

Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of August 31, 2018

Investment approach

Blackstone Alternative Multi-Strategy Fund's ("Fund") investment objective is to seek capital appreciation. The Fund seeks this objective by allocating its assets among a variety of non-traditional or "alternative" investment strategies. Blackstone allocates the Fund's assets among investment sub-advisers with experience managing alternative investment strategies and among Investment Funds and also manages a portion of the Fund's assets directly. In pursuing the Fund's investment objective, Blackstone focuses on the preservation of capital and seeks to maintain an investment portfolio with, on average, lower volatility relative to the broader equity markets.

Fund highlights

Fund assets ⁶	\$6,208.65 million
Inception date	June 16, 2014
Investment advisor	Blackstone Alternative Investment Advisors, LLC
Eligible investors	US taxable & tax-exempt
Liquidity	Daily
CUSIP	09257V201

Fund terms (Share Class I)⁷

Management Fee	1.88%
Gross Expense Ratio	2.86%
Net Expense Ratio	2.20%

Portfolio managers

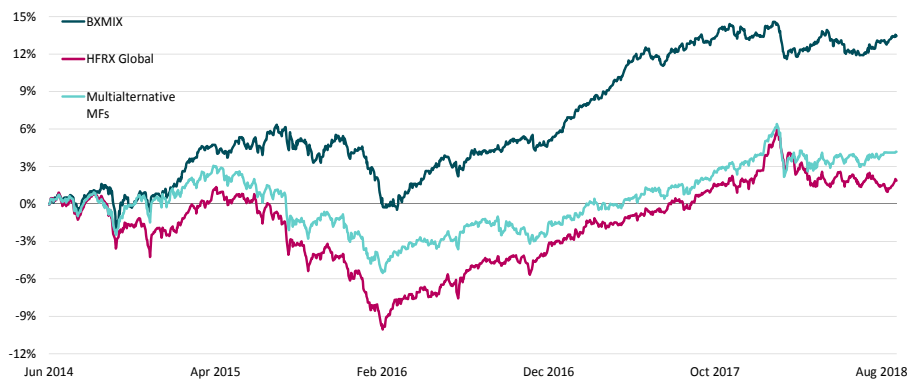
Name	Years at Blackstone
Gideon Berger	16.25 Years
Min Htoo	0.95 Year
Robert Jordan	6.99 Years
David Mehenny	7.76 Years
Ian Morris	8.25 Years
Alberto Santulin	15.25 Years
Stephen Sullens	17.17 Years

Fund net performance^{1,2,3}

	As of 06/30/2018				As of 08/31/2018				Inception to Date Statistics			
	June-18	YTD	1 Yr	ITD	Aug-18	YTD	1 Yr	ITD	St Dev.	Beta ⁽⁴⁾	Alpha ⁽⁵⁾	Sharpe
BXMIX	(0.09%)	(1.30%)	0.67%	2.83%	0.28%	(0.09%)	0.04%	3.01%	3.16%	-	-	0.77
MSCI World TR Index	(0.01%)	0.76%	11.70%	7.48%	1.28%	5.26%	13.71%	8.28%	10.99%	0.17	1.57%	0.69
Barclays Gbl Agg Index	(0.44%)	(1.46%)	1.36%	0.30%	0.10%	(1.52%)	(1.36%)	0.27%	4.95%	(0.10)	3.06%	(0.06)
HFRX Global Hedge Fund Index	(0.19%)	(0.85%)	2.47%	0.46%	0.45%	(0.55%)	1.54%	0.52%	3.54%	0.55	2.75%	(0.04)

1. Performance is presented through August 31, 2018. Net performance is net of the Gross Expense Ratio less waived expenses. Performance data quoted represents past performance and does not guarantee future results. All ITD statistics above are calculated using daily performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. Additional information and performance data current to the most recent month-end is available at www.bxmix.com.

Alternative strategies cumulative net performance^{1,2}



2. None of the indices presented are benchmarks or targets for the Fund. Indices are unmanaged and investors cannot invest in an index. Please see end of document for additional disclosures regarding indices presented.

