's investment in such Other Blackstone Client will not represent the aggregate investment performance of such Other Blackstone Client. Moreover, while it is expected that, after a particular BMAA Client's investment period has expired, other BMAA Client (including BMAA Client formed after the initial fund life commitment was made) participating in such fund life or perpetual life commitment will satisfy funding obligations with respect to new investments made by such Other Blackstone Client, to the extent such other BMAA Clients are not able to satisfy such funding obligations, Blackstone will satisfy the funding obligations (and, as a result, Blackstone would own that portion of the investment in the Other Blackstone Client).

In the event BMAA Clients makes a fund commitment to an open-ended, perpetual life Other Blackstone Client, such as one of Blackstone's Core+ Real Estate investment vehicles, BMAA Clients' investment in such Other Blackstone Client will generally be conditioned upon the general partner notifying such Other Blackstone Client (prior to BMAA Clients' investment therein) that BMAA Clients will submit a request to be redeemed from such Other Blackstone Client on or around a date that is approximately two years prior to the anticipated expiration (as determined by the investment Committee) of BMAA Clients' term. The general partner may elect to submit a redemption request prior to such date if, for example, the general partner of such Other Blackstone Client notifies its investors (including BMAA Clients) that it intends to wind-up such Other Blackstone Client prior to such date. Additionally, in the event of extreme market turmoil or a fundamental change to the investment profile of such Other Blackstone Client, the general partner may elect to seek the consent of a majority in interest of the BMAA Client investors to issue such redemption request prior to or after the originally intended redemption request date.

Investors in BMAA Clients, who independently are also investors in Other Blackstone Clients, may be subject to more concentration risk given the potential exposure to the same underlying deals through multiple avenues.

- *Investment Alongside Blackstone Affiliates:* The Constituent Documents specify that Blackstone (which includes participation by Blackstone affiliates, professionals, employees and related parties, and entities and other key advisors and relationships of Blackstone, including in certain circumstances, Other Blackstone Clients) will be permitted to make investments alongside BMAA Clients up to a maximum specified percentage of the total investment amount through Blackstone's side-by-side investment rights. In addition, subject to the terms of the Constituent Documents, each general partner will, in certain circumstances, permit certain Blackstone personnel and other professionals responsible for portfolio operations and other similar operational initiatives with respect to one or more Portfolio Entities of BMAA Clients to participate in these side-by-side rights on an investment-by-investment basis. Each general

partner intends to limit participation by any such professionals to investments involving Portfolio Entities of BMAA Clients with respect to which each general partner expects in good faith that such professionals will be materially involved following the consummation of such investment. Such side-by-side investments generally result in BMAA Clients being allocated a smaller share of an investment than would otherwise be the case in the absence of such side-by-side investment rights, and Blackstone generally receives no fees in relation to side-by-side investments, but will often receive additional income in fees and performance compensation from Other Blackstone Clients in connection with such investments. Additionally, Other Blackstone Clients and former Blackstone employees and professionals (and their relatives and related endowment funds) will be permitted (or have the preferred right) to participate in Blackstone's side-by-side co-investment rights (and may be allocated a substantial portion of Blackstone's side-by-side co-investment rights). BMAA Clients may lend an amount to Blackstone with respect to its *pro rata* share of such investments; *provided*, that any such amounts so borrowed shall be on no more favorable terms than those applicable to BMAA Clients' borrowing of the related proceeds. The amount of carried interest charged and/or management fees paid by BMAA Clients may be less than or exceed the amount of carried interest charged and/or management fees paid by Other Blackstone Clients. Such variation may create an incentive for Blackstone to allocate a greater percentage of an investment opportunity to BMAA Clients or such Other Blackstone Clients, as the case may be.

Furthermore, the Blackstone Life Sciences private investment platform ("BXLS") was initiated with Blackstone's acquisition in November 2018 of Clarus, which sponsors and manages funds, vehicles and accounts (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 new investment 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 BMAA Clients would not typically include Defined Exit Investments, Growth Equity Investments or Impact Investments, it is possible that certain of those investment opportunities (or other investment opportunities within the investment objectives of BXLS, the Impact Funds and/or BXG) may fit within, or overlap with, the investment objectives of BMAA Clients and such investment opportunities may be allocated in whole or in part to such other funds and may result in BMAA Clients participating less or not participating at all in such investment opportunities.

In addition, BMAA Clients (including BMAA Clients' predecessor and successor funds) are expected to have overlapping investment periods. An investment committee will allocate investment opportunities, whether such opportunity is with respect to a periodic allocation election alongside a particular Other Blackstone Client, a commitment to a particular Other Blackstone Client or a single co-investment, among the BMAA Clients based on such factors as it determines in good faith to be appropriate, which may include, without limitation, (i) each BMAA Client's existing investment in the relevant Blackstone Asset Class(es), (ii) the investment limitations of each BMAA Client, (iii) the potential for the proposed investment opportunity to create an industry or sector imbalance in the portfolio of any

of the BMAA Clients, (iv) the investment pace and the proximity of each BMAA Client to the end of its specified term/investment period, (v) capital deployment levels for each BMAA Client, (vi) the tax consequences of such investment, (vii) each BMAA Client's availability of leverage and any requirements or other terms of any existing leverage facilities to which such BMAA Client is a party, and (viii) such other considerations deemed relevant by each general partner.

Blackstone has also entered into an investment management arrangement whereby it provides investment management services for compensation to FGL Holdings ("FGL"), which was formerly known as Fidelity & Guaranty Life Insurance Company and was acquired by Fidelity National Financial, Inc., and, as announced on January 2021 and subject to applicable regulatory approvals, Blackstone expects to enter into a similar arrangement with Allstate Life Insurance Company and certain of its affiliates (including any successors, "ALIC"). As of the date hereof, FGL is, and ALIC is expected to be, a Portfolio Entity of one or more Other Blackstone Clients, which involve investments across a variety of asset classes (including investments that are otherwise appropriate for BMAA Clients), and in the future Blackstone will likely enter into similar arrangements with other Portfolio Entities of BMAA Clients, other insurance companies or Other Blackstone Clients. Such arrangements may reduce the allocations of investments to BMAA Clients, and Blackstone may be incentivized to allocate investments away from BMAA 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 BMAA Clients.

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

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

BMAA will seek to invest the assets of SBS Vehicles in a range of underlying investment strategies alongside certain Other Blackstone Clients pursuant to commitments predetermined by BMAA. Namely, the predetermined allocation framework will commit fixed percentages of an SBS Vehicle's assets to specified Other Blackstone Clients, and may be adjusted and/or revised from time to time. There can be no assurance, however, that certain strategies or Underlying Vehicles will be available for investment by the SBS Vehicles. BMAA's authority to invest the SBS Vehicle assets in the Other Blackstone Clients may give rise to actual or potential conflicts of interest. Furthermore, the risks associated with an SBS Vehicle depends largely on the portfolio entities and investment strategies of the Underlying Vehicles in or alongside which the SBS Vehicle invests, so there can be no guarantee that the activities of the Underlying Vehicles are not opposed to the interests of the SBS Vehicle.

**Fund Life Commitments.** Multiple BMAA Clients will invest in certain Other Blackstone Clients by making a fund life commitment to such Other Blackstone Clients. The BMAA Clients participating in such fund life commitments will in most instances do so through an aggregator vehicle controlled by BMAA, and such BMAA Clients will commence and end their participation in an Other Blackstone Client (through the aggregator vehicle) at different times. In connection with such fund life commitments, an Other Blackstone Client may provide BMAA with investment-by-investment tracking of investment proceeds – that is, such Other Blackstone Client will inform BMAA of the particular underlying investment of such Other Blackstone Client to which the investment proceeds relate. In such cases, investment proceeds from such Other Blackstone Clients will generally be allocated to the participating BMAA Clients based on the particular underlying investment of such Other Blackstone Client that generated such investment proceeds (and, therefore, the allocation of such investment proceeds will take into account the relative contributed capital of each participating BMAA Client to the applicable underlying investment).

However, in certain cases, an Other Blackstone Client will not provide BMAA with investment-by-investment tracking of investment proceeds. With respect to such instances, BMAA has adopted a practice, which it may amend, modify, revise or supplement from time to time without notice to the BMAA Client investors, regarding allocation of the investment proceeds it receives from such Other Blackstone Client. BMAA will seek to allocate investment proceeds based on a formulaic, time-weighted approach that generally takes into account (i) the amount invested in an Other Blackstone Client by each participating BMAA Client and (ii) each BMAA Client's expected hold time of such investment, which is generally based on the total expected number of days of such Other Blackstone Client's term (generally determined based on such Other Blackstone Client's governing documents). In making such determinations, BMAA generally expects to cap each participating BMAA Client's return of capital and return of excess capital (i.e., contributed but undeployed capital that is returned) from any applicable Other Blackstone Client at 100% of each such BMAA Client's capital contributions to such Other Blackstone Client; provided, that, with respect to investments in certain Other Blackstone Clients, BMAA will not be able to implement such caps in this manner due to the way in which those Other Blackstone Clients classify their return of capital and return of excess capital. In addition, upon the termination of an Other Blackstone Client's investment period, BMAA will seek to determine the time-weighted allocation in respect of participating BMAA Clients and, in respect of participating BMAA Clients, will seek to apply such allocation to all future capital contributions and distributions related to such Other Blackstone Client.

As it relates to Other Blackstone Clients that will not provide BMAA with investment-by-investment tracking of investment proceeds, while BMAA believes the foregoing time-weighted approach to the allocation of investment proceeds among BMAA Clients is reasonable, it is expected that the application of such methodology will result in one or more BMAA Clients receiving less, or more, investment proceeds from any such Other Blackstone Client than such BMAA Client would have received had such Other Blackstone Client provided investment-by-investment tracking of investment proceeds. A number of factors will affect which BMAA Clients receive less, and which BMAA Clients receive more, investment proceeds from such Other Blackstone Clients, including, for example and without limitation, the point in time each BMAA Client starts and ends its investment period, and the timing of each applicable Other Blackstone Client's capital calls, investment realizations, and distributions of investment proceeds.

**Allocation of Portfolios.** Blackstone will, in certain circumstances, have an opportunity to acquire a portfolio or pool of assets, securities and instruments that it determines should be divided and allocated among BMAA Clients and Other Blackstone Clients. Such allocations generally would be based on

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

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

BMAA Clients can be expected to hold an interest in a Portfolio Entity that is different (including with respect to relative seniority) than the interests held by Other Blackstone Clients (and in certain circumstances BMAA will be unaware of an Other Blackstone Client's participation, as a result of information walls or otherwise). In these situations, conflicts of interest will arise. In order to mitigate any such conflicts of interest, such BMAA Client may recuse itself from participating in any decisions relating or with respect to such investment by such BMAA Client or the applicable investments by such Other Blackstone Clients, 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, and any of the actions described below that Blackstone may take to mitigate the conflict, Blackstone will, in certain circumstances, be required to take action when it will have conflicting loyalties between its duties to such BMAA Client and such Other Blackstone Clients, which will, in certain circumstances, adversely impact such BMAA Client. If such BMAA Client recuses itself from decision-making, it will generally rely upon a third-party to make the decisions, and the third-party could have conflicts or otherwise make decisions that Blackstone would not have made. Except to the extent expressly subject to the Management Fee offset provisions of the Constituent Documents, the BMAA Client investors will in no way receive any benefit from fees paid to BMAA or its affiliates from a Portfolio Entity in which any Other Blackstone Client also has an interest (including, for greater certainty, any fees Blackstone received as a result of the provision of services by such affiliates).

