

SINGAPORE INFORMATION MEMORANDUM
(the "**Information Memorandum**")

BLACKSTONE ALTERNATIVE INVESTMENT FUNDS PLC
an umbrella fund with segregated liability between sub-funds
(the "**Company**")

and its sub-fund
BLACKSTONE DIVERSIFIED MULTI-STRATEGY FUND
(the "**Fund**")

17 July 2020

This Information Memorandum forms part of and should be read in conjunction with the Prospectus of the Company dated 19 December 2019 (the "Prospectus**") and the Supplement thereto for the Fund dated 19 December 2019 (the "**Supplement**") and the addendum to the Prospectus and Supplement dated 16 March 2020 (the "**Addendum**", and together with the Prospectus and the Supplement, the "**Offering Documents**"). Unless otherwise stated, capitalised terms used in this Information Memorandum for Singapore investors shall have the same meaning as in the Offering Documents.**

Nothing in this Information Memorandum or the Offering Documents should be construed as advice on the merits of an investment in the Fund.

The purpose of this Information Memorandum is to provide information to Singapore investors in the Fund in accordance with the information required under Paragraph 1(2) of the Sixth Schedule to the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 (the "**SFR**").

Important information for Singapore investors

The Fund is not authorised under Section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the "**Act**") or recognised under Section 287 of the Act by the Monetary Authority of Singapore ("**MAS**") and the shares in the Fund (the "**Shares**") are not allowed to be offered to the retail public in Singapore. The Fund is a restricted scheme under the SFR. Each of this Information Memorandum and any other document or material issued in connection with the offer or sale of the Shares is not a prospectus as defined in the Act and accordingly, statutory liability under the Act in relation to the content of prospectuses does not apply. Prospective investors should consider carefully whether an investment in the Shares is suitable for them. The MAS assumes no responsibility for the contents of this Information Memorandum.

As this Information Memorandum has not been registered as a prospectus with the MAS, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (I) to an institutional investor pursuant to Section 304 of the Act, (II)

to an accredited investor or any other "relevant person" as defined in Section 305(5) of the Act, or any person pursuant to Section 305(2) of the Act, and in accordance with the conditions specified in Section 305 of the Act or (III) in accordance with the conditions of any other applicable provisions of the Act, as the same may be amended from time to time. The Shares subscribed or purchased pursuant to Section 304 or 305 of the Act may only be transferred in accordance with provisions of Section 304A or 305A of the Act respectively.

Please note that with effect from 8 April 2019, notwithstanding that the relevant income or wealth criteria prescribed under the definition of "accredited investor" in Section 4A(1)(a) of the Act and Regulation 2 of the Securities and Futures (Classes of Investors) Regulations 2018 ("**SF(CI)R**") may be satisfied, only persons who have consented (or are deemed to have consented) to being treated as accredited investors can be considered to be accredited investors to whom (I) Shares may be offered or sold, or (II) an invitation for subscription or purchase of the Shares may be made, or (III) this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares may be circulated or distributed, pursuant to Section 305(1) of the Act. Each existing client onboarded before 8 April 2019 by the relevant distributor of the Fund in Singapore that manages the client relationship (the "**Marketing Entity**") who is:

- (1) an individual:
 - (a) will be deemed to have consented to being treated as an accredited investor up to 8 July 2020 if he/she does not notify the Marketing Entity that he/she does not wish to be treated as an accredited investor, in response to the statements in writing¹ ("**Opt-out Letter**") provided to him/her by the Marketing Entity before 8 April 2019 to notify him/her of the option to withdraw his/her consent to be treated as an accredited investor; and
 - (b) will have to consent to continue being treated as an accredited investor after 8 July 2020 by returning the duly completed and signed acknowledgement² ("**Opt-in Form**") to the Marketing Entity by 8 July 2020, in response to the statements in writing³ ("**Opt-in Letter**") provided to him/her by the Marketing Entity before 8 July 2020;
- (2) a corporation, trustee, entity or partnership, will be deemed to have consented to being treated as an accredited investor if it does not notify the Marketing Entity that it does not wish to be treated as an accredited investor, in response to the Opt-out Letter provided to it by the Marketing Entity before 8 April 2019.

¹ These statements in writing must be provided pursuant to Regulation 3(4)(c) (for corporations/trustees/entities/partnerships) or Regulation 3(5)(c) (for individuals) of the SF(CI)R.

² Each individual client onboarded by the Marketing Entity prior to 8 April 2019, and who wishes to be treated as an accredited investor is required pursuant to Regulation 3(3)(c) of the SF(CI)R, to provide a statement in writing to the effect that the individual client has consented to being treated as an accredited investor for all the consent provisions set out in Regulation 3(9) of the SF(CI)R by the Marketing Entity.