3. Inception to Date (ITD) statistics are as of BXMIX's inception on June 16, 2014 through the most recent month end.

4. Measures beta of BXMIX to the respective index.

5. Measures alpha of BXMIX to the respective index.

6. As of August 31, 2018.

7. Gross expense ratio represents the expense ratio applicable to investors. Net expense ratio represents the Specified Expenses as of March 31, 2018. "Specified Expenses" is defined to include all expenses incurred in the business of the Fund with the exception of: (i) distribution or servicing fees, (ii) acquired fund fees and expenses, (iii) brokerage and trading costs, (iv) interest payments (including any interest expenses, commitment fees, or other expenses related to any line of credit of the Fund), (v) taxes, (vi) dividends and interest on short positions, and (vii) extraordinary expenses (in each case, as determined in the sole discretion of the Adviser). Please see the Fund's Prospectus at www.bxmix.com.

Sub-adviser allocations¹

MANAGER	STRATEGY	SUB-STRATEGY	CURRENT ALLOCATION
HealthCor	Equity Hedge	Equity Long Short	28%
Cerebellum ⁽¹⁾	Equity Hedge	Equity Market Neutral	
Endeavour	Equity Hedge	Equity Market Neutral	
Two Sigma Advisers	Equity Hedge	Equity Market Neutral	
Bayview	Relative Value	Fixed Income - Asset Backed	18%
Cerberus ⁽¹⁾	Relative Value	Fixed Income - Asset Backed	
Good Hill	Relative Value	Fixed Income - Asset Backed	
Sorin	Relative Value	Fixed Income - Asset Backed	
Waterfall ⁽¹⁾	Relative Value	Fixed Income - Asset Backed	
Caspian	Event Driven	Distressed/Restructuring	12%
Boussard & Gavaudan	Event Driven	Multi-Strategy	
Magnetar ⁽³⁾	Event Driven	Risk Arbitrage	
Nephila ⁽¹⁾	Event Driven	Reinsurance	
Emso	Macro	Discretionary Thematic	43%
H2O ⁽¹⁾	Macro	Discretionary Thematic	
NWI ⁽³⁾	Macro	Discretionary Thematic	
GSA	Macro	Systematic Diversified	
IPM	Macro	Systematic Diversified	
D.E. Shaw	Multi-Strategy	N/A	
BAIA-Direct ⁽²⁾	Multi-Strategy	N/A	

The list of sub-advisers and target allocations above is subject to change.

Please check the prospectus for the most up-to-date list of sub-advisers. Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%. Subadviser allocations do not represent investment exposure. For details of investment exposure, including leverage, please see the Monthly Exposure Report and Commentary, which is available at www.bxmix.com.

1. Sub-adviser is not currently managing any Fund assets. Allocations may change at any time without notice.
2. BAIA manages a portion of the Fund's assets directly. Such investments include allocations to BAIA's systematic risk premia trading strategy and funds managed by Glenview Capital Management LLC, and may include other opportunistic trades in the future. BAIA's fees on directly managed assets are not reduced by a payment to a sub-adviser.
3. Blackstone and its affiliates have financial interests in asset managers. Any allocation by Blackstone to a subsidiary or other affiliate benefits The Blackstone Group L.P. and any redemption or reduction of such allocation would be detrimental to The Blackstone Group L.P., creating potential conflicts of interest in allocation decisions. For a discussion of this and other conflicts, please see the Additional Disclosure section at the end of this document.

Monthly net performance⁴

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	-	-	-	-	0.50%	(0.40%)	0.90%	0.30%	(0.59%)	0.30%	(0.19%)	0.80%
2015	0.70%	1.88%	0.97%	(0.39%)	1.26%	(1.15%)	1.93%	(1.04%)	(0.67%)	0.29%	0.48%	(0.71%)	3.55%
2016	(2.17%)	(2.22%)	1.45%	1.32%	0.90%	(0.50%)	1.10%	(0.00%)	0.89%	0.00%	(0.20%)	0.85%	1.35%
2017	1.67%	0.77%	0.96%	1.52%	1.12%	(1.01%)	0.93%	0.92%	(0.09%)	0.92%	(0.64%)	(0.05%)	7.20%
2018	0.28%	(1.30%)	0.38%	0.94%	(1.49%)	(0.09%)	0.94%	0.28%					(0.09%)

4. Performance is presented through August 31, 2018. Net performance is net of the Gross Expense Ratio less waived expenses. Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. Additional information and performance data current to the most recent month-end is available at www.bxmix.com. BXMIX launched on June 16, 2014 and thus performance for June 2014 is limited to June 16 through June 30.

