

Blackstone Alternative Multi-Strategy Fund (BXMIX)

As of April 30, 2016

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 nontraditional or "alternative" investment strategies. Blackstone will allocate the Fund's assets among investment subadvisers with experience managing alternative investment strategies and among investment funds. It may also manage a portion of the Fund's assets directly.

Fund highlights

Fund assets ⁶	\$4,605 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)

Management fee	1.95%
Gross expense ratio	3.44%
Net expense ratio	2.40%

Portfolio managers

Name	Years at Blackstone
Gideon Berger	14 Years
Robert Jordan	5 Years
David Mehenny	6 Years
Ian Morris	6 Years
Alberto Santulin	13 Years
Stephen Sullens	15 Years

Fund net performance^{1,2,3}

	As of 03/31/2016			As of 04/30/2016				ITD Statistics			
	YTD	1 Yr	ITD	Apr-16	YTD	1 Yr	ITD	St.Dev.	Beta ⁴	Alpha ⁵	Sharpe
BXMIX	-2.96%	-3.01%	0.71%	1.32%	-1.68%	-1.34%	1.38%	3.87%	-	-	0.34
HFRX Global	-1.87%	-7.36%	-4.09%	0.41%	-1.47%	-7.18%	-3.70%	4.00%	0.66	3.79%	-0.94
Barclays Agg Bond	3.03%	1.96%	3.42%	0.38%	3.43%	2.72%	3.47%	3.31%	-0.29	2.33%	1.03

1. Performance is presented through April 30, 2016. 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. BXMIX launched on June 16, 2014 and has a limited performance record. Additional information and current performance data is available at www.blackstone.com/bxmix.

The firm

Blackstone is a large and diversified alternative asset manager, with

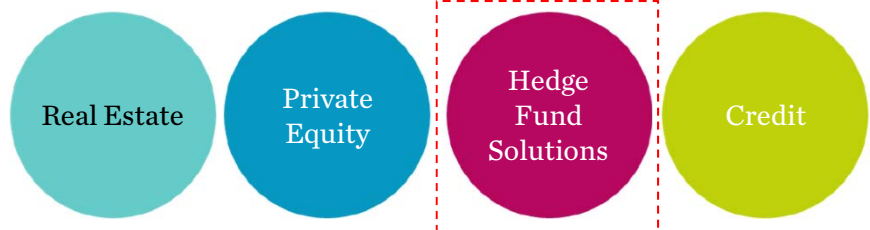
\$334B

in assets under management.⁹

Blackstone is the largest discretionary allocator to hedge funds in the world, with over

\$68B

in assets under management.^{8,9}



2. 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 April 30, 2016.

7. Net expense ratio consists of the total expense ratio, as reflected in the Fund's prospectus adjusted to reflect any fee waiver/expense reimbursement and excluding interest and dividends on securities sold short, acquired fund fees and expenses not subject to the expense cap. Through May 31, 2016, Blackstone Alternative Investment Advisors LLC has contractually agreed to waive its fees and/or reimburse expenses of the Fund so that certain of the Fund's expenses, together with the Fund's management fees, will not exceed 2.40% annualized for Class I shares.

8. Source: InvestHedge Billion Dollar Club (as of June 2015) based on AUM.

9. As of March 31, 2016.

Sub-adviser allocations

MANAGER	STRATEGY	SUB-STRATEGY	CURRENT ALLOCATION
Goldman Sachs	Equity Hedge	Equity Long Short	40%
HealthCor	Equity Hedge	Equity Long Short	
Rail-Splitter	Equity Hedge	Equity Long Short	
Wellington	Equity Hedge	Equity Long Short	
Senfina	Equity Hedge	Equity Market Neutral	
Two Sigma Advisers	Equity Hedge	Equity Market Neutral	
Bayview	Relative Value	Fixed Income - Asset Backed	26%
Cerberus	Relative Value	Fixed Income - Asset Backed	
Good Hill	Relative Value	Fixed Income - Asset Backed	
Sorin	Relative Value	Fixed Income - Asset Backed	
Waterfall	Relative Value	Fixed Income - Asset Backed	
Chatham	Relative Value	Fixed Income - Corporate	
Caspian	Event Driven	Distressed/Restructuring	10%
Boussard & Gavaudan	Event Driven	Multi-Strategy	
Nephila	Event Driven	Reinsurance	
Emso	Macro	Discretionary Thematic	24%
AlphaParity	Macro	Systematic Diversified	
IPM	Macro	Systematic Diversified	
D.E. Shaw	Multi-Strategy	N/A	