³ These statements in writing must be provided pursuant to Regulation 3(3)(b) of the SF(CI)R.

Each new client onboarded on or after 8 April 2019 who wishes to be treated as an accredited investor by the Marketing Entity will have to consent to being treated as an accredited investor by returning the duly completed and signed Opt-in Form to the Marketing Entity, in response to the Opt-in Letter provided to such new client by the Marketing Entity.

Where the Shares are acquired under Section 305 of the Act by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the Act) of that corporation shall not be transferable for 6 months after that corporation has acquired the Shares under Section 305 except:

- (1) to an institutional investor or to a relevant person as defined in Section 305(5) or arising from an offer under Section 275(1A) of the Act;
- (2) where no consideration is given for the transfer; or
- (3) where the transfer is by operation of law.

Where the Shares are acquired under Section 305 of the Act by a relevant person which is a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor, the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that trust has acquired the Shares under Section 305 except:

- (1) to an institutional investor or to a relevant person as defined in Section 305(5) of the Act or arising from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than \$200,000 (or its equivalent in a foreign currency) (or such other amount as may be prescribed under the Act) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;
- (2) where no consideration is given for the transfer; or
- (3) where the transfer is by operation of law.

Notification under Section 309B(1)(c) of the Act - In connection with Section 309B of the Act and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined the classification of the Fund as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

By accepting receipt of this Information Memorandum and any other document or material issued in connection with the offer or sale of the Shares, a person (within the meaning of Singapore law) in Singapore represents or warrants that person is entitled to receive such document

in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein.

Investors should note that only Shares in the Fund are being offered pursuant to this Information Memorandum.

1. **Investment Objective and Policy of the Fund, and Investment Approach of the Investment Manager**

Please see the sections headed “Investment Objectives and Policies” and “Investment Manager Overview, Sub-Adviser Selection Process” in the Supplement for information on the Funds’ investment objective and policy, and the investment approach of the Investment Manager.

2. **Risks of subscribing for or purchasing Shares in the Fund**

Please refer to the sections on "Investment Risks" and "Risk Factors" in the Prospectus.

3. **Regulation of the Fund**

The offer of the Shares in the Fund is subject to the requirements set out in Division 2 of Part XIII of the Act. The MAS is the regulatory authority in Singapore which administers the Act. The contact details of the MAS are available at <http://www.mas.gov.sg/contact-information.aspx>.

The Company has been established as an umbrella fund with segregated liability between sub-funds (including the Fund) pursuant to the UCITS Regulations. The Company has been authorised by the Central Bank as a UCITS within the meaning of the UCITS Regulations, and the Company has obtained the approval of the Central Bank for the establishment of the Fund. The Central Bank can be contacted New Wapping Street, North Wall Quay, Dublin 1.

The offer of the Shares in the Fund may be subject to regulation by financial supervisory authorities in other jurisdictions in which the Shares are being offered.

4. **Place of Incorporation of the Fund and its Business Address**

The Fund is a sub-fund of the Company. The Company is an investment company with variable capital incorporated with limited liability in Ireland with registered number 543808. The registered office of the Company is at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

The other key main providers to the Fund are as follows:

Investment Manager and Distributor

Blackstone Alternative Investment Advisors LLC
345 Park Avenue

New York, NY 10154
United States

Administrator and Transfer Agent

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Depository

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Auditor

Deloitte & Touche
Earlsfort Terrace
Dublin 2
Ireland

5. Particulars of the Board of Directors of the Company, Investment Manager and the Depository

The board of directors (the "**Board**") of the Company is responsible for managing the business affairs of the Company, and thus, the Fund. The Board has delegated the day-to-day management of the Fund's investment activities to the Investment Manager. For information on the Board, please refer to the sub-section on "The Board of Directors" under the section headed "Management and Administration" in the Prospectus.

The Investment Manager of the Fund is Blackstone Alternative Investment Advisors LLC, a limited liability company organised under the laws of the State of Delaware, which is responsible for the management of the Fund's investment activities, subject to the oversight of the Board. The Investment Manager is an indirect wholly-owned subsidiary of The Blackstone Group Inc., and it is registered with the SEC as an investment adviser under the 1940 Act. The contact details of the SEC are available at <http://www.sec.gov/contact.shtml>.

The Investment Manager may delegate its investment management functions to one or more Sub-Advisers provided that such delegation is made in accordance with the requirements of the Central Bank. The assets of the Fund will be managed by one or more Sub-Advisers appointed by the Investment Manager. Fund assets that are not allocated to a Sub-Adviser are managed by the Investment Manager or its affiliates.