***Related Financing Counterparties.*** BMAA Clients can be expected to invest in companies or other entities in which Other Blackstone Clients make an investment in a different part of the capital structure (and *vice versa*). BMAA requests in the ordinary course proposals from lenders and other sources to provide financing to BMAA Clients and their Portfolio Entities. BMAA takes into account various facts and circumstances it deems relevant in selecting financing sources, including whether a potential lender has expressed an interest in evaluating debt financing opportunities, whether a potential lender has a history

of participating in debt financing opportunities generally and with Blackstone in particular, the size of the potential lender's loan amount, the timing of the relevant cash requirement, the availability of other sources of financing, the creditworthiness of the lender, whether the potential lender has demonstrated a long-term or continuing commitment to the success of Blackstone and its funds, and such other factors that Blackstone deems relevant under the circumstances. The cost of debt alone is not determinative.

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

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

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

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

In certain circumstances, BMAA Clients may be required to commit funds necessary for an investment prior to the time that all anticipated debt (senior and/or mezzanine) financing has been secured. In such circumstance, an Other Blackstone Client and/or Blackstone itself (using, in whole or in part, its own balance sheet capital), may provide bridge or other short-term financing and/or commitments, which at the time of establishment are intended to be replaced and/or syndicated with longer-term financing. Such bridge financing and/or commitment would not be considered “co-investment” under the Constituent Documents and would be sold down ahead of equity invested by BMAA Clients. In any such circumstance, the Other Blackstone Client and/or Blackstone itself may receive compensation for providing such financing and/or commitment (including ticking or commitment fees), which fees will not be shared with and/or otherwise result in an offset of management fees payable by any investors. The conflicts applicable to Other Blackstone Clients who invest in different securities of Portfolio Entities will apply equally to Blackstone itself in such situations. *See also* “—Securities and Lending Activities” and “—Syndication; Warehousing” herein.



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

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

Any financing provided by a BMAA Client investor or an affiliate to BMAA Clients or a Portfolio Entity is not a capital contribution to BMAA Clients and does not reduce the unpaid capital commitment of such BMAA Client investor. To the extent any BMAA Client investor (or investor in any Other Blackstone Client) or any of its affiliates provides debt financing to BMAA Clients or their Portfolio Entities, it will not be considered "co-investment" and any applicable covenants regarding co-investments in the Constituent Documents do not apply.

***Conflicting Fiduciary Duties to Debt Funds.*** Other Blackstone Clients include funds and accounts that make investments in senior secured loans, distressed debt, subordinated debt, high-yield securities, CMBS and other debt instruments, including any of the investment funds or vehicles sponsored or managed by Blackstone Alternative Credit Advisor LP, an affiliate of Blackstone. As discussed above, it is expected that these Other Blackstone Clients or investors therein will be offered the opportunity to provide financing to BMAA Clients with respect to investments made by BMAA Clients and their Portfolio Entities. Blackstone owes a fiduciary duty to these Other Blackstone Clients as well as to BMAA Clients and will encounter conflicts in the exercise of these duties. For example, if an Other Blackstone Client purchases high-yield securities or other debt instruments of a Portfolio Entity of BMAA Clients, or otherwise occupies a senior (or other different) position in the capital structure of an investment relative to BMAA Clients, Blackstone will encounter conflicts in providing advice to BMAA Clients and to these Other Blackstone Clients with regard to appropriate terms of such high-yield securities or other instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies, among other matters. For example, in a bankruptcy proceeding, in circumstances where a BMAA Client holds an equity investment in a Portfolio Entity, the holders of such Portfolio Entity's debt instruments (which may include one or more Other Blackstone Clients) 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 BMAA Client's investment in such Portfolio Entity. In addition, BMAA Clients could hold an investment that is senior in the capital structure, such as a debt instrument, to an Other Blackstone Client.

Similarly, certain Other Blackstone Clients, including, but not limited to Blackstone Credit Funds, the BAAM Funds, the BIS Funds and the BREDS Funds (including BXMT) can be expected to invest in securities of publicly traded companies that are actual or potential investments of BMAA Clients or its Portfolio Entities. The trading activities of Other Blackstone Clients may differ from or be inconsistent with

activities that are undertaken for the account of BMAA Clients or their Portfolio Entities in any such securities. In addition, BMAA Clients may not pursue an investment in a Portfolio Entity otherwise within the investment mandates of BMAA Clients as a result of such trading activities by Other Blackstone Clients.

***Related Financing of Counterparties to Acquire Assets from, or Sell Investments or Assets to, BMAA Clients and their Portfolio Entities.*** In certain transactions, Other Blackstone Clients will commit to and/or provide financing to third parties that bid for and/or purchase investments or assets from BMAA Clients and their Portfolio Entities. In addition, BMAA Clients and their Portfolio Entities will from time to time purchase assets or Portfolio Entities from third parties that obtain, or currently have outstanding, debt financing from Other Blackstone Clients. See “—Related Financing Counterparties” herein. Although Blackstone believes that the participation by Other Blackstone Clients in such debt financings could be beneficial to BMAA Clients by supporting third parties in their efforts to bid on the sale of investments or assets by, and to sell investments or assets to, BMAA Clients and their Portfolio Entities, Blackstone will have an incentive to cause BMAA Clients or relevant Portfolio Entity to select to sell an investment or asset to, or purchase an investment or asset from, a third-party that obtains debt financing from an Other Blackstone Client to the potential detriment of BMAA Clients. For example, although the price is often the deciding factor in selecting from whom to acquire, or to whom to sell, an investment or asset, other factors at times influence the buyer or the seller, as the case may be. BMAA could therefore cause BMAA Clients or a Portfolio Entity to sell an investment or asset to, or buy an investment or asset from, a third-party that has received financing from an Other Blackstone Client, even when such third-party has not offered the most attractive price for the investment or asset. BMAA Client investors rely on BMAA to select in its sole discretion the best overall buyer in sales of, and the best overall seller in the acquisition of, BMAA Client assets despite any conflict related to the parties financing the buyer or the seller, as applicable.

***Liability Arising From Transactions Entered Into Alongside Other Blackstone Clients.*** BMAA Clients will also co-invest from time to time with one or more Other Blackstone Clients (including co-investment or other vehicles in which Blackstone or its personnel invest and that co-invest with such Other Blackstone Clients) in investments that are suitable for both BMAA Clients and such Other Blackstone Clients. Participating in investments alongside other BMAA Clients and Other Blackstone Clients will subject BMAA Clients to a number of risks and conflicts (and in certain circumstances BMAA will be unaware of an Other Blackstone Client’s participation, as a result of information walls or otherwise). For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (including with respect to price and timing) for BMAA Clients and Other Blackstone Clients may not be the same. Additionally, BMAA Clients and such Other Blackstone Clients will generally have different investment periods or expiration dates and/or investment objectives (including return profiles) and Blackstone, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities and such differences may also impact the allocation of investment opportunities (including follow-on investments related to earlier investments made by the BMAA Clients and such Other Blackstone Clients). Such Other Blackstone Clients may also have certain governance rights for legal, regulatory or other reasons that the BMAA Clients will not have. As such, while BMAA Clients will generally attempt to mirror the timing of disposition of investments of the relevant underlying Blackstone alternative strategy, BMAA Clients and/or such Other Blackstone Clients may dispose of any such shared investment at different times and on different terms. In certain circumstances and as provided in the Constituent Documents, BMAA Clients may engage in any activity not expressly limited (but also not expressly contemplated) by the Constituent Documents so long as such activity is in connection with an investment alongside (or in) an Other Blackstone Client and such activity is permitted

under the governing documents of such Other Blackstone Client, which may include, without limitation, one or more activities approved by the requisite consent of unaffiliated BMAA Client investors or the limited partner advisory committee of such Other Blackstone Client.

Moreover, while Blackstone generally seeks to use reasonable efforts to avoid cross-guarantees and other similar arrangements, it is possible that a counterparty, lender or other unaffiliated participant in such transaction requires or desires facing only one fund entity or group of entities, which may result in (i) any of BMAA Clients or such Other Blackstone Clients being solely liable to such counterparty, lender or other unaffiliated participant with respect to its own and such Other Blackstone Clients' share of the applicable obligation and/or (ii) any of BMAA Clients and/or such Other Blackstone Clients being jointly and severally liable for the full amount of such applicable obligation, in each case which may result in BMAA Clients and/or such Other Blackstone Clients entering into a back-to-back or other similar reimbursement agreement. In such situations it is not expected that any of BMAA Clients and/or such Other Blackstone Clients would be compensated (or provide compensation to the other) for being primarily liable vis-à-vis such third-party counterparty. Likewise, for certain investment-related hedging transactions, it can be expected to be advantageous for counterparties to trade solely with any of BMAA Clients or an Other Blackstone Client. For these transactions, it is anticipated that such BMAA Client or the Other Blackstone Client would then enter into back-to-back trade confirmations or other similar arrangements with the relevant Other Blackstone Clients. The party owing under such an arrangement may not have resources to pay its liability, however, in which case the other party will bear more than its pro rata share of the relevant loss. It is not expected that BMAA Clients or Other Blackstone Clients will be compensated for agreeing to be primarily liable vis-à-vis a third-party counterparty.

Additionally, 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 BMAA Clients may enter into cross collateralization arrangements with another Portfolio Entity of BMAA Clients or Portfolio Entities of one or more Other Blackstone Clients. While Blackstone would expect any such financing arrangements to generally be non-recourse to BMAA Clients and the Other Blackstone Client, as a result of any cross-collateralization, a BMAA Client could also lose its interests in otherwise performing investments due to poorly performing or non-performing investments of the other BMAA Clients or Other Blackstone Clients.

**Syndication; Warehousing.** Blackstone, BMAA Clients, Other Blackstone Clients, joint venture partners, or affiliates or related parties of the foregoing could, subject to limitations in the applicable Constituent Documents, acquire an investment as principal and subsequently sell some or all of it to other BMAA Clients, Other Blackstone Clients and/or co-investment vehicles in an affiliate or related party transaction. Similarly, subject to limitations in the applicable Constituent Documents, BMAA Clients may acquire an investment and subsequently syndicate, or sell some or all of it, to Blackstone, other BMAA Clients, Other Blackstone Clients, co-investment vehicles (including committed co-investment vehicles), joint venture partners, or affiliates or related parties of the foregoing or other third parties. If any such intended syndication is not ultimately consummated, Blackstone, the BMAA Clients or the other party that initially acquires such portion will be expected to retain it, notwithstanding the availability of capital from BMAA Client investors and other investors thereof or applicable credit facilities. BMAA 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. BMAA may also determine another methodology for pricing these transfers, including fair market value at the time of transfer. Also, BMAA 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, BMAA will have a potential conflict of interest when BMAA receives fees, including carried interest, from a BMAA Client or an Other Blackstone Client acquiring from or transferring to BMAA Clients all or a portion of an investment. Furthermore, BMAA and its affiliates have the right to commit to or initially acquire a portion of an investment alongside BMAA Clients if they intend to syndicate such amounts to Other Blackstone Clients or third parties (which may include one or more investors in Other Blackstone Clients), and to retain such amounts not ultimately syndicated after having used reasonable efforts to syndicate. The equity committed/used in any such underwriting by BMAA and its affiliates may come from Blackstone's own balance sheet and/or from one or more third parties that enter into arrangements with Blackstone with respect thereto, and may come from an Other Blackstone Client. In such circumstances, Blackstone will have the right to earn underwriting and/or syndication fees from the BMAA Clients, the Portfolio Entities, or the purchasers of such equity, and the BMAA Clients and BMAA Client investors will not be entitled to share in or receive the benefit of any such underwriting and/or syndication fees. As a result, BMAA 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 BMAA Client investors, even if the capital used to underwrite such amounts do not come entirely from the Blackstone's own balance sheet as described above, and Blackstone may share such fees with one or more third parties that commit to such equity investments and may charge purchasers of the equity fees and carried interest with respect thereto. (See also "—Securities and Lending Activities" herein.)