*Manager name may be a short form name of the legal name of each sub-adviser. 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%.

Blackstone Senfina Advisors L.L.C. ("Senfina") is an indirect wholly-owned subsidiary of The Blackstone Group L.P., a publicly traded master limited partnership that has units that trade on the New York Stock Exchange under the symbol "BX." Senfina is an affiliate of BAlA, the Fund's investment adviser, on the basis that it is under common control with BAlA. The investment by BXMLX with Senfina benefits Blackstone and a withdrawal from Senfina would be detrimental to Blackstone.

Monthly net performance¹

	Jan	Feb	Mar	Apr	May	June	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%									-1.68%

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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.blackstone.com/bxmix. All investors are urged to carefully read the prospectus and the summary prospectus in its entirety before investing.

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 10-year U.S. Treasury bond – 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.

Glossary of Indices

Market indices obtained through Bloomberg. Indices are unmanaged and investors cannot invest in an index. The volatility of the indices presented may be materially different from that of the performance of BXMIX. In addition, the indices employ different investment guidelines and criteria than BXMIX; as a result, the holdings in BXMIX may differ significantly from the securities that comprise the indices. The performance of the indices has not been selected to represent an appropriate benchmark to compare to the performance of BXMIX, but rather is disclosed to allow for comparison of BXMIX's performance to that of well-known and widely recognized indices. In the case of equity indices, performance of the indices reflects the reinvestment of dividends. **Barclays Aggregate Bond Index:** covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes government securities, mortgage-backed securities, asset-backed securities and corporate securities all with a maturity of greater than one year. **HFRX Global Hedge Fund Index:** 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.

Important Risks

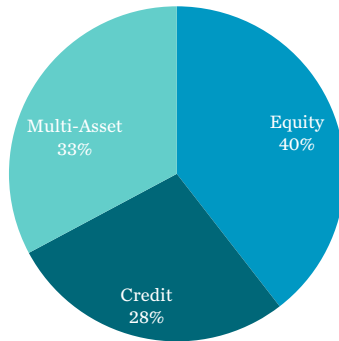
An investment in BXMIX, Class I should be considered a speculative investment that entails substantial risks; you may lose part or all of your investment or your investment may not perform as well as other investments. BXMIX's investments involve special risks including, but not limited to, loss of all 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.

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.

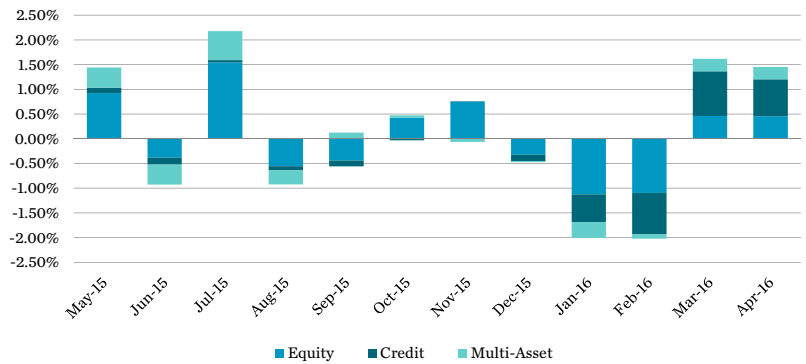
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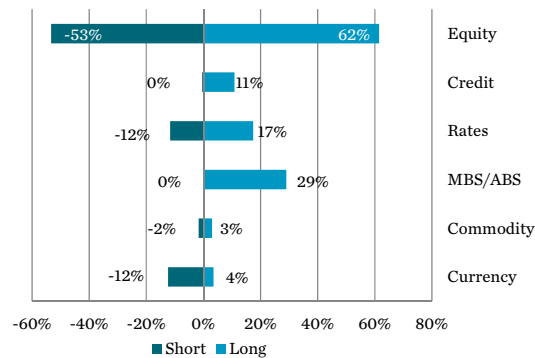
Sub-strategy summary