All investors should consider the investment objectives, risks, charges and expenses of BXMIX, Class I carefully before investing. The prospectus and the summary prospectus contain this and other information about BXMIX and are available on BXMIX's website at www.bxmix.com. All investors are urged to carefully read the prospectus and the summary prospectus in its entirety before investing.

Glossary of Terms

Beta: A measure of the volatility, or systemic risk, of a security or a portfolio in comparison to the market as a whole. **Volatility/Standard Deviation:** A measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance. **Sharpe Ratio:** A ratio to measure risk-adjusted performance. The Sharpe ratio is calculated by subtracting the risk-free rate – such as that of the 90 day T-Bill – from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Important Risks

An investment in BXMIX, Class I should be considered a speculative investment that entails substantial risks; you may lose part or all of your investment or your investment may not perform as well as other investments. BXMIX's investments involve special risks including, but not limited to, loss of all or a significant portion of the investment due to leveraging, short-selling, or other speculative practices, lack of liquidity and volatility of returns. The following is a summary description of certain additional principal risks of investing in BXMIX: **Allocation Risk** – Blackstone's judgment about the attractiveness, value or market trends affecting a particular asset class, investment style, sub-adviser or security may be incorrect and this may have a negative impact upon performance. **Derivatives Risk** – the use of derivatives involves the risk that their value may not move as expected relative to the value of the relevant underlying assets, rates, or indices. Derivatives can be subject to counterparty credit risk and may entail investment exposure greater than their notional amount. **Distressed Securities Risk**

- investments in securities of business enterprises involved in workouts, liquidations, reorganizations, bankruptcies and similar situations involve a high degree of risk of loss since there is typically substantial uncertainty concerning the outcome of such situations. **Event-Driven Trading Risk** – involves the risk that the specific event identified may not occur as anticipated and that this may have a negative impact upon the market price of the securities involved. **Foreign Investments/ Emerging Markets Risk** - involves special risks caused by foreign political, social and economic factors, including exposure to currency fluctuations, less liquidity, less developed and less efficient trading markets, political instability and less developed legal and auditing standards. **High Portfolio Turnover Risk** - active trading of securities can increase transaction costs (thus lowering performance) and taxable distributions. **Model and Technology Risk** – involves the risk that model-based strategies, data gathering systems, order execution and trade allocation systems and risk management systems may not be successful on an ongoing basis or could contain errors, omissions, imperfections or malfunctions. **Multi-Manager Risk** - managers may make investment decisions which conflict with each other and as a result, the Fund could incur transaction costs without accomplishing any net investment result. **Leverage Risk** – borrowing money or engaging in transactions that create investment leverage can produce volatility and may exaggerate changes in the net asset value of Fund shares.

The following information has not been provided in a fiduciary capacity under ERISA, and it is not intended to be, and should not be considered as, impartial investment advice. If you are an individual retirement investor, contact your financial advisor or other fiduciary unrelated to BAIA about whether any given investment idea, strategy, product or service described herein may be appropriate for your circumstances.

Prepared by Blackstone Advisory Partners L.P., a member of FINRA and an affiliate of Blackstone Alternative Investment Advisors LLC, the investment adviser of the Fund.

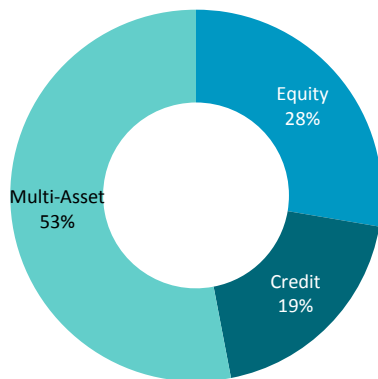
Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of August 31, 2018