***Break-Up and Other Similar Fees.*** Break-up or topping fees with respect to BMAA Clients' investments can be paid to BMAA, in which case Management Fees will be offset by the amount of break-up or topping fees attributable to a potential investment by BMAA Clients, but not to any amount attributable to a potential investment by Other Blackstone Clients, Blackstone's side-by-side co-investment vehicles, permanent capital vehicles and/or accounts managed by affiliates of Blackstone and related entities or third parties (See "—Other Blackstone Business Activities" herein). Alternatively, BMAA Clients could receive the break-up or topping fees directly, in which case there will be no Management Fee offset. Break-up or topping fees paid to BMAA or BMAA Clients in connection with a transaction could be allocated, or not, to Other Blackstone Clients or co-investment vehicles that invest (or are expected to invest) alongside BMAA Clients, as determined by BMAA to be appropriate in the circumstances. Generally, BMAA would not allocate break-up or topping fees with respect to a potential investment to BMAA Clients, an Other Blackstone Client or co-investment vehicle unless such person would also share in broken deal expenses related to the potential investment. With respect to fees received by Blackstone relating to BMAA Clients' investments or from unconsummated transactions, BMAA Client investors will not receive the benefit of any fees relating to BMAA Clients' investments (including, without limitation, as described above) other than as set forth in the Constituent Documents. Any fees that result in an offset of the Management Fee only apply to the extent they are made as part of BMAA Clients' investment in such company, and without regard to the nature of the fees, there will be no offset for Management Fees with respect to any fees paid to Blackstone after a BMAA Client has exited the investment. For example, a Portfolio Entity may retain or continue to retain the Blackstone Capital Markets Group (including with respect to fees for services described herein) or continue to work with Blackstone in connection with group purchasing arrangements when and after the BMAA Client exited its investment therein. Conflicts of interest may arise when a Portfolio Entity enters into arrangements with Blackstone on or about the

time the BMAA Client exits an investment. Also, in the case of fees for services as a director of a Portfolio Entity, the Management Fee will not be reduced or offset to the extent any Blackstone personnel continue to serve as a director after BMAA Clients have exited (or are in the process of exiting) the applicable Portfolio Entity and/or following the termination of such employee's employment with Blackstone. To the extent any investment banking fees, consulting (including management consulting) fees, syndication fees, capital markets syndication and significant sums in advisory fees (including underwriting fees), origination fees, servicing fees, healthcare consulting/brokerage fees, fees relating to group purchasing, financial advisory fees and similar fees for arranging acquisitions and other major financial restructurings and other similar operational and financial matters, loan servicing and/or other types of insurance fees, operations fees, financing fees, fees for asset services, title insurance fees, data management and service fees or payments, incentive fees 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 BMAA Clients or the BMAA Client investors and will not result in any offset to the Management Fee payable by the BMAA Client investors.

***Broken Deal Expenses.*** Any expenses that may be incurred by BMAA Clients for actual investments as described herein or in the Constituent Documents may also be incurred by BMAA Clients with respect to broken deals (i.e., investments that are not consummated). BMAA is not required to and in most circumstances will not seek reimbursement of broken deal expenses (i.e., expenses incurred in pursuit of an investment that is not consummated) from third parties, including counterparties to the potential transaction or potential co-investors. Moreover, expenses related to the organization of co-invest vehicles formed to invest in broken deals may be borne by the BMAA Clients and/or Other Blackstone Clients, and not the proposed co-investors thereof. 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, which may include expenses incurred prior to the commencement of a BMAA Client's effective date. Any such broken deal expenses could, in the sole discretion of Blackstone, be allocated to the applicable BMAA Clients and Other Blackstone Clients participating in the investment and not to Other Blackstone Clients or co-investment vehicles that could have made the investment, even when the Other Blackstone Client or co-investment vehicle commonly invests alongside BMAA Clients in its investments or Blackstone or Other Blackstone Clients in their investments (including in such co-investment vehicles). In such cases, BMAA Clients' shares of expenses would increase. In the event broken deal expenses are allocated to an Other Blackstone Client or a co-investment vehicle, BMAA or BMAA Clients may, in certain circumstances, advance such fees and expenses without charging interest until paid by the Other Blackstone Client or co-investment vehicle, as applicable.

Blackstone will endeavor in good faith to allocate the costs of such services to the BMAA Clients and such Other Blackstone Clients as it deems appropriate under the particular circumstances. Any methodology used to determine such allocation (including the choice thereof) involves inherent conflicts and may not result in perfect attribution and allocation of such costs, and there can be no assurance that a different manner of allocation would result in the applicable BMAA Client and its Portfolio Entities bearing less or more of such costs. Further, any of the foregoing costs, although allocated in a particular period, could be allocated based on activities occurring outside such period. Additionally, the allocation of any of the foregoing costs can be expected to be based on any of a number of different methodologies, including, without limitation, the aggregate value or number of, or invested capital in, transactions consummated in the applicable prior quarter, and therefore a BMAA Client could pay more than its pro rata portion of such cost based on its actual usage of such services.

***Other Blackstone Business Activities.*** Blackstone, the BMAA Clients, Other Blackstone Clients, their Portfolio Entities, and personnel and related parties of the foregoing will receive fees and compensation, including performance-based and other incentive fees, for products and services provided to BMAA Clients and their Portfolio Entities, such as fees for asset and property management; underwriting, syndication or refinancing of a loan or investment; loan servicing; special servicing; administrative services; advisory services on purchase or sale of an asset or company; advisory services; investment banking and capital markets services; placement agent services; fund administration; internal legal and tax planning services; information technology products and services; insurance procurement, brokerage, solutions and risk management services; data extraction and management products and services; and other products and services. Such parties will also provide products and services for fees to Blackstone, the BMAA Clients, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties, as applicable, as well as third parties. Through its Innovations group, Blackstone incubates businesses that can be expected to provide goods and services to BMAA Clients and Other Blackstone Clients and their Portfolio Entities, as well as other Blackstone-related parties and third parties. By contracting for a product or service from a business related to Blackstone, BMAA Clients and their Portfolio Entities would provide not only current income to the business and its stakeholders, but could also create significant enterprise value in them, which would not be shared with BMAA Clients or the BMAA Client investors and could benefit Blackstone directly and indirectly. Also, Blackstone, Other Blackstone Clients and their Portfolio Entities, and their personnel and related parties will, in certain circumstances, receive compensation or other benefits, such as through additional ownership interests or otherwise, directly related to the consumption of products and services by BMAA Clients and their Portfolio Entities. BMAA Clients and their Portfolio Entities will incur expenses in negotiating for any such fees and services, which will be treated as partnership expenses. In addition, BMAA or other Blackstone affiliates may receive fees associated with capital invested by co-investors relating to investments in which BMAA Clients participate or otherwise, in connection with a joint venture in which BMAA Clients participate or otherwise with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which BMAA performs services. Finally, Blackstone and its personnel and related parties will, in certain circumstances, also receive compensation for origination expenses and with respect to unconsummated transactions.

BMAA Clients may, as determined by BMAA and as permitted by the Constituent Documents, bear the cost of fund administration, in-house attorneys to provide transactional legal advice, tax planning and other related services (including, without limitation, entity organization, structuring, due diligence, document drafting and negotiation, closing preparation, post-closing activities (such as compliance with contractual terms and providing advice for investment-level matters with respect to fiduciary and other obligations and issues), litigation or regulatory matters, reviewing and structuring exit opportunities) provided by Blackstone personnel and related parties to BMAA Clients and their Portfolio Entities, including the allocation of their compensation and related overhead otherwise payable by Blackstone, or pay for their services at market rates. The services of in-house attorneys may include, without limitation, services with respect to M&A, capital markets or financing transactions, tax structuring, supervision of external counsel and service providers, attending internal and external meetings (including investment committee meetings) and communicating with relevant internal and external parties. Such allocations or charges can be based on any of the following methodologies: (i) requiring personnel to periodically record or allocate their historical time spent with respect to BMAA Clients or Blackstone approximating the proportion of certain personnel's time spent with respect to BMAA Clients, and in each case allocating their compensation and allocable overhead based on time spent, or charging their time spent at market rates, (ii) the assessment of an overall dollar amount (based on a fixed fee or percentage of assets under

management) that Blackstone believes represents a fair recoupment of expenses and a market rate for such services or (iii) any other similar methodology determined by Blackstone to be appropriate under the circumstances. Certain Blackstone personnel will provide services to few, or only one, of BMAA Clients and Other Blackstone Clients, in which case Blackstone could rely upon rough approximations of time spent by the employee for purposes of allocating the salary and overhead of the person if the market rate for services is clearly higher than allocable salary and overhead. However, the provision of such services by Blackstone personnel and related parties and any such methodology (including the choice thereof and any benchmarking, verification or other analysis related thereto) involves inherent conflicts. Any amounts paid to Blackstone and/or its affiliates for such services, as well as the expenses, charges and costs of any benchmarking, verification or other analysis related thereto, will be borne by the BMAA Clients as partnership expenses, will not result in any offset to the Management Fee and may result in incurrence of greater expenses by BMAA Clients and their Portfolio Entities than would be the case if such services were provided by third parties.

BMAA, BMAA Clients, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties could continue to receive fees, including performance-based or incentive fees, for the services described in the preceding paragraphs with respect to investments sold by BMAA Clients or a Portfolio Entity to a third-party buyer after the sale is consummated. Such post-disposition involvement will give rise to potential or actual conflicts of interest, particularly in the sale process. Moreover, BMAA, BMAA Clients, Other Blackstone Clients and their Portfolio Entities, and their affiliates, personnel and related parties may acquire a stake in the relevant asset as part of the overall service relationship, at the time of the sale or thereafter.

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

Except as set forth above, BMAA Clients and BMAA Client investors will not receive the benefit (e.g., through an offset to the Management Fee or otherwise) of any fees or other compensation or benefit received by BMAA, its affiliates or their personnel and related parties (*see also* “—Service Providers, Vendors and Other Counterparties Generally” and “—Other Blackstone Business Activities” herein). BMAA and its affiliates and their personnel and related parties will receive fees attributable to Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) and third parties and, without limiting the generality of the foregoing, the amount of such fees allocable to Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) will not result in an offset of the Management Fees payable by BMAA Client investors or otherwise be shared with BMAA Clients, its Portfolio Entities or the BMAA Client investors, even if (i) such Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties) provide for lower or no management fees for the investors or participants therein (such as the vehicles established in connection with Blackstone’s side-by-side co-investment rights, which generally do not pay a management fee or carried interest) or (ii) such fees result in an offset to management fees or carried interest payable by any of such Other Blackstone Clients (including co-investment vehicles, permanent capital vehicles, accounts and/or third parties). This creates an incentive

for Blackstone to offer co-investment opportunities and can be expected to result in other fees being received more frequently (or exclusively) with investments that involve co-investment.

In addition, to the extent Blackstone receives any of the fees described above in kind, instead of in cash, in whole or in part, Blackstone would in certain circumstances be a co-investor (or otherwise hold an interest) in such investments alongside BMAA Clients and/or Other Blackstone Clients, which may give rise to potential or actual conflicts of interest, including with respect to the timing and manner of sale by Blackstone, on the one hand, and other participating funds, including the BMAA Clients, on the other hand. Blackstone's receipt of such interests in kind generally would not be at the same time or on substantially the same terms, price and conditions as BMAA Clients and/or the Other Blackstone Clients, as applicable. With respect to any dispositions of securities or investments held by Blackstone resulting from receiving such fees in kind, since BMAA Clients and/or Other Blackstone Clients, as applicable, are not similarly situated and may have different terms affecting the timing of their respective dispositions, there may be certain situations where Blackstone would not dispose of its securities or interests at the same time and/or on substantially the same terms, price and conditions as such other funds, which would be evaluated by Blackstone on a case-by-case basis taking into account the circumstances at the relevant time. There can be no assurance that any actual or perceived conflicts will be resolved in favor of BMAA Clients or BMAA Client investors.