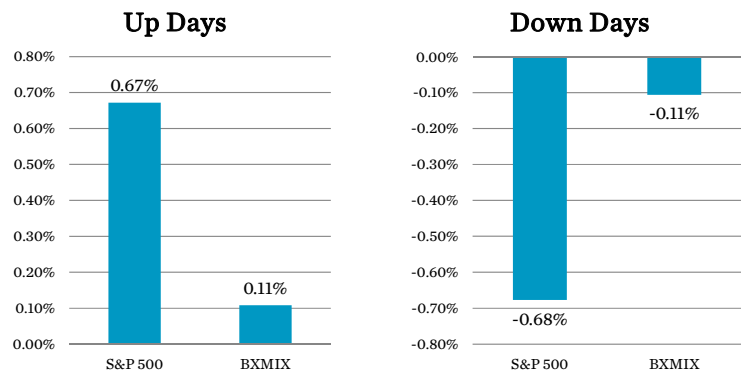
Trailing 12 month gross strategy attribution^{1,5}



Asset class exposure²



Average daily return for days when S&P500 total return was positive/negative¹



Geographic exposure^{2,3}

	Long	Short	Net
US/Canada	79.23%	46.75%	32.47%
Core Europe	26.20%	21.80%	4.40%
Peripheral Europe	5.45%	0.56%	4.88%
Lat. Am./Caribbean	6.87%	0.67%	6.20%
Middle East/Africa	1.82%	0.62%	1.20%
Japan	3.04%	3.75%	-0.71%
Asia general	1.66%	3.51%	-1.85%
China/HK/Taiwan	1.09%	1.59%	-0.49%
Total	125.36%	79.27%	46.09%

Equity exposure – sector breakdown³

	Long	Short	Net
Energy	1.92%	1.01%	0.92%
Materials	2.37%	2.45%	-0.08%
Industrials	4.36%	2.72%	1.65%
Consumer Discretionary	9.53%	5.54%	3.98%
Consumer Staples	1.33%	2.76%	-1.43%
Healthcare	12.56%	5.34%	7.22%
Financials	6.77%	3.19%	3.58%
Technology	7.99%	4.02%	3.97%
Telecom	1.77%	0.83%	0.94%
Utilities	0.38%	0.66%	-0.27%
Unclassified ⁴	12.57%	24.81%	-12.24%
Total	61.55%	53.32%	8.24%

1. 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. Information about BXMIX, including current month-end performance, is available on BXMIX's website at www.blackstone.com/bxmix/ or by calling 855-890-7725. Index performance is shown for illustrative purposes only. You cannot invest directly in an index. Data is from June 16, 2014 to April 30, 2016.

2. Interest rate exposure information is represented by the 10 year equivalent

3. 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.

4. Comprised of index futures, options on index futures, ETFs, and ETF options

5. Equity is comprised of Equity Long/Short; Credit is comprised of Fundamental Credit and Opportunistic Trading Credit; Multi-Asset/Quantitative is comprised of Quantitative and Global Macro/Multi-Strategy

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.

Additional information and current performance data is available at www.blackstone.com/bxmix.