Each discretionary Sub-Adviser is responsible for the day-to-day management of the assets that the Investment Manager allocates to it. Each non-discretionary Sub-Adviser is responsible for providing the Investment Manager with a model portfolio for the assets allocated to it or providing other advice to be implemented by the Investment Manager in its discretion. Subject to the terms of the Investment Management Agreement between

the Company and the Investment Manager, the Investment Manager has the ultimate responsibility to oversee each Sub-Adviser.

Certain information concerning the Sub-Advisers, including the relevant investment strategies, will be provided by the Investment Manager, free of charge, upon a Shareholder's request and shall be available at the internet address www.blackstone.com/bxdms. For investment advisers registered with the SEC, additional information is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Such information is published for information purposes only and does not form part of the Offering Documents or this Information Memorandum. Information concerning the Sub-Advisers will also be contained in the Company's latest annual and half-yearly reports.

For information on the Investment Manager and Sub-Advisers, please refer to the sub-sections on "The Investment Manager and Distributor" and "The Sub-Advisers" under the section headed "Management and Administration" in the Prospectus.

The Company has appointed State Street Custodial Services (Ireland) Limited to act as the depositary of the Company. The Depositary is a limited liability company incorporated in Ireland on 22 May 1991 with registered number 174330 and is ultimately owned by State Street Corporation. The Depositary is regulated by the Central Bank. The contact details of the Central Bank are provided in the section headed "Regulation of the Fund" above.

The Depositary has power to delegate the whole or any part of its depositary functions, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. For information on the Depositary as well as delegates and sub-delegates of the Depositary, please refer to the sub-section on "The Depositary" under the section headed "Management and Administration" in the Prospectus and Schedule V on "Sub-delegates appointed by State Street Bank and Trust Company" to the Prospectus.

6. Redemption of Shares in the Fund

Please refer to the section headed "Administration of the Company", and in particular, the sub-sections on "Initial Charge and Redemption Charge", "Redemption Requests", "Redemption Price", "Temporary Suspension of Valuation of the Shares and of Sales and Redemptions", "Redemptions In Kind", "Umbrella Cash Accounts", "Mandatory Redemption of Shares", "Conversion of Shares", "Mandatory Conversion of Shares" and "Termination" in the Prospectus, and the sections on "Redemption Charge" and "Settlement Time" in the Supplement.

7. Policy on Side Letters

Each of the Company and the Fund will not enter into any side letter with selected investors that may further qualify the relationship between such investors and the Company or the Fund (as the case may be). The Investment Manager may waive or reduce the investment management fee and/or performance fee charged to certain Shareholders at its sole discretion and has entered into arrangements with certain investors to so waive a portion of the fees charged to early stage Shareholders as well as Shareholders that are affiliated with the Investment Manager.

8. Past performance of the Fund

Pursuant to Paragraph 1(2)(c)(ix) of the Sixth Schedule to the SFR, an information memorandum may state where investors are able to obtain information on past performance instead of stating the past performance in the information memorandum.

Information relating to past performance of the Fund may be obtained from the Investment Manager at the address above or by phone: at 001 212 583 5000. Please note that the past performance of the Fund is not indicative of future results.

9. Accounts of the Fund

In each year the Directors shall arrange to be prepared an annual report and audited annual accounts for the Company. These will be made available to Shareholders (by electronic mail or other form of electronic communication, including by posting them on the Investment Manager's website at www.blackstone.com/bxdms within four months of the end of the financial year. In addition, the Company shall prepare and make available to Shareholders within two months of the end of the relevant period a half-yearly report which shall include unaudited half-yearly accounts for the Company in the same manner.

Annual accounts shall be made up to 31 December in each year. Unaudited half-yearly accounts shall be made up to 30 June in each year.

Audited annual reports and unaudited half-yearly reports shall be provided to a Shareholder on request free of charge and the reports may be delivered in paper copy if a Shareholder so requests.

Please refer to the section on "General" and in particular, the paragraph on "Reports and Other Investor Communications" in the Prospectus.

10. Fees and charges payable

For fees and charges payable by the Fund and/or the Company, please refer to the section on "Fees" in the Supplement, and the section on "Fees and Expenses" in the Prospectus.

For fees and expenses payable by the Shareholders, please refer to the sections on "Fees and Expenses" and "Administration of the Company", and in particular, the sub-sections on "Initial Charge and Redemption Charge", "Anti-Dilution Levy" and "Withholdings and Deductions" in the Prospectus, and the sections on "Initial Charge" and "Redemption Charge" in the Supplement.