**Outsourcing.** BMAA is expected to outsource to third parties many of the services performed for the BMAA Clients and its Portfolio Entities, including services (such as administrative, legal, accounting, tax or other related services) that can be and/or historically have been performed in-house by the BMAA Clients and their personnel, and the fees, costs and expenses of such third-party service providers will be borne by the BMAA Clients as partnership expenses. Outsourced services include certain services that often would be provided at BMAA's expense if such services had been performed in-house by BMAA's personnel. In such cases, the fees, costs and expenses associated with the provision of such services will be borne by the BMAA Clients instead of BMAA, thereby increasing the partnership expenses borne by the BMAA Client investors. Outsourced services also include certain services (such as fund administration, transactional legal advice, tax planning and other related services) that may also be provided by BMAA in-house at such BMAA Clients' expense (as further described in the Constituent Documents). From time to time, BMAA may provide such services alongside (and/or supplement or monitor) a third-party service provider on the same matter or engagement and, in such cases, to the extent BMAA's services are reimbursable under the applicable Constituent Documents, the overall amount of partnership expenses borne by the limited partners will be greater than would be the case if only BMAA or such third-party provided such services.

Determining whether to engage a third-party service provider and the terms (including economic terms) of any such engagement will be determined by BMAA in its discretion, taking into account such factors as it deems relevant under the circumstances. BMAA will have an incentive to outsource services to third parties due to a number of factors, including because the fees, costs and expenses of such service providers will be borne by BMAA Clients as partnership expenses (with no reduction or offset to management fees) and retaining third parties will reduce BMAA's internal overhead and compensation costs for employees who would otherwise perform such services in-house. Such incentives likely exist even with respect to services where internal overhead and compensation are chargeable to BMAA Clients. Moreover, the involvement of third-party service providers may present a number of risks due to, among other factors, BMAA's reduced control over the functions that are outsourced. There can be no assurances that BMAA will be able to identify, prevent or mitigate the risks of engaging third-party service providers.



BMAA Clients may suffer adverse consequences from actions, errors or failures to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them.

Outsourcing may not occur uniformly for all Blackstone managed vehicles and accounts and the expenses that may be borne by such vehicles and accounts vary. Accordingly, certain costs may be incurred by (or allocated to) a BMAA Client through the use of third-party (or internal) service providers that are not incurred by (or allocated to) certain other BMAA Clients or Other Blackstone Clients for similar services.

***Securities and Lending Activities.*** Blackstone, its affiliates and their related parties and personnel participate in underwriting and lending syndicates and otherwise act as arrangers of financing, including with respect to the public offering and private placement of debt or equity securities issued by, and loan proceeds borrowed by, BMAA Clients and their Portfolio Entities or advising on such transactions. Underwritings and financings can be on a firm commitment basis or on an uncommitted, or “best efforts”, basis, and the underwriting or financing parties are under no duty to provide any commitment unless specifically set forth in the relevant contract. Blackstone can also be expected to also provide, either alone or alongside third parties performing similar services, placement, financial advisory or other similar services to purchasers or sellers of securities (including in connection with primary offerings, secondary transactions and/or transactions involving special purpose acquisition companies), including loans or instruments issued by Portfolio Entities and Other Blackstone Clients. Blackstone’s compensation for such services is expected to be paid by the applicable seller (including BMAA Clients (for example, in the case of secondary sales by BMAA Clients) and Portfolio Entities), one or more underwriters or financing parties (including amounts paid by an issuer and reimbursed by one or more underwriters) and/or other transaction parties. A Blackstone broker-dealer will from time to time act as the managing underwriter, a member of the underwriting syndicate or broker for BMAA Clients or their Portfolio Entities, or as dealer, broker or advisor to a counterparty to BMAA Clients or a Portfolio Entity, and purchase securities from or sell securities to BMAA Clients, Other Blackstone Clients or Portfolio Entities of BMAA Clients and Other Blackstone Clients or advise on such transactions. Blackstone will also from time to time, on behalf of BMAA Clients or their Portfolio Entities, or other parties to a transaction involving BMAA Clients or their Portfolio Entities, effect transactions, including transactions in the secondary markets, that result in commissions or other compensation paid to Blackstone by BMAA Clients or their Portfolio Entities or the counterparty to the transaction, thereby creating a potential conflict of interest. This could include, by way of example, fees and/or commissions for equity syndications to co-investment vehicles. Subject to applicable law, Blackstone will from time to time receive underwriting fees, discounts, placement commissions, loan modification or restructuring fees, servicing fees, capital markets advisory fees, lending arrangement fees, asset/property management fees, insurance (including title insurance) fees and consulting fees, monitoring fees, commitment fees, syndication fees, origination fees, organizational fees, operational fees, loan servicing fees, and financing and divestment fees (or, in each case, rebates in lieu of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where Blackstone, BMAA Clients, an Other Blackstone Client or their Portfolio Entities are purchasing debt) or other compensation with respect to the foregoing activities, which are not required to be shared with BMAA Clients or the BMAA Client investors, and the Management Fee with respect to a BMAA Client investor generally will not be reduced by such amounts. BMAA has sole discretion to approve the foregoing arrangements if BMAA believes in good faith that such transactions are appropriate for BMAA Clients.

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

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

Blackstone employees, including employees of BMAA, are generally permitted to invest in alternative investment funds, real estate funds, hedge funds or other investment vehicles, including potential competitors of BMAA Clients. The BMAA Client investors will not receive any benefit from any such investments.

**PJT.** On October 1, 2015, Blackstone spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners Inc. (“PJT”), an independent financial advisory firm founded by Paul J. Taubman. While the combined business operates independently from Blackstone and is not an affiliate thereof, it is expected that there will be substantial overlapping ownership between Blackstone and PJT for a considerable period of time going forward. Therefore, conflicts of interest will arise in connection with transactions between or involving a BMAA Client and its Portfolio Entities, on the one hand, and PJT, on the other. The pre-existing relationship between Blackstone and its former personnel involved in financial and strategic advisory services at PJT, the overlapping ownership and co-investment and other continuing arrangements between PJT and Blackstone can be expected to influence BMAA to select or recommend PJT to perform services for Blackstone, a BMAA Client or its Portfolio Entities, the cost of which will generally be borne directly or indirectly by a BMAA Client and BMAA Client investors. Given that PJT is no longer an affiliate of Blackstone, BMAA and its affiliates are able to cause a BMAA Client and Portfolio Entities to transact with PJT generally without restriction under the Constituent Documents of such BMAA Client, notwithstanding the relationship between Blackstone and PJT that were previously employed by an affiliate of Blackstone. (*See also* “—Service Providers, Vendors and Other Counterparties Generally” herein.) In addition, one or more investment vehicles controlled by Blackstone have been established to facilitate participation in Blackstone’s side-by-side investment program by employees and/or partners of PJT.

**Portfolio Entity Relationships Generally.** Blackstone, Portfolio Entities of BMAA Clients and Other Blackstone Clients are and will be counterparties or participants in agreements, transactions and other arrangements with BMAA Clients, Other Blackstone Clients, and/or Portfolio Entities of BMAA Clients and Other Blackstone Clients or other Blackstone affiliates for the provision of goods and services, purchase and sale of assets and other matters. These agreements, transactions and other arrangements will involve payment of fees and other amounts and/or other benefits to Blackstone, a Blackstone affiliate and/or a Portfolio Entity, none of which will result in any offset to the Management Fees or otherwise be shared with the BMAA Clients or BMAA Client investors, notwithstanding that some of the services provided by a Portfolio Entity are similar in nature to the services provided by BMAA. Such agreements, transactions

and other arrangements will generally be entered into without the consent or direct involvement of any such BMAA Client and/or such Other Blackstone Client or the consent of BMAA Client investors or the investors of such Other Blackstone Client (including, without limitation, in the case of minority investments by BMAA Clients in such Portfolio Entities or the sale of assets from one Portfolio Entity to another). This is because, among other considerations, Portfolio Entities of BMAA Clients and Portfolio Entities of Other Blackstone Clients are not considered affiliates of Blackstone, BMAA Clients or BMAA under the Constituent Documents. There can be no assurance that the terms of any such agreement, transaction or other arrangement will be as favorable to such BMAA Client as otherwise would be the case if the counterparty were not related to Blackstone.

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

***Portfolio Entity Service Providers and Vendors.*** BMAA Clients, Other Blackstone Clients, Portfolio Entities of each of the foregoing and Blackstone can be expected to engage Portfolio Entities of BMAA Clients and Other Blackstone Clients to provide corporate support services (including, without limitation, accounts payable, accounts receivable accounting/audit (including valuation support services), account management, corporate secretarial services, domiciliation, data management, directorship services, finance/budget, human resources, information technology/systems support, internal compliance/know-your-client reviews and refreshes, judicial processes, legal, operational coordination (i.e., coordination with JV partners, property managers), risk management, reporting tax, tax analysis and compliance (e.g. CIT and VAT compliance), transfer pricing and internal risk control, treasury and valuation services, insurance procurement, placement, brokerage and consulting services and other services). Similarly, BMAA Clients, Other Blackstone Clients and their Portfolio Entities can be expected to engage Portfolio Entities of BMAA Clients to provide some or all of these services. Some of the services performed by Portfolio Entity service providers could also be performed by a general partner or its affiliates from time to time and *vice versa*. Fees paid by a BMAA Client or its Portfolio Entities or value created by other Portfolio Entity service providers or vendors do not offset or reduce the Management Fee payable by the BMAA Client investors and are not otherwise shared with the BMAA Client, unless otherwise required by the Constituent Documents.

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

- ***BX Fund Services Luxembourg.*** BX Fund Services Luxembourg is a Luxembourg-based company established in 2012 to centralize various resources supporting the maintenance and day-to-day

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

- *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 BMAA Clients or Portfolio Entities of the BMAA Clients
- *Optiv*. Optiv Security, Inc. 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 BMAA Clients and their Portfolio Entities.
- *PSAV*. PSAV, Inc. is a Portfolio Entity held by certain Blackstone private equity funds that provides outsourced audiovisual services and event production and may provide goods and services for the BMAA Clients and its Portfolio Entities.
- *Refinitiv*. On October 1, 2018, a consortium led by Blackstone announced that private equity funds managed by Blackstone had completed an acquisition of Thomson Reuters' Financial & Risk business ("Refinitiv"). Refinitiv operates a pricing service that provides valuation services and may provide goods and services for the BMAA Clients and their Portfolio Entities.
- *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 Other Blackstone Clients, and Kryalos may perform services for the BMAA Clients and Other Blackstone Clients and receive compensation as described below.
- *Peridot Financial Services ("Peridot") and Global Supply Chain Finance ("GSCF")*. Blackstone through one or more of its funds, has made majority investments into Peridot and GSCF, which provide supply chain financing and accounts receivable services globally.

- *RE Tech Advisors ("RE Tech")*. Blackstone through one or more of its funds has made a majority investment in RE Tech, an energy audit/consulting firm that identifies and implements energy efficiency programs, calculates return on investment and tracks performance post-completion. RE Tech is expected to perform services for Other Blackstone Clients in which the BMAA Clients may invest.

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

Entities generally will not be reimbursed for any costs (such as start-up costs) relating to such Portfolio Entities incurred prior to such engagement.