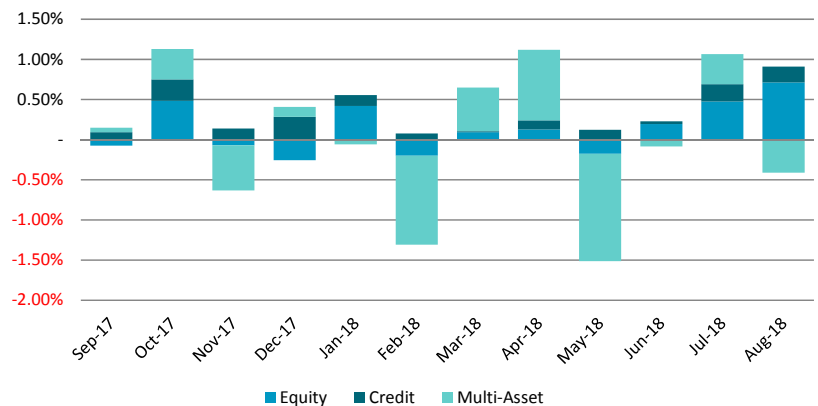
Performance summary^{1,2,3}

Sub-Strategy Performance	Allocation at 8/31/2018		MTD		QTD		YTD		Trailing 12 Months		ITD Cumulative Performance	
	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution	Return	Attribution
Equity	27.69%	2.23%	0.71%	3.75%	1.19%	5.15%	1.62%	5.45%	1.70%	31.96%	10.76%	
Credit	19.29%	0.89%	0.20%	1.87%	0.42%	4.14%	0.91%	7.81%	1.69%	29.39%	8.40%	
Multi-Asset	53.02%	-0.64%	-0.41%	-0.06%	-0.04%	-1.94%	-1.22%	-1.93%	-1.23%	11.60%	4.06%	
Cash & Other			-0.22%		-0.34%		-1.40%		-2.12%		-9.93%	
Net Return			0.28%		1.23%		-0.09%		0.04%		13.30%	