Performance commentary

April Market Commentary

U.S. stocks ended the month of April slightly higher despite giving back some mid-month gains. While the rally from February lows may have erased some losses in investors' portfolios, it sparked questions about how much and for how long stocks can continue to climb. Company fundamentals certainly don't appear to be supporting this upward trajectory. In fact, April marked the start of Q1 earnings season in which some of the largest U.S. companies reported a drop in profits for yet another quarter.

The Federal Reserve appears to be in a holding pattern, as it once again left the target Fed Funds rate unchanged on April 27th. Conflicting economic signals are largely to blame. While steady job growth and an improving housing market typically indicate a strengthening U.S. economy, actual economic growth measures and weak corporate earnings suggest otherwise. The Federal Open Market Committee indicated that it expects inflation to remain low in the near term due, in part, to continued low energy prices, but to rise to 2% over the medium term "as the transitory effects of declines in energy and import prices dissipate and the labor market strengthens further." At Blackstone, we continue to be on the dovish side of the debate when it comes to the level of inflation and interest rates. After examining the core personal consumption expenditure (PCE) data ourselves, we concluded that with supply/demand-sensitive core PCE competitive prices generally being stable and profit margins declining against a backdrop of slow growth (despite strong job gains), core inflation trends will probably remain low.

In Europe, inflation remains at depressed levels, falling to an estimated -0.2%¹ in April, despite the European Central Bank's attempt to stimulate growth and inflation by implementing further stimulus measures a month earlier. Separately, discussions about Britain's upcoming mid-June vote on exiting the European Union seemed to spark a lot of fears about potential negative impacts to global trade. Although the polls suggest that the vote will be close, it's hard to predict what kind of impact this particular referendum outcome may have on markets. Google searches for the term "Brexit" have now outnumbered those for "Grexit" at their peak last summer suggesting that perhaps the market has already priced in this political risk².

Markets continue to fret about China. It has been widely reported that debt/GDP continues to rise sharply, and this might mean the economy collapses when its so-called credit bubble bursts. If it does, this would worsen the downside to both growth and inflation projections across the world. We believe that, while there will be inevitable bumps along the way as China transitions from investment-led to consumer-led growth, many of the negative headlines are consistent with the normal growing pains of a maturing economy.

At Blackstone, our top-down views on the global economy and markets, combined with robust scenario analysis, guide strategy research and portfolio construction. We believe that a deliberate, systematic approach to strategy selection is required to react to and capture the changing opportunity set. This requires forming a point of view on world economies, market fundamentals, techniques and strategies, and then refining that view to satisfy investment goals and restrictions. Having this informed top-down macro view gives us the confidence to rotate across alternative investment strategies and invest in specific niche areas when the relevant market opportunities arise.

Review of Fund Performance

The investment objective of 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-advisers with experience managing non-traditional or "alternative" investment strategies. In April, the Fund's Class I share class returned 1.32% net of fees and expenses versus 0.39% and 1.65% for the S&P 500 and MSCI World Indices, respectively, and versus 0.38% for the Barclays U.S. Aggregate Bond Index.

(1) <http://appsso.eurostat.ec.europa.eu/nui/show.do>

(2) <http://www.google.com/trends/explore?q=brexit#q=brexit%2C%20grexit&cmpt=q&tz=Etc%2FGMT%2B4>

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For a summary of Fund performance of other share classes, please refer to the Fund's website: <http://www.blackstone.com/bxmix>

Performance commentary

Equity Strategies

Equity strategies contributed positively to performance in April, led by Equity Long/Short sub-strategies. After a challenging first quarter, healthcare stocks bounced back in April. Certain parts of the sector received a boost due to mergers and acquisitions heating up, an increase in new drugs in the pipeline and even U.S. Presidential candidate Hillary Clinton's speeches affirming her intention to support the Affordable Care Act. In fact, the Fund's healthcare exposure exhibited strong performance from both an alpha and absolute return perspective. Gains on the long side were led by biotech exposures that appreciated on strong acquisition interest as well as exposures to pharmaceutical companies. In addition, the short book was up on the month after the share prices of some stocks sold short declined on the back of weak earnings reports.