Portfolio Entity service providers described in this section are generally owned and controlled by one or more Blackstone funds, such as BMAA Clients and Other Blackstone Clients. In certain instances, a similar company could be owned and controlled by Blackstone directly. Blackstone could cause a transfer of ownership of one of these service providers from BMAA Clients to an Other Blackstone Client, or from an Other Blackstone Client to BMAA Clients. The transfer of a Portfolio Entity service provider between the BMAA Clients and/or Other Blackstone Clients (where the BMAA Clients may be a seller or a buyer in any such transfer) will generally be consummated for minimal or no consideration, and without obtaining any consent from an Independent Client Representative or the BMAA Client investors. BMAA may, but is not required to, obtain a third-party valuation confirming the same, and if it does, BMAA may rely on such valuation. Portfolio Entities and Other Blackstone Clients are not considered “affiliates” of Blackstone, BMAA or the BMAA Clients under the Constituent Documents and therefore are not covered by affiliate transaction restrictions included in the Constituent Documents.

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

in connection with the business of BMAA Clients, Portfolio Entities, and unaffiliated entities, and Blackstone has an incentive to use third-party services providers who do so as a result of the indirect benefit to Blackstone and additional business for the related service providers and vendors. Fees paid by BMAA Clients or their Portfolio Entities to or value created in these service providers and vendors do not offset or reduce the Management Fee payable by the BMAA Client investors and are not otherwise shared with BMAA Clients unless required by the Constituent Documents. In the case of brokers, Blackstone has a best execution policy that it updates from time to time to comply with regulatory requirements in applicable jurisdictions.

Blackstone has a practice of not entering into any arrangements with advisors, vendors or service providers that provide lower rates or discounts to Blackstone itself compared to those it enters on behalf of BMAA Clients and their Portfolio Entities for the same services. However, legal fees for unconsummated transactions are often charged at a discounted rate, such that if BMAA Clients and their Portfolio Entities consummate a higher percentage of transactions with a particular law firm than Blackstone, BMAA Clients, Other Blackstone Clients and/or their Portfolio Entities, the BMAA Client investors could indirectly pay a higher net effective rate for the services of that law firm than Blackstone, BMAA Clients, or Other Blackstone Clients or their Portfolio Entities. Also, advisors, vendors and service providers often charge different rates or have different arrangements for different types of services. For example, advisors, vendors and service providers often charge fees based on the complexity of the matter as well as the expertise and time required to handle it. Therefore, to the extent the types of services used by BMAA Clients and their Portfolio Entities are different from those used by Blackstone, Other Blackstone Clients and their Portfolio Entities, and their affiliates and personnel, BMAA Clients and their Portfolio Entities can be expected to pay different amounts or rates than those paid by such other persons. Similarly, Blackstone, BMAA Clients, the Other Blackstone Clients and their Portfolio Entities and affiliates can be expected to enter into agreements or other arrangements with vendors and other similar counterparties (whether such counterparties are affiliated or unaffiliated with Blackstone) from time to time whereby such counterparty will, in certain circumstances, charge lower rates (or no fees) or provide discounts or rebates for such counterparty's products or services depending on the volume of transactions in the aggregate or other factors.

BMAA Clients, Other Blackstone Clients and their Portfolio Entities are expected to enter into joint ventures with third parties to which the service providers and vendors described above will, in certain circumstances, provide services. In some of these cases, the third-party joint venture partner may negotiate to not pay its pro rata share of fees, costs and expenses to be allocated as described above, in which case BMAA Clients, Other Blackstone Clients and their Portfolio Entities that also use the services of the Portfolio Entity service provider will, directly or indirectly, pay the difference, or the Portfolio Entity service provider will bear a loss equal to the difference.

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

***Blackstone Affiliated Service Providers.*** In addition to the service providers to the BMAA Clients (including Portfolio Entity service providers) and vendors described above, BMAA Clients 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 BMAA Clients and their Portfolio Entities, as well as service providers, vendors and BMAA Client investors. 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 Constituent Documents. Furthermore, Blackstone, the BMAA Clients, Other Blackstone Clients and their Portfolio Entities and their affiliates and related parties will use the services of these Blackstone affiliates, including at different rates. Although Blackstone believes the services provided by its affiliates are equal or better than those of third parties, Blackstone directly benefits from the engagement of these affiliates, and there is therefore an inherent conflict of interest.

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

- *Aquicore*. Aquicore, Inc. (“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.
- *LNLS*. Lexington National Land Services (“LNLS”) is a Blackstone affiliate that (i) acts as a title agent in facilitating and issuing title insurance, (ii) provides title support services for title insurance underwriters and (iii) acts as escrow agent in connection with investments by BMAA Clients, Other Blackstone Clients and their Portfolio Entities, affiliates and related parties, and third parties. In exchange for such services, LNLS earns fees which would have otherwise been paid to third parties. If LNLS is involved in a transaction in which a BMAA Client participates, Blackstone will benchmark the relevant costs to the extent market data is available except when LNLS is providing such services in a state where the insurance premium or escrow fee, as applicable, is regulated by the state or when LNLS is part of a syndicate of title insurance companies where the insurance premium is negotiated by other title insurance underwriters or their agents.

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

Certain Blackstone-affiliated service providers and their respective personnel will receive a management promote, an incentive fee and other performance-based compensation in respect of investments, sales or other transaction volume. Furthermore, Blackstone-affiliated service providers can



be expected to charge costs and expenses based on allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses).

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 (i.e., rates that fall within a range that the general partner 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). To the extent Blackstone-affiliated service providers provide goods and/or services to third parties, the rates charged in such instances are assumed to be market rates for the purposes hereof. In respect of benchmarking, while Blackstone often obtains benchmarking data regarding the rates charged or quoted by third parties for services similar to those provided by Blackstone affiliates in the applicable market or certain similar markets, relevant comparisons may not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers or users of such services or the confidential or bespoke nature of such services (e.g., different assets may receive different services). In addition, benchmarking data is based on general market and broad industry overviews, rather than determined on an asset-by-asset basis. As a result, benchmarking data does not take into account specific characteristics of individual assets then owned or to be acquired by a BMAA client, or the particular characteristics of services provided. For these reasons, such market comparisons may not result in precise market terms for comparable services. Expenses to obtain benchmarking data will be borne by BMAA Clients, Other Blackstone Clients and their respective Portfolio Entities and will not offset the Management Fee. Finally, in certain circumstances, Blackstone can be expected to determine that third-party benchmarking is unnecessary, either because the price for a particular good or service is mandated by law (e.g., title insurance in rate regulated U.S. states), because in Blackstone's view no comparable service provider offering such good or service exists or because Blackstone has access to adequate market data to make the determination without reference to third-party benchmarking.

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

***Transactions with Clients of Blackstone Insurance Solutions.*** Blackstone Insurance Solutions ("BIS") is a business unit of Blackstone that is comprised of two affiliated registered investment advisers. BIS provides investment advisory services to insurers (including insurance companies that are owned, directly or indirectly, by Blackstone, the BMAA Clients or Other Blackstone Clients, in whole or in part, such as FGL). Actual or potential conflicts of interest will likely arise in relation to the BIS Funds. BIS Funds will engage in a variety of activities, including participating in transactions related to a BMAA Client and/or its Portfolio Entities (e.g., as originators, co-originators, counterparties or otherwise). Under certain circumstances (e.g., where a BIS Fund participates in a transaction directly (and not through a vehicle

controlled by Blackstone) and independently consents to participating in a transaction), a BIS Fund (or any Other Blackstone Clients participating via a similar arrangement) will not be an “Affiliate” under the Constituent Documents of a BMAA Client, in which case any limitations or obligations pursuant to such Constituent Documents with respect to transactions with affiliates will not apply. BIS Funds have invested and are expected to continue investing in Other Blackstone Clients, and may invest in BMAA Clients. As such, BIS Funds may be subject to more concentration risk given the potential exposure to the same underlying deals through multiple avenues. BIS Funds may have investment objectives that overlap with those of BMAA Clients or their Portfolio Entities, and such BIS Funds may invest alongside BMAA Clients or such Portfolio Entities in certain investments, which will reduce the investment opportunities otherwise available to BMAA Clients or such Portfolio Entities. Other transactions in which BIS Funds will participate include, without limitation, investments in debt or other securities issued by Portfolio Entities or other forms of financing to Portfolio Entities (including special purpose vehicles established by BMAA Clients or such Portfolio Entities) (see “---Conflicting Fiduciary Duties to Debt Funds” herein). When investing alongside BMAA Clients or their Portfolio Entities or in other transactions related to BMAA Clients or their Portfolio Entities, BIS Funds may not invest or divest at the same time or on the same terms as BMAA Clients or the applicable Portfolio Entities. BIS Funds will also from time to time acquire investments and Portfolio Entities directly or indirectly from BMAA Clients, including one or more royalty streams, which may be securitized along with other royalty streams. In circumstances where BMAA determines in good faith that the conflict of interest is mitigated in whole or in part through various measures that Blackstone or BMAA implements, BMAA is not required and does not intend to seek approval of the BMAA Client investors. In order to seek to mitigate any potential conflicts of interest with respect to such transactions (or other transactions involving BIS Funds), Blackstone may, in its discretion, involve independent members of the board of a Portfolio Entity or a third-party stakeholder in the transaction to negotiate price and terms on behalf of the BIS Funds or otherwise cause the BIS Funds to “follow the vote” thereof, and/or cause an independent client representative or other third-party to approve the investment or otherwise represent the interests of one or more of the parties to the transaction. In addition, Blackstone or BMAA may limit the percentage interest of the BIS Funds participating in such transaction, or obtain appropriate price quotes or other benchmarks, or, alternatively, a third-party price opinion or other document to support the reasonableness of the price and terms of the transaction. BIS will also from time to time require the applicable BIS Funds participating in a transaction to consent thereto (including in circumstances where BMAA does not seek the consent of the BMAA Client investors). There can be no assurance that any such measures or other measures that may be implemented by Blackstone will be effective at mitigating any actual or potential conflicts of interest.

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

(and therefore the value of the investment held by BMAA Clients or Other Blackstone Clients) or because such referrals or introductions will, in certain circumstances, result in financial benefits, such as cash payments, additional equity ownership, participation in revenue share, and/or milestones benefitting the referring or introducing party that are tied or related to participation by the Portfolio Entities of BMAA Clients and/or of Other Blackstone Clients, accruing to the party making the introduction. Such joint venture or business could use data obtained from such Portfolio Entities. BMAA Clients and the BMAA Client investors typically will not share in any fees, economics, equity or other benefits accruing to Blackstone, BMAA Clients, Other Blackstone Clients and their Portfolio Entities as a result of the introduction of BMAA Clients and their Portfolio Entities. There may, however, be instances in which the applicable arrangements provide that BMAA Clients or their Portfolio Entities share in some or all of any resulting financial incentives (including, in some cases, cash payments, additional equity ownership, participation in revenue share and/or milestones) based on structures and allocation methodologies determined in the sole discretion of Blackstone. Conversely, where BMAA Clients or one of their Portfolio Entities is the referring or introducing party, rather than receiving all of the financial incentives (including, in some cases, cash payments, additional equity ownership, participation in revenue share and/or milestones) for similar types of referrals and/or introductions, such financial incentives (including, in some cases, cash payments, equity ownership, participation in revenue share and/or milestones) may be similarly shared with the participating BMAA Clients, Other Blackstone Clients or their respective Portfolio Entities.