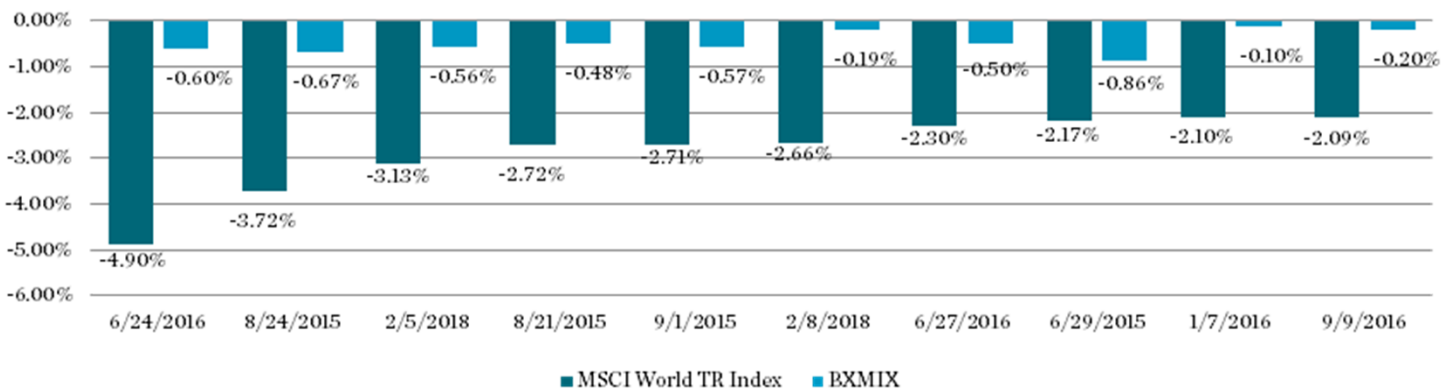
Sub-strategy summary³



Trailing 12 month sub-strategy attribution^{1,3}



BXMIX performance on worst 10 trading days for MSCI World since inception⁴



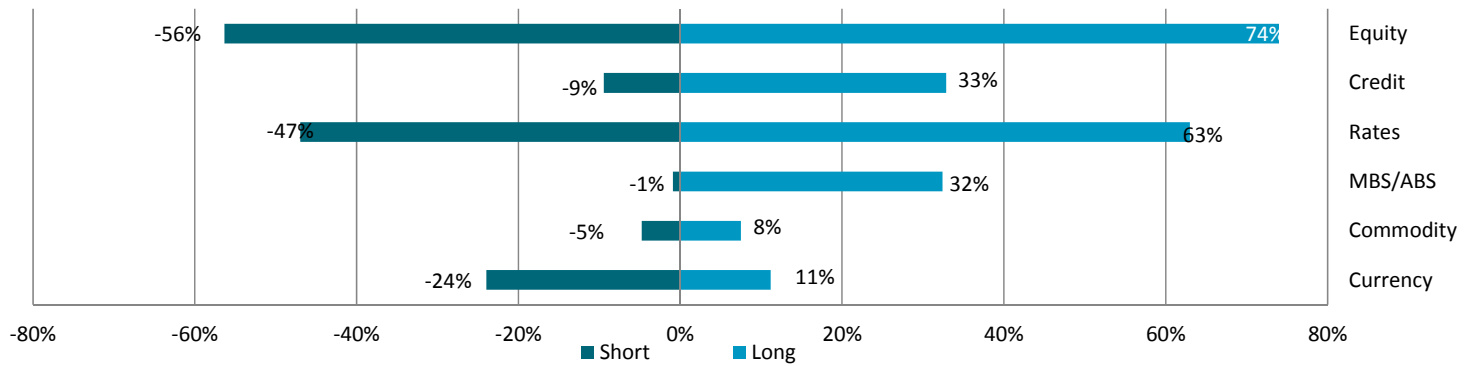
Because of the broadly diversified and low beta nature of the portfolio, BXMIX is not expected to participate in the full upside of broader equity markets. From 06/16/14 to 8/31/18, on the ten best MSCI World TR trading days, the average daily returns for the MSCI World TR and BXMIX were 2.12% and 0.41% respectively. The MSCI World TR is not a benchmark or target for the Fund. Please see important Disclosure Information at the end of this presentation.

Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Strategy attribution is presented on a gross basis as Blackstone fees are applied at the Fund level and not at the strategy level. ITD net return is cumulative not annualized. Information about BXMIX, including current month-end performance, is available on BXMIX's website at www.bxmix.com or by calling 855-890-7725. Data is from June 16, 2014 to August 31, 2018.

- Sub-strategy performance is shown gross of all fees and expenses. Performance is estimated and unaudited.
- Equity is comprised of Equity Long/Short, Equity Market Neutral; Credit is comprised of Fixed Income – Asset Backed, Fixed Income – Corporate, Distressed/Restructuring; Multi-Asset is comprised of Discretionary Thematic, Systematic Diversified, Risk Arbitrage, Multi-Strategy
- Sub-strategy allocations exclude exposures to Fund level cash, hedging and expenses and are adjusted pro-rata to equal 100%.
- Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks for the Fund, but rather are disclosed to allow for comparison of the Fund's performance to that of well-known and widely recognized indices. Indices are unmanaged and investors cannot invest in indices. Please see important Disclosure Information at the end of this presentation.

The definitions and disclosures appearing at the end of this document are an integral part of this presentation and should be read in their entirety for a complete understanding of the information contained herein.

Asset class exposure¹



Geographic exposure¹

	Long	Short	Net
US/Canada	129.95%	71.48%	58.47%
Core Europe	60.57%	52.15%	8.42%
Peripheral Europe	3.37%	0.53%	2.84%
Lat. Am./Caribbean	7.15%	1.14%	6.00%
Middle East/Africa	2.23%	1.85%	0.37%
Japan	4.25%	3.18%	1.07%
Asia general	10.00%	7.79%	2.21%
China/HK/Taiwan	3.47%	4.31%	-0.84%
Total	220.99%	142.44%	78.54%

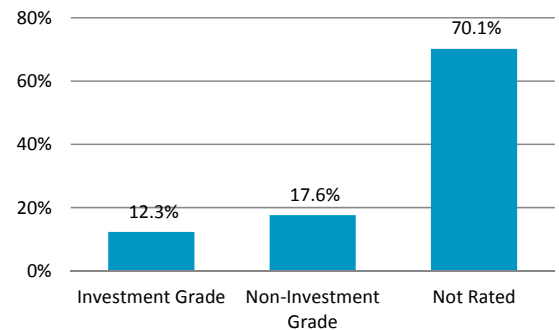
Currency exposure¹

Region	Long	Short	Net
Asia general	1.87%	0.35%	1.52%
China/HK/Taiwan	0.01%	0.20%	-0.19%
Core Europe	7.31%	19.97%	-12.67%
Japan	1.61%	1.81%	-0.20%
Latin America	0.07%	0.42%	-0.35%
Middle East/Africa	0.00%	0.57%	-0.57%
Peripheral Europe	0.16%	0.08%	0.08%
US/Canada	0.15%	0.57%	-0.42%
Total	11.18%	23.97%	-12.79%