Outside of healthcare, financials stocks rallied in April on the back of several strong earnings reports. Long exposures to certain U.S. and U.K. banks as well as specialty finance companies contributed to performance. The Fund also experienced gains from long exposures to business services and specialized REITs, and short exposures to consumer discretionary and information technology sectors. The primary detractors for the month included long exposures to communications equipment and technology along with exposures to materials.

Within broader equity markets, we saw short interest decrease in some names, increase in others, but remain largely unchanged in aggregate. While there continued to be short squeezes in some high short interest names, the rallies were not nearly as extreme as those we experienced in February/March. From a fundamental stock-picking perspective, stock prices appeared to behave much more rationally to company-specific developments and news than they did in prior months, though there hasn't been a complete normalization yet.

Credit Strategies

Credit strategies were the strongest performers this month with the largest gains coming from some of the Fund's asset-backed exposures. The fundamentals of certain credit risk transfer exposures appear to remain strong and those exposures benefited from spread tightening during the month. Positive carry generated by other mortgage-backed and asset-backed exposures outweighed mark-to-market losses and certain idiosyncratic opportunities also contributed to performance. Additionally, the broader rally in high yield bonds, particularly in the printing/publishing and metals & mining sectors, drove gains. Negative attribution for the month was driven by select short commercial mortgage-backed exposures and hedges.

The current environment provides an interesting time to be investing in credit. Markets have presented opportunities in select areas of corporate and structured credit, and we believe that there could be significant opportunities in dislocated situations for sub-advisers with the appropriate expertise and mandate. We are looking at opportunities to deploy capital in the liquid credit space in the coming quarters and expect to further reduce the Fund's equity beta.

Multi-Asset Strategies

Multi-Asset strategies also ended the month in positive territory with Macro strategies providing the largest gains. A rebound in emerging markets helped boost exposures to sovereign high yield bonds in Argentina, Greece and Venezuela. Other gains came from Brazil and Russia fixed income exposures, while local rates and FX exposures were largely flat on the month. Systematic Diversified sub-strategies experienced gains in value factor models, specifically in commodities and FX. Exposures to certain developed market currencies also contributed. Fixed income and equity value strategies, along with broader momentum and carry factor models, detracted from performance. Certain equity and fixed income hedges also experienced losses.

On May 1st, Puerto Rico Governor Padilla warned of another default by the struggling U.S. territory after blocking a \$422 million debt payment in order to provide essential services in lieu of paying creditors. While the Fund currently does not have any exposure to Puerto Rican debt, we are monitoring the situation as it may present future opportunities.

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For a summary of Fund performance of other share classes, please refer to the Fund's website: <http://www.blackstone.com/bxmix>

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.blackstone.com/bxmixon. 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. **VaR:** A statistical technique used to measure and quantify the level of financial risk within a firm or investment portfolio over a specific time frame. Value at risk is used by risk managers in order to measure and control the level of risk which the firm undertakes. The risk manager's job is to ensure that risks are not taken beyond the level at which the firm can absorb the losses of a probable worst outcome. **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. Indices are unmanaged and investors cannot invest in an index. The volatility of the indices presented may be materially different from that of the performance of BXMIX. In addition, the indices employ different investment guidelines and criteria than BXMIX; as a result, the holdings in BXMIX may differ significantly from the securities that comprise the indices. The performance of the indices has not been selected to represent an appropriate benchmark to compare to the performance of BXMIX, but rather is disclosed to allow for comparison of BXMIX's performance to that of well-known and widely recognized indices. In the case of equity indices, performance of the indices reflects the reinvestment of dividends.

S&P 500 Total Return Index: market capitalization-weighted index that includes 500 stocks representing all major industries. Returns are denominated in U.S. dollars and include dividends. The index is a proxy of the performance of the broad U.S. economy through changes in aggregate market value.

Important Risks

An investment in BXMIX 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, subadviser 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.

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