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

***Related Party Leasing.*** BMAA Clients and their Portfolio Entities will, in certain circumstances, lease property to or from Blackstone, BMAA Clients, Other Blackstone Clients and their Portfolio Entities and affiliates and other related parties. The leases are generally expected to, but may not always, 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 the market given the scale of Blackstone's real estate business. Blackstone can be expected to but may not always, have conflicts of interest in making these determinations, and with regard to other decisions related to such assets and investments. There can be no assurance that BMAA Clients and their Portfolio Entities will lease to or from any such related parties on terms as favorable to BMAA Clients and their Portfolio Entities as would apply if the counterparties were unrelated.

***Cross-Guarantees and Cross-Collateralization.*** In certain circumstances, BMAA Clients and their Portfolio Entities may be expected to enter into cross-collateralization or cross-guarantee or similar arrangements (including with respect to pools of certain or all investments with one or more other BMAA Clients or Other Blackstone Clients) with BMAA Clients, Other Blackstone Clients (including co-investment vehicles) and their Portfolio Entities, particularly in circumstances in which better financing terms are available through such arrangement. Also, it is expected that cross-collateralization will generally occur at

Portfolio Entities rather than BMAA Clients for obligations that are not recourse to BMAA Clients except in limited circumstances such as “bad boy” events. Any cross-collateralization arrangements with other BMAA Clients, or Other Blackstone Clients could result in BMAA Clients losing their interests in otherwise performing investments or other assets due to poorly performing or non-performing investments of other BMAA Clients or Other Blackstone Clients in the collateral pool or such persons otherwise defaulting on their obligations under the terms of such arrangements (and, for the avoidance of doubt, the BMAA Clients’ obligations under such cross-collateralization arrangements are expected to apply to investments in which the BMAA Clients have not participated). The BMAA Client investors may also be required to fund capital contributions to cover BMAA Clients’ obligations under such a default. The BMAA Clients can, in certain circumstances, be exposed to risks associated with borrowings or other indebtedness of other BMAA Clients and/or Other Blackstone Clients when such other entities are not in turn exposed to risks associated with the BMAA Clients’ borrowing for a similar purpose if, for example, such other entities or the partners thereof are excused from cross-collateralizing certain partnership expenses, management fees or other obligations of such BMAA Client and other BMAA Clients. Through cross-collateralization, such other BMAA Clients may nevertheless be indirectly exposed to risks associated with leverage on fees, expenses and/or other obligations of the BMAA Clients. (See also “—Liability Arising From Transactions Entered into Alongside Other Blackstone Clients” herein.)

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

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

**Group Procurement; Discounts.** BMAA Clients and their Portfolio Entities will enter into agreements regarding group procurement (such as CoreTrust, an independent group purchasing organization), benefits management, purchase of title and/or other insurance policies (which can be expected to include brokerage and/or placement thereof), and will from time to time be discounted due

to scale or pooled across Portfolio Entities, including through sharing of deductibles and other forms of shared risk retention from a third-party or a Blackstone affiliate, and other operational, administrative or management related initiatives. Blackstone will allocate the cost of these various services and products purchased on a group basis among BMAA Clients, Other Blackstone Clients and their Portfolio Entities. Some of these arrangements result in commissions, discounts, rebates or similar payments to Blackstone, its personnel, other BMAA Clients or Other Blackstone Clients and their Portfolio Entities, including as a result of transactions entered into by BMAA Clients and their Portfolio Entities, and such commissions or payment will not be subject to the Management Fee offset provisions. Blackstone can be expected to also receive consulting, usage or other fees from the parties to these group procurement arrangements. To the extent that a Portfolio Entity of an Other Blackstone Client is providing such a service, such Portfolio Entity and such Other Blackstone Client will benefit. Further, the benefits received by the particular Portfolio Entity providing the service will, in certain circumstances, be greater than those received by BMAA Clients and their Portfolio Entities receiving the service. Conflicts exist in the allocation of the costs and benefits of these arrangements, and the BMAA Client investors rely on BMAA to handle them in its sole discretion.

***Diverse Investor Group.*** BMAA Client investors have conflicting investment, tax and other interests with respect to their investments in BMAA Clients and with respect to the interests of investors in other investment vehicles managed or advised by Blackstone that participate in the same investments as BMAA Clients, and investor personnel may have incentives or conflicts with respect to their investments in the BMAA Clients or Other Blackstone Clients, including matters Blackstone is not aware of, such as interests in The Blackstone Group Inc. The conflicting interests of BMAA Client investors and investors relate to in other investment vehicles would generally relate to or arise from, among other things, the nature, structuring, financing, tax profile and timing of disposition of investments. BMAA will, in certain circumstances, as a result have conflicts in making these decisions, which can be expected to be more beneficial for one or more (but not all) BMAA Client investors than for other BMAA Client investors. In addition, BMAA Clients can be expected to make investments that will, in certain circumstances have a negative impact on related investments made by the BMAA Client investors in separate transactions. In selecting and structuring investments appropriate for BMAA Clients, BMAA will consider the investment and tax objectives of BMAA Clients and their partners as a whole (and those of investors in other BMAA Clients and Other Blackstone Clients that participate in the same investments as BMAA Clients), and not the investment, tax or other objectives of any BMAA Client investor individually. Additionally, BMAA will, in certain circumstances, elect to limit certain BMAA Client investors' participation in particular investments or exclude certain BMAA Client investors from particular investments (in whole or in part) including, for the avoidance of doubt, follow-on investments to take into account ERISA, legal, tax, regulator, policy or other similar considerations and/or limitations with respect to any BMAA Client investor (or category of BMAA Client investor) or with respect to such investments (including, for example, ensuring that certain ownership thresholds are not exceeded with respect to investors that are affiliated with governmental entities or similar organizations) as determined by Blackstone in good faith, in which case non-limited or non-excluded BMAA Client investors shall generally be allocated a greater proportionate interest in such investment (or a follow-on investment related thereto, notwithstanding the initial or existing ownership proportions thereof). In addition, reductions in unpaid capital commitments for capital contributions in respect of Management Fees are based on the actual amounts paid by the BMAA Client investors. Therefore, to the extent a BMAA Client investor is entitled to a discounted or reduced Management Fee arrangement (including as set forth in the Constituent Documents or one or more side letters or other agreements (including any agreement governing a Strategic Relationship)) such BMAA Client investor's capital contributions in respect of Management Fees

will be disproportionate as compared to any BMAA Client investor without such arrangement, and as a result its unpaid capital commitment will be proportionately higher than such other BMAA Client investor, which among other things, will cause it to have a greater proportionate interest in investments made (and expenses incurred) than would be the case absent such Management Fee arrangement. In addition, certain BMAA Client investors can be expected to also be BMAA Client investors in Other Blackstone Clients, including supplemental capital vehicles and co-investment vehicles that may invest alongside BMAA Clients in one or more investments, which could create conflicts for BMAA in the treatment of different BMAA Client investors.

BMAA Client investors can be expected to also include affiliates of Blackstone, such as Other Blackstone Clients, affiliates of Portfolio Entities of BMAA Clients or Other Blackstone Clients, charities, foundations or other entities or programs associated with Blackstone and/or its current or former Blackstone personnel, Blackstone's senior advisors, and any such affiliates, funds or persons can be expected to also invest in BMAA Clients or through the vehicles established in connection with Blackstone's side-by-side co-investment rights, in each case, without being subject to Management Fees or carried interest (or otherwise on more favorable terms), and the BMAA Client investors will not be afforded the benefits of such arrangements. Some of the foregoing Blackstone-related parties or Blackstone are sponsors or owners (in whole or in part) of feeder vehicles or feeder platforms that invest in BMAA Clients as BMAA Client investors. The Blackstone-related sponsors or owners of feeder vehicles or feeder platforms generally charge their investors additional fees, including performance based fees, which could provide Blackstone current income and increase the value of its ownership position in them (including by providing such Blackstone parties with additional ownership interests in such feeder vehicles or feeder platforms). Blackstone will therefore have incentives to refer potential investors to these feeder vehicles. All of these Blackstone-related BMAA Client investors will have equivalent rights to vote and withhold consents as nonrelated BMAA Client investors, unless otherwise provided by the terms of the Constituent Documents. Nonetheless, Blackstone may have the ability to influence, directly or indirectly, these Blackstone-related BMAA Client investors.

It is also possible that BMAA Clients or BMAA Clients' Portfolio Entities will, in certain circumstances, be counterparties (such counterparties dealt with on an arm's length basis) or participants in agreements, transactions or other arrangements with a BMAA Client investor or its affiliates (which may occur in connection with such BMAA Client investor or its affiliates making a capital commitment to BMAA Clients or Other Blackstone Clients), including with respect to one or more investments (or types of investments). Such transactions may include agreements to pay performance fees to a management team and other related persons in connection with BMAA Clients' investment therein, which will reduce BMAA Clients' returns and will not necessarily be subordinated to the return of the BMAA Client investors' capital contributions. Such BMAA Client investors described in the previous sentences can be expected to therefore have different information about Blackstone and BMAA Clients than BMAA Client investors not similarly positioned. In addition, conflicts of interest will, in certain circumstances, arise in dealing with any such BMAA Client investors, and BMAA and its affiliates may be motivated to enter into agreements, transactions or arrangements with BMAA Client investors or their affiliates in order to secure capital commitments from investors to BMAA Clients or Other Blackstone Clients and may otherwise be motivated by factors other than the interests of BMAA Clients. (See also "—Other Blackstone Business Activities" herein.) Similarly, not all BMAA Client investors monitor their investments in vehicles such as BMAA Clients in the same manner. For example, certain BMAA Client investors can be expected to periodically request from BMAA information regarding BMAA Clients and their Portfolio Entities and investments that is not otherwise included in the reporting and other information delivered to all BMAA

Client investors—for instance, pre-quarterly reporting valuation. In such circumstances, BMAA may provide such information to such BMAA Client investor and not to other BMAA Client investors. As a result, certain BMAA Client investors can be expected to receive more information from BMAA about BMAA Clients and their Portfolio Entities or can be expected to receive information about BMAA Clients and their Portfolio Entities at an earlier time than other BMAA Client investors, and BMAA will have no duty to ensure all BMAA Client investors receive the same information regarding BMAA Clients and their Portfolio Entities. Therefore, certain BMAA Client investors can be expected to be able to take actions on the basis of such information which, in the absence of such information, other BMAA Client investors do not take. Furthermore, at certain times Blackstone will, in certain circumstances, be restricted from disclosing to the BMAA Client investors material non-public information regarding any assets in which BMAA Clients invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with BMAA Clients. In addition, investment banks or other financial institutions, as well as Blackstone personnel, can be expected to also be BMAA Client investors. These institutions and personnel are a potential source of information and ideas that could benefit BMAA Clients, and can be expected to receive information about BMAA Clients and their Portfolio Entities in their capacity as a service provider or vendor to BMAA Clients and their Portfolio Entities.

In addition, it is also expected that Blackstone will from time to time confirm factual matters to incoming investors in the various BMAA Clients, make statements of intent or expectation to such investors or acknowledge statements by such incoming investors that relate to the BMAA Clients and/or Blackstone's activities pertaining thereto in one or more respects. In addition, Blackstone may from time to time agree to certain matters relating to knowledge transfer and/or secondments with one or more investors as part of an overall firm relationship. Any such statements, confirmations, agreements or acknowledgements, including those made in response to an investor's due diligence requests, will not involve the granting of any legal right or benefit, and the BMAA Client investors generally will as a result not typically receive notice of any such confirmation, statements or acknowledgements or copies of the documentation (if any) in which they are contained. There can be no assurance that any such arrangements will not have an adverse effect on the BMAA Clients or that such arrangements will not influence Blackstone's activities or the operations of the BMAA Clients.