Equity exposure – sector breakdown¹

	Long	Short	Net
Energy	1.96%	2.91%	-0.95%
Materials	1.46%	1.35%	0.11%
Industrials	4.51%	1.88%	2.63%
Consumer Discretionary	6.64%	5.94%	0.70%
Consumer Staples	2.72%	1.73%	1.00%
Health Care	13.20%	5.77%	7.44%
Financials	9.13%	6.49%	2.64%
Real Estate	0.61%	1.30%	-0.69%
Information Technology	8.56%	7.48%	1.08%
Telecommunication Services	1.14%	0.96%	0.18%
Utilities	1.33%	0.44%	0.90%
Index**	19.59%	20.11%	-0.51%
Unclassified***	3.14%	0.00%	3.14%
Total	74.01%	56.35%	17.66%

Fixed income ratings^{1,2}



1. In the case of non-interest rate instruments, exposure data represents the delta adjusted market value. In the case of interest rate products, exposure data is represented by the 10-year equivalent instrument. Positions of unknown type (if any) are excluded from exposure data. The Fund does not guarantee the accuracy of such data.

2. Positions of unknown type (if any) are excluded from exposure data. Data is obtained from StateStreet, the administrator for the Fund. The Fund does not guarantee the accuracy of such data. Using the higher Standard & Poor's ("S&P's") and/or Moody's Investor Service ("Moody's") ratings. Investment grade is a rating of a bond that has a relatively low risk of default. Investment grade are bonds rated above BBB- for S&P and Baa3 for Moody's. Non-investment grade is below Investment grade to D.

*Comprised of index futures, options on index futures, ETFs, and ETF options

**Do not have a GICS sector assigned

August Market Commentary

On August 29th, the U.S. Bureau of Economic Analysis released its estimate of second quarter gross domestic product (GDP) growth for the United States. The Bureau's 4.2% estimate is the highest reading since 2014, marking meaningful year-over-year growth¹.

The strong growth registered in the Bureau's second quarter reading reflects strength in consumer spending and corporate profits. Consumer spending grew over the last year due to increased demand for durable and nondurable goods. An increase in sales of durable goods such as automobiles, airplanes, household appliances and electronics generally indicates that consumers are pleased with their financial situations and the current health of the economy. Demand for non-durable goods such as paper and cleaning products also increased. From this data, one could infer that consumer confidence is strong and consumers feel comfortable spending on long term and short term goods. Additionally, the Bureau notes that corporate profits increased almost 8% from the second quarter of 2017². These factors are large contributors to economic growth for the quarter and may support continued positive progression for equity markets.

The current equity bull market is officially the longest ever, stretching to a staggering 3,462 day run as of August 31st. Now some investors are beginning to wonder what forces could derail such a prolonged run, arguing that such strong consumer spending and corporate profits are unsustainable. While the stability of growth in the longest running equity bull market remains unclear, such strong GDP readings may be accompanied by potential threats to portfolios in the form of rising interest rates.

Not surprisingly, the Federal Reserve ("Fed") has taken note of the recent fundamental strength of the U.S. economy. On August 1st, the Federal Open Market Committee (FOMC) issued a statement that leaves open the possibility for the Fed to increase interest rates in September and again in December. Interest rates are influenced by the Federal Funds rate, which the Fed will increase or decrease depending on their interpretation of the strength of the economy. A strong GDP reading generally supports higher interest rates and as we have discussed, rising rates may have a potentially adverse impact on fixed income portfolios. As rates increase, the value of fixed income portfolios may decline as buyers are attracted to higher yielding investments.

Taken together, one could argue that a long equity bull market and the prospect of rising rates could offer two potentially negative forces on both sides of a traditional investor's portfolio. It may be prudent for investors to review their portfolio holdings to ensure that they are properly positioned with these risks in mind. We maintain that alternative investments that are less reliant on the directionality of traditional assets may be a helpful portfolio diversification tool at such uncertain times.

Review of August Fund Performance

The investment objective of the Blackstone Alternative Multi-Strategy Fund (the "Fund") is to seek capital appreciation. The Fund aims to achieve its objective by allocating assets among a variety of investment sub-

¹ Source: U.S. Bureau of Economic Analysis

² Source: U.S. Bureau of Economic Analysis

advisers, each with experience managing non-traditional or “alternative” investment strategies and by managing assets directly (via BAIA³).

In August, the Fund’s Class I share class returned 0.28%⁴ net of fees and expenses versus 3.26% and 1.28% for the S&P 500 and MSCI World indices, respectively and versus 0.10% for the Barclays Global Aggregate Bond Index⁵.

Equity Strategies

Equity strategies (+2.23%) were the largest contributor to positive performance in August. Earlier this summer, strength in growth and momentum factors came at the expense of performance in value-biased stocks. August, however, saw a continuation of July’s relative improvement in value stocks. This translated into profits for some of our large cap, value-focused exposures in the Healthcare sector. Gains from long exposure to the biotech sub-sector were partially offset by losses from short exposure to the pharmaceutical sub-sector.

The Fund’s exposure to Financials was accretive as macro trends remain positive for banks with strong credit quality. Contributing to the favorable environment was a Federal Reserve ruling on August 28th which states that the Small Bank Holding Company Policy Statement will apply to banks with between \$1 billion and \$3 billion in assets. This allows companies fitting within this asset threshold to operate with cheaper debt, potentially encouraging future mergers and acquisitions within the sector. In addition to bank exposure, the Fund is currently taking both long and short positions in a number of asset managers. The investment thesis supporting the short positions states that there is a structural decline facing traditional asset managers that offer passive exposures as the race to acquire assets leads these institutions to continue to decrease the fees charged on these portfolios. Conversely, our Fund views alternative asset managers favorably as the differentiated product offerings allow these managers to generate strong revenues via higher fee products.

Credit Strategies

Credit strategies (+0.89%) also contributed positive performance for the month. As mentioned in prior commentaries, the Fund has meaningful exposure to credit risk transfer bonds (CRTs). While it was a relatively quiet month on the CRT front with no new issues, general spread tightening produced mark-to-market gains. Positive carry in certain commercial and residential mortgage-backed securities (CMBS and RMBS) also drove gains; however, exposure to an index that tracks broader CMBS sold off in August. Elsewhere in structured credit, the Fund increased its exposure to collateralized loan obligation (CLO) debt on the margin as existing exposure has been naturally decreasing as underlying loans are paid down.

³ BAIA manages a portion of the Fund’s assets directly. Such investments presently include allocations to BAIA’s systematic risk premia trading strategy and funds managed by Glenview Capital Management LLC, and may include other opportunistic trades in the future. BAIA’s fees on directly managed assets are not reduced by a payment to a sub-adviser.

⁴ Performance is shown net of the Gross Expense Ratio less waived expenses for Class I shares. Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance data above. Information is estimated and unaudited. For a summary of Fund performance of other share classes, please refer to the Fund’s website: www.bxmix.com.

⁵ **Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks or targets for the Fund, but rather are disclosed to allow for comparison of the Fund’s performance to that of well-known and widely recognized indices.** The indices may include holdings that are substantially different than investments held by the Fund and do not reflect the strategy of the Fund. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that may differ from the Fund. The indices do not reflect the deduction of fees or expenses. In the case of equity indices, performance of the indices reflects the reinvestment of dividends. Indices are unmanaged and investors cannot invest in indices.

The Fund currently has limited exposure to corporate credit, most of which is in senior secured stressed and distressed instruments. Long exposure to select Energy sector bonds rose on the back of raised guidance and higher utilization rates, while long exposure to select Media sector bonds detracted slightly on light volume, potentially attributable to reduced market participant attendance in August.

Multi-Asset Strategies

Multi-Asset strategies (-0.64%) detracted from performance during the month. Discretionary Thematic sub-strategies faced headwinds related to emerging markets exposure. The political and economic situation in Argentina is more tenuous than it was a year ago as a corruption scandal at the highest levels of the government weighed on markets in August. The Argentine peso hit an all-time low during the month, which hurt some of the Fund's currency and sovereign credit-related exposures.