***BMAA Client Investors' Outside Activities.*** A BMAA Client investor shall be entitled to and can be expected to have business interests and engage in activities in addition to those relating to BMAA Clients, including business interests and activities in direct competition with BMAA Clients and their Portfolio Entities, and may engage in transactions with, and provide services to, BMAA Clients or their Portfolio Entities (which will, in certain circumstances, include providing leverage or other financing to BMAA Clients or their Portfolio Entities as determined by BMAA in its sole discretion). None of BMAA Clients, the BMAA Client investors or any other person shall have any rights by virtue of the Constituent Documents or any related agreements in any business ventures of the BMAA Client investors. The BMAA Client investor, and in certain cases BMAA, will have conflicting loyalties in these situations.

***Subscription Credit Facility.*** Certain of the BMAA Clients have entered into or are expected to enter into and utilize one or more subscription credit facilities, which involve potential conflicts of interest. Subject to the limitations in the applicable subscription agreement, the use of a subscription credit facility by BMAA Clients is within BMAA's discretion. Leverage by entities other than BMAA Clients (including through special purpose vehicles formed by BMAA Clients to make or hold investments) do not count towards the limitations on borrowing set forth in the Constituent Documents. Subject to the limitations set forth in the Constituent Documents and the availability and the terms of any subscription-based credit

facility for BMAA Clients, BMAA has adopted a policy relating to the use of fund-level credit facilities for BMAA Clients. Generally and without limiting the foregoing, BMAA Clients can be expected to seek to utilize a subscription credit facility for the purpose of, among other things, financing any investment-related activities of BMAA Clients (such as for assets that BMAA Clients do not intend to hold for a long term period), covering partnership expenses, organizational expenses, Management Fees, servicing fees, fund-level administration fees and any other costs of BMAA Clients, making distributions to partners (to the extent permitted under the Constituent Documents), providing permanent financing or refinancing or providing interim financing to consummate the purchase of investments of the BMAA Clients. The amount of credit available to BMAA Clients and Other Blackstone Clients under a subscription credit facility is determined by the credit quality of the limited partners as determined by the lender. Moreover, the credit quality of a BMAA Client investor (or investor in an Other Blackstone Client joined to the same facility) may be negatively impacted (or disregarded completely by a lender) as a result of contractual agreement between BMAA Client investors (or investors in an Other Blackstone Client joined to the same facility) and Blackstone (in a side letter, for example). For this reason, BMAA Client investors (and investors in Other Blackstone Clients joined to the same facility) with a higher credit quality, as determined by the lender, generate more credit for BMAA Clients than BMAA Client investors (and investors in Other Blackstone Clients joined to the same facility) with a lower credit quality, which results in an indirect benefit conferred by the higher credit quality BMAA Client investors (and investors in Other Blackstone Clients joined to the same facility) to the others.

Calculations of net and gross internal rates of return (“IRRs”) in respect of investment and performance data referred to in the Constituent Documents, and as reported to BMAA Client investors from time to time, are based on the payment date of capital contributions from BMAA Client investors or timing of investment inflows and outflows received or made by the BMAA Clients. Similarly, calculations of preferred returns under the Constituent Documents are based on the date capital contributions are made by BMAA Client investors to make investments (or to repay borrowings related thereto), and the preferred return does not accrue on borrowings by the BMAA Clients. This treatment would also apply in instances where a fund utilizes borrowings under a fund’s subscription credit facility in lieu of, or in advance of receiving capital contributions from BMAA Client investors to repay any such borrowings. As a result, use of a subscription credit facility (or other long-term leverage) will impact calculations of returns and will result in a higher or lower reported IRR than if the amounts borrowed had instead been funded through capital contributions made by the BMAA Client investors to BMAA Clients. If the use increases the IRR, as it normally does, BMAA will have various incentives to use the subscription credit facility, including marketing efforts of Other Blackstone Clients. For example, the use of leverage arrangements may accelerate or increase distributions of carried interest to BMAA, providing an economic incentive to fund investments through long-term borrowings in lieu of capital contributions. In addition, BMAA can be expected to receive a greater amount of Management Fees and Fund-Level Administration Fees by utilizing borrowings under the facility in lieu of a combination of BMAA Client investors’ capital and non-recourse financing for investments that remain outstanding. Moreover, the costs and expenses of any such borrowings will generally be allocated among the relevant BMAA Clients and Other Blackstone Clients, as applicable, and any parallel funds *pro rata* or on such other basis that the applicable general partner determines to be more equitable under the circumstances, which will increase the expenses borne by the applicable BMAA Client investors and would be expected to diminish net cash on cash returns. In addition, for investments in U.S. corporations by U.S. tax-exempt BMAA Client investors, there may be incremental tax costs related to so-called unrelated business taxable income (“UBTI”).



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

***Failure to Make Payments.*** If the BMAA Client investors fail to pay when due installments of their capital commitment to the BMAA Clients or their portion of Management Fees, organizational Expenses or any amount otherwise due under the Constituent Documents, and the contributions and/or payments made by non-defaulting BMAA Client investors and borrowings by the BMAA Clients are inadequate to cover the defaulted capital contributions, the BMAA Clients may be unable to pay their obligations when due. As a result, the BMAA Clients may be subjected to significant penalties that could materially adversely affect the returns to the BMAA Client investors (including non-defaulting BMAA Client investors). If a BMAA Client investor defaults, such BMAA Client investor may be subject to various remedies as provided in the Constituent Documents, including, without limitation, reductions in its capital account balance and percentage interest, a forced sale of its interest in a BMAA Client at a discount and preclusion from participation in any further investments made by the respective BMAA Client. A default by a BMAA Client investor may also limit the respective BMAA Client's ability to incur borrowings and avail itself of what would otherwise have been available credit. A general partner may, subject to certain limitations, require an additional funding of capital contributions from the non-defaulting BMAA Client investors to fund the shortfall caused by the defaulting BMAA Client investor(s). A default by a BMAA Client investor may also limit the respective BMAA Client's availability to incur borrowings and avail itself of what would otherwise have been available credit.

***Insurance.*** BMAA Clients will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure BMAA Clients, Portfolio Entities, BMAA, Blackstone and their respective directors, officers, employees, agents, Independent Client Representative (if any) and representatives and other indemnified parties (and in certain circumstances, such person's agents and representatives), against liability in connection with the activities of BMAA Clients. 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 BMAA Clients, Other Blackstone Clients, BMAA and/or Blackstone (including their respective directors, officers, employees, agents and representatives, Independent Client Representative (if any) and other indemnified parties). BMAA 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 BMAA Clients and Other Blackstone Clients, BMAA and Blackstone on a fair and reasonable basis, in its sole discretion, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable.

Similarly, BMAA Clients and their Portfolio Entities may enter into arrangements with Other Blackstone Clients and their respective Portfolio Entities whereby insurance is procured as a group where

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

In respect of such insurance arrangement, Blackstone can be expected to 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 BMAA Clients and their Portfolio Entities bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies.

***Certain Investment-Related Potential Conflicts Relating to the Associated Endowment Program and SBS Vehicles.*** Blackstone may hold interests in the Underlying Accounts or in investments that are similar (or identical) to the Underlying Accounts, which may give rise to a conflict of interest when the Blackstone Advisors Portfolio Managers determine to which Underlying Managers or Underlying Accounts to invest additional capital or from which Underlying Managers or Underlying Accounts to withdraw capital. In order to mitigate this conflict, when the Blackstone Advisors Portfolio Managers consider investments across Underlying Accounts whose investment committees they are a part of, such Blackstone Advisors Portfolio Managers will be required to act in good faith in connection with any exercises of discretion relating to investments in or alongside any such Underlying Vehicles.

Certain Underlying Vehicles may not be available for investment by the Associated Endowment Program or SBS Vehicles as a result of certain limitations, which may include limitations arising out of the timing and/or amount of capital commitments that may be accepted from investors in such Underlying Vehicles or other reasons. In such circumstances, the ability of Blackstone Advisors and BMAA to invest the Associated Endowment Program’s or an SBS Vehicle’s assets may be limited or become concentrated in a relatively limited number of Underlying Vehicles. As a mitigating policy, Blackstone Advisors and BMAA will make investment decisions with respect to the Associated Endowment Program or an SBS Vehicle in good faith in a manner consistent with its policies and procedures and duties to the Associated Endowment Program or SBS Vehicle, as disclosed in and in accordance with the applicable Constituent Documents and the relevant allocation framework (in the case of SBS Vehicles).

Blackstone Advisors or BMAA may cause the Associated Endowment Program or an SBS Vehicle to purchase investments from, sell investments to, exchange investments with, or transfer investments to an affiliate of Blackstone Advisors, BMAA or Blackstone. However, any such purchases, sales, exchanges or transfers will be effected based upon the fair market value of the investment and will only be executed at the direction of, and with the prior written consent of, the investor to the extent required by (and in a manner consistent with) applicable law or regulation.

Both of the Blackstone Advisors Portfolio Managers and BMAA personnel may sit on the investment committees for certain of the Other Blackstone Clients, but when the Blackstone Advisors Portfolio Managers or BMAA personnel consider investments across Underlying Accounts whose investment committees they are a part of, such Blackstone Advisors Portfolio Managers or BMAA

personnel will be required to act in good faith in connection with any exercises of discretion relating to investments in or alongside any such Underlying Vehicles.

It is generally expected that the investments made by the Associated Endowment Program and SBS Vehicles in, alongside or relating to the Underlying Vehicles will not be subject to withdrawal or redemption until disposition thereof by the Underlying Vehicle. To mitigate this conflict, the Blackstone Advisors Portfolio Managers and SBS Vehicles will make investment decisions with respect to investments in Underlying Vehicles in accordance with the Constituent Documents of the Associated Endowment Program or SBS Vehicles, as applicable, and will determine in good faith the Underlying Vehicles in or alongside which the Associated Endowment Program and SBS Vehicles may invest.

It is expected that the assets of the Associated Endowment Program and SBS Vehicles will be invested primarily in or alongside Other Blackstone Clients. As a result, there may be circumstances where Blackstone has conflicting loyalties and responsibilities to the Associated Endowment Program or SBS Vehicles, on the one hand, and such Other Blackstone Clients, on the other hand, and conflicts of interest may arise, including as a result of Blackstone's interests in such Other Blackstone Clients. Blackstone has policies and procedures in place designed to ameliorate such conflicts and will seek to resolve such conflicts of interest in a fair and equitable manner, and investment decisions will be approved by the Blackstone Advisors Portfolio Managers or BMAA in accordance with the investment guidelines pertaining to the Associated Endowment Program or SBS Vehicles and the applicable Constituent Documents.

Certain personnel involved in the investment activities of Blackstone Advisors and BMAA are also involved in the management of certain assets of Blackstone and investment vehicles and accounts advised by other Blackstone-affiliated advisors. Personnel that are part of Blackstone Advisors and BMAA will devote such time to the affairs of the Associated Endowment Program and SBS Vehicles, respectively, as is deemed necessary by the Blackstone Advisors Portfolio Managers and BMAA to effectively perform their obligations relating to the management and investment of the Associated Endowment Program's and SBS Vehicles' assets in accordance with their investment guidelines and Constituent Documents.

***Certain Fee Related Potential Conflicts Relating to the Associated Endowment Account.*** Certain employees of Blackstone Advisors and Blackstone (or their family members or related entities) may invest directly in or alongside the Other Blackstone Clients in which the Associated Endowment Program may invest. Typically, no advisory fees are charged on such investments. The employees may be individuals responsible for investing the Associated Endowment Program's capital to the Other Blackstone Clients and may be biased with respect to which Other Blackstone Client receives which investment. To address this conflict, when the Blackstone Advisors Portfolio Managers consider investments across Underlying Accounts whose investment committees they are a part of, such Blackstone Advisors Portfolio Managers will be required to act in good faith in connection with any exercises of discretion relating to investments in or alongside any such Underlying Vehicles.

The Underlying Vehicles in or alongside which the Associated Endowment Program invests will have different management and incentive fee structures. As part of the investment process, Blackstone Advisors potentially could invest the Associated Endowment Program's capital to Underlying Vehicles that have a fee or expense structure that is more favorable to Blackstone. As a mitigating policy, the Blackstone Advisors Portfolio Managers will make investment decisions with respect to investments in Underlying Vehicles in accordance with the Constituent Documents of the Associated Endowment Program, and will determine in good faith the Underlying Vehicles in or alongside which the Associated Endowment Program may invest.

Blackstone may have an ownership interest in, a pre-existing relationship with, or otherwise be affiliated with, an Underlying Vehicle or Underlying Manager in, or alongside which, the Associated Endowment Program has made an investment. However, to the extent Blackstone Advisors invests the assets of the Associated Endowment Program in or alongside Other Blackstone Clients, it will, to the extent practicable under the circumstances (as determined by Blackstone Advisors), seek to do so at specially reduced or waived management fees and/or performance-based fees, although there may be certain Other Blackstone Clients that are not available to the Associated Endowment Program on such a specially reduced or waived fee basis.

***Other Conflicts.*** In addition, other present and future activities of Blackstone, BMAA Clients, Other Blackstone Clients and their Portfolio Entities, affiliates (including BMAA) and related parties will from time to time give rise to additional conflicts of interest relating to BMAA Clients and their investment activities. BMAA generally attempts to resolve conflicts in a fair and equitable manner, but conflicts will not necessarily be resolved in favor of BMAA Clients' interests and there may be situations where the BMAA Clients, as a passive investor investing alongside or in an Other Blackstone Client, may not have the ability to mitigate such conflicts. In addition, pursuant to the Constituent Documents, with respect to any investment, the general partner, on behalf of BMAA Clients, is permitted to engage in any activity not expressly limited in the Constituent Documents so long as BMAA Clients is investing alongside an Other Blackstone Client and such activity is permitted under the governing terms of such Other Blackstone Client. This could include, without limitation, relying on any advice, waiver or consent as to any conflict, or acting in accordance with the standards or procedures approved by the limited partner investor advisory committee of such Other Blackstone Client. In addition, the BMAA Clients may be "dragged along" in engaging activities that involve conflicts of interest without BMAA's approval.

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

***Additional Potential Conflicts of Interest.*** The officers, directors, members, managers and personnel of BMAA 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 BMAA. 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 BMAA Clients 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 BMAA Clients or pursue

similar investment opportunities as the BMAA Clients. In addition, as a consequence of Blackstone's status as a public company, the officers, directors, members, managers and personnel of BMAA can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of BMAA Clients 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 BMAA Clients. Finally, although Blackstone believes its positive reputation in the marketplace provides benefit to BMAA Clients and Other Blackstone Clients, BMAA could decline to undertake investment activity or transact with a counterparty on behalf of BMAA Clients for reputational reasons, and this decision could result in BMAA Clients foregoing a profit or suffering a loss.

### Other Financial Industry Affiliations

BMAA is an affiliate of the following entities:

Bank Entity	
Luminor Bank AS*	A Baltic bank purchased by Blackstone Capital Partners
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 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
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>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 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
Finance of America Capital Management LLC**	Provides investment advisory services to mortgage related asset private funds and managed accounts
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
<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 TacOpps Funds

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

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

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

BMAA may enter into "side letters" with investors in BMAA 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 our broker-dealer, Blackstone Securities Partners L.P., which is an affiliate of Blackstone that serves as placement agent to funds managed by BMAA in the U.S. but is not compensated for such services. We do not believe these registrations, in and of themselves, create conflicts for BMAA Client investors.

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

## **Item 11 – Code of Ethics**

BMAA is governed by the Blackstone Code of Ethics (the “Code of Ethics” or “Code”). The Code of Ethics governs a number of potential conflicts of interest which exist when providing advisory services to BMAA Clients. The Code of Ethics is reasonably designed to ensure that BMAA meets its fiduciary obligation to BMAA Clients (or prospective clients) and to instill a culture of compliance within BMAA. An additional benefit of the Code of Ethics is to detect and prevent violations of securities laws.

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

The Code includes, among other items, the following:

- Requirements related to confidentiality
- Limitations on, and reporting of, gifts and entertainment
- Pre-clearance of political contributions
- Pre-clearance and reporting of employee personal securities transactions
- Pre-clearance of outside business activities
- 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.

### **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. BMAA 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 BMAA Clients.

BMAA 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) receive pre-clearance from the Blackstone Legal and Compliance Department (provided, however, that the guidelines prohibit the purchase of all single-name public 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, 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. BMAA’s Code of Ethics is available for review upon request.

You may request a copy of the Code by contacting Anna Guerin - Chief Compliance Officer; (212) 583-5000; [Anna.Guerin@Blackstone.com](mailto:Anna.Guerin@Blackstone.com).

## **Item 12 – Brokerage Practices**

BMAA does not generally trade in public securities; however, in the event BMAA executes a brokerage transaction for the BMAA Clients (e.g., trades in public securities) or enters into hedging transactions, BMAA 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 general partners believe to be of benefit to the BMAA Clients.

### **Principal Transactions and Cross Trades**

BMAA or an affiliate on occasion may engage in principal transactions with a BMAA 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. BMAA will conduct all principal transactions according to the disclosure and client consent requirements of Section 206(3) of the Advisers Act. BMAA must determine that any principal transaction is in the best interest of the participating BMAA Client.

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

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

### **Trade Errors**

Trade errors are evaluated on a case-by-case basis. If BMAA determines that BMAA's gross negligence, willful misconduct or fraud was the direct cause of a trade error, BMAA generally will compensate the affected BMAA 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 BMAA Client, BMAA will attempt to recover the amount of loss from the third party for the BMAA Client. BMAA does not assume responsibility for compensating the applicable BMAA Client, or making the third party compensate the applicable BMAA Client, in such cases.

## **Item 13 – Review of Accounts**

### **Review of Accounts**

The BMAA Clients' accounts and investment positions are monitored by the applicable portfolio management team and investment committee on a regular and current basis.

The BTAS Investment Committee will hold formal sessions regularly and meet ad hoc or make decisions by email as required to review general portfolio composition, strategy allocation percentages, investment concentrations, investment allocations and opportunities, constrained opportunities, co-investments, market conditions, potential conflicts and recent trading activities. The BTAS Investment Committee consists of approximately ten persons, all of whom are Senior Managing Directors or Managing Directors from a number of Blackstone's other investment businesses.

Blackstone Advisors monitors the performance of the Associated Endowment Program on an ongoing basis. This monitoring includes, but is not limited to, reviewing for liquidity needs, potential conflicts, market conditions, style drift, performance attribution and performance deviation.

BMAA will periodically review the performance of SBS Vehicles on an ongoing basis in accordance with the SBS Vehicle Constituent Documents.

BMAA and/or the BTAS Investment Committee might periodically review on an expedited basis the assets of the BMAA Clients following a unique occurrence in the financial industry or market generally.

### **Reports to Investors**

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

Certain investors in BMAA Clients may request additional information relating to BMAA Clients and/or Portfolio Entities, to the extent such information is readily available or may be obtained without unreasonable effort or expense, BMAA 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 BMAA Clients that may not be known to other investors. As a result, certain investors can be expected to be able to take actions on the basis of such information which, in the absence of such information, other investors do not take. Furthermore, at certain times, BMAA may be restricted from disclosing to investors material non-public information regarding any assets in which a BMAA Client invests, particularly those investments in which an Other Blackstone Client or Portfolio Entity that is publicly registered co-invests with a BMAA Client.

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

BSP serves as a placement agent for the BTAS Funds in the U.S. but is not compensated for such services. Additionally, the BTAS Funds have distribution/placement arrangements with certain unaffiliated third parties. Such unaffiliated third parties can be expected to form investment vehicles for the purpose of investing in the BTAS Funds and the capital commitments of such investment vehicles may account for a substantial portion of the overall capital commitments to such BTAS Fund. In a typical distribution or placement agent arrangement, BMAA agrees to pay a third party solicitor for referring investors into a BTAS Fund. Typically, third party solicitors will be compensated based upon a percentage of the commitment size of the investors they refer (although other payment arrangements could exist). If third-party solicitors are engaged, a prospective investor solicited by a third party 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 BMAA through a corresponding reduction in the Management Fee or other transfer and none of the investors in the BTAS Funds will be subject to any increased or additional fees or charges; provided, however, that a third-party solicitor may directly charge investors sourced through such third-party solicitor additional subscription fees, origination fees, or management fees (or other similar fees) in connection with their investment in the BTAS Funds, and such fees will not reduce Management Fees. With respect to expenses related to the diligence and negotiation of placement agent arrangements, please see Item 5 – Fees and Compensation. 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 cash or having any authority to obtain possession of them. BMAA Clients generally have an affiliate of BMAA acting as general partner and, as such, BMAA may be deemed to have custody of the BMAA Clients’ securities and cash. In such instances, BMAA will comply with the provisions of the Custody Rule and will either provide the BMAA 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 BMAA (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 Constituent Documents. BMAA has discretion in determining the Underlying Accounts in or alongside which the BMAA Clients may invest and the amount to invest.

In making investment decisions on behalf of the Associated Endowment Program, Blackstone Advisors will seek to invest the Associated Endowment Program's assets across a range of Other Blackstone Clients and other investment opportunities that pursue or relate to a variety of different investment strategies and/or asset classes (e.g., real estate-related investments, private equity investments, credit-oriented investments, secondary investments, investments in hedge funds, and other opportunistic investments). It is expected that the investments by the Associated Endowment Program in or relating to Underlying Vehicles will be illiquid and not subject to withdrawal or redemption except in limited circumstances (e.g., as required by law).

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

With respect to SBS Vehicles, BMAA will make investment decisions in accordance with the allocation framework and will provide administrative and other services on a discretionary basis in accordance with the SBS Vehicle Constituent Documents.

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

### Proxy Policy

Rule 206(4)-6 under the Advisers Act (the “Proxy Rule”) requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies.

Because BMAA may be deemed to have authority to vote proxies relating to the companies in which its clients invest, BMAA has adopted a set of policies and procedures (together, the “Proxy Policy”) in compliance with the Proxy Rule. To the extent that BMAA 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 BMAA Clients, as determined by BMAA in its sole discretion.

From time to time, conflicts can be expected to arise between the interests of a BMAA Client, on the one hand, and the interests of BMAA, Blackstone or its affiliates, on the other hand. If BMAA determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, BMAA 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. BMAA, in its sole discretion, may elect not to vote a proxy if unduly burdensome.

Notwithstanding the foregoing, because proxy proposals and individual company facts and circumstances may vary, BMAA may not always vote proxies in accordance with the Proxy Policy. In addition, many possible proxy matters are not covered in the Proxy Policy. Generally, BMAA will vote proxies (i) in favor of management’s recommendation for the election of the board of directors and (ii) to approve the financial statements as presented by management.

Each proxy is voted on a case-by-case basis taking into consideration any relevant facts and circumstances at the time of the vote. In situations where BMAA wishes to vote differently from what is recommended in the Proxy Policy, or where an actual or potential material conflict of interest relating to the proxy vote exists, BMAA will take such actions as are required by the Proxy Policy.

BMAA 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 Anna Guerin - Chief Compliance Officer; (212) 583-5000; [Anna.Guerin@Blackstone.com](mailto:Anna.Guerin@Blackstone.com).

**Item 18 – Financial Information**

BMAA 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 BMAA Clients.

**Item 19 – Requirements for State Registered Advisers**

Not applicable as BMAA is not registered in any state.