Equity exposure detracted within both Multi-Strategy and Systematic Diversified sub-strategies with the former negatively impacted by equity index hedges amidst the broad-based equity market rally and the latter adversely impacted by long exposure to German stocks and short exposure to U.S. stocks. Additionally, Systematic Diversified sub-strategies provided mixed performance from currency exposures, as short exposure to the Swiss Franc detracted and long positioning in USD was accretive given investors' expectations for higher U.S. rates. A source of positive performance in August was exposure to commodities, as long exposure to oil and gas and short exposure to both precious and industrial metals generated gains.

Opinions expressed reflect the current opinions of BAIA as of the date of this material only. Past performance may not be a reliable guide to future performance. The value of BXDMS shares may go down as well as up and there can be no assurance that the Fund will achieve its investment objectives or avoid significant losses. The Fund may shift allocations among sub-advisers, strategies and sub-strategies at any time. Certain of the information provided herein has been obtained from or derived from the Fund's sub-advisers. BAIA does not guarantee the accuracy or completeness of such information.

Important Disclosure information

All investors should consider the investment objectives, risks, charges and expenses of BXMIX carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about BXMIX and are available on BXMIX's website at www.bxmix.com. All investors are urged to carefully read the prospectus and, if available, the summary prospectus in its entirety before investing. Additional information regarding BXMIX is available upon request.

Opinions expressed reflect the current opinions of BAAM as of the date of the report only.

Important Disclosures Regarding Exposure

Exposure data presented herein does not consider the impact of delta on option positions (unless noted otherwise). Instead, exposures represent the market value of each underlying instrument. Positions of unknown type (if any) are excluded from exposure data.

There is no attempt in this report to differentiate between or adjust for shorter versus longer duration rates trades. Instead, they are shown only by market value of exposure. Given that exposure data is based on fund holdings, it excludes unsettled trades. Position level data is obtained from State Street Bank and Trust Company, the administrator for BXMIX. Blackstone does not guarantee the accuracy of such data.

Glossary of Terms:

Gross Exposure: Reflects the aggregate of long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX has 110% gross exposure to that asset class. The gross exposure is one indication of the level of leverage in a portfolio. **Net Exposure:** This is the difference between long and short investment positions in relation to the net asset value. For example, if BXMIX has 60% long exposure and 50% short exposure to a particular asset class, then BXMIX is 10% net exposure to that asset class. **Long:** A long position occurs when an individual owns securities. **Short:** Short selling a security not actually owned at the time of sale. Short positions can also generate returns when the price of a security declines. **DV01:** A bond valuation calculation showing the dollar value of a one basis point change in interest rates or yield. **Alpha:** A risk-adjusted performance measure that represents the average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return.

Glossary of Indices

Market indices obtained through Bloomberg. **Barclays Global Bond Index:** provides a broad-based measure of the global investment grade fixed-rate debt markets. It is comprised of the U.S. Aggregate, Pan-European Aggregate, and the Asian-Pacific Aggregate Indexes. **HFRX Global Hedge Fund Index:** HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge Fund Universe. **MSCI World Index:** a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The MSCI World is maintained by Morgan Stanley Capital International, and is comprised of stocks from 23 developed markets in the world. **Morningstar Multialternative Category Average:** Represents the average performance of mutual funds categorized as "multialternative" funds by Morningstar, Inc. These funds use a combination of alternative strategies such as taking long and short positions in equity and debt, trading futures, or using convertible arbitrage, among others. Funds in this category have a majority of their assets exposed to alternative strategies and include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. **The Standard & Poor's 500 Index** - S&P 500 is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies by market value.

Indices are unmanaged and investors cannot invest in an index. Indices are provided for illustrative purposes only. They have not been selected to represent appropriate benchmarks for BXMIX, but rather are disclosed to allow for comparison of BXMIX's performance to that of well-known and widely recognized indices. The indices may include holdings that are substantially different than investments held by BXMIX and do not reflect the strategy of the Fund. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that may differ from BXMIX. The indices do not reflect the deduction of fees or expenses. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.