

Blackstone Secured Lending Fund

Frequently Asked Questions

▪ **What is Blackstone Secured Lending Fund (the "Company")?**

Blackstone Secured Lending Fund (BXSL) is a business development company managed by an affiliate of Blackstone Inc. that focuses on investing in privately originated senior secured loans that pay floating interest rates. BXSL's investments generally rank ahead of subordinated debt and equity, where the Company believes lender protections are stronger and offer superior return and yield opportunities compared to broadly syndicated loans and public market debt instruments. The Company is a non-diversified, closed-end management investment company that has elected to be regulated as a business development company (BDC) under the Investment Company Act of 1940.

▪ **Who is the Company's Investment Adviser?**

The Company is managed by its investment adviser, Blackstone Credit BDC Advisors LLC (the "Adviser"), a subsidiary of Blackstone Alternative Credit Advisors LP, the primary investment manager for Blackstone Credit. Blackstone Credit is one of the largest private credit investment platforms globally. The Company believes Blackstone Credit's platform provides it with meaningful competitive advantages in originating loans and managing its assets and liabilities. The Adviser is responsible for originating prospective investments, conducting research and due diligence in investigations on potential investments, analyzing investment opportunities, negotiating and structuring its investments and monitoring its investments and portfolio companies on an ongoing basis.

▪ **What are the Company's investment objectives?**

The Company's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation.

▪ **What is the Company's principal investment strategy?**

Under normal market conditions, the Company generally invests at least 80% of its total assets (net assets plus borrowings for investment purposes) in secured debt investments. The Company's portfolio is composed primarily of first lien senior secured and unitranche loans. To a lesser extent, the Company has and may continue to also invest in second lien, third lien, unsecured or subordinated loans and other debt and equity securities.

▪ **What is a business development company?**

A business development company (BDC) is a form of closed-end investment company that was created by Congress in 1980 as amendments to the Investment Company Act of 1940. As a BDC, at least 70% of the Company's assets must be the type of "qualifying" assets listed in Section 55(a) of the Investment Company Act of 1940, which are generally privately-offered securities issued by U.S. private or thinly-traded companies. The Company may also invest up to 30% of its portfolio opportunistically in "non-qualifying" portfolio investments, such as investments in non-U.S. companies.

▪ **Can I purchase shares directly from the Company?**

No. Generally, investors may purchase the Company's shares only through a broker.

▪ **What is the Company's CUSIP number for its common shares?**

The Company's CUSIP number for its common shares is 09261X102.

■ **What is the Company’s fiscal year end?**

The Company’s fiscal year end is December 31.

■ **Where are the Company’s common shares listed?**

The Company priced its initial public offering (“IPO”) on October 27, 2021 and its common shares began trading on the New York Stock Exchange (NYSE) on October 28, 2021 under ticker symbol BXSL.

■ **Does the Company intend to pay dividends?**

Yes. The Company intends to make quarterly dividends to shareholders of record. To see a list of the Company’s historical distributions please visit the [Shareholders](#) webpage under “Dividends.” The Company’s distributions, if any, will be determined by the Board of the Company.

■ **Did the Company recently increase its regular quarterly distribution?**

Yes. On October 18, 2021, the Company’s Board increased the quarterly distribution from \$0.50 per share to \$0.53 per share payable to shareholders of record on December 31, 2021, which will be paid on or around January 31, 2022. The Company’s distributions, if any, will be determined by the Board. All future distributions will be subject to lawfully available funds therefor, and the Company can offer no assurance that it will be able to declare such distributions in future periods.

■ **Are there any planned special distributions following the Company’s IPO?**

Yes. In connection with the IPO, the Company’s Board declared the following special distributions:

Record Date	Special Distribution Amount (per share)
January 18, 2022	\$0.10
March 16, 2022	\$0.15
May 16, 2022	\$0.20
July 18, 2022	\$0.20

The payable date of each of the above distributions shall be on or about 45 days after the end of the calendar quarter in which the record date occurred, or if such date is not a business day, the preceding business day.

All shareholders of the Company, whether acquiring shares before or after the IPO, are entitled to receive the special distributions if the shares are held on the applicable record date.

■ **Are the Company’s dividends taxable?**

Dividends distributed by the Company are taxable to shareholders as ordinary income or capital gains. Following the end of each year, shareholders will receive a Form 1099-DIV and a tax status letter to shareholders that describe the taxability of the dividends paid in the preceding year, including a breakdown between ordinary income and capital gains. DRIP (defined below) participants are taxed on the dividends as if they had received cash. For information about taxes in respect of dividends received by you, you should consult your own tax advisor.

■ **Did the Company’s IPO create a taxable event for shareholders?**

No. The IPO did not create a taxable event for shareholders.

■ **Does the Company have a Dividend Reinvestment Plan (“DRIP”)?**

Yes. All shareholders are automatically enrolled in the Company’s DRIP unless they affirmatively “opt out.” As a result, if the Company declares a cash dividend or other distribution, each shareholder that has not “opted out” of the DRIP will have their dividends or distributions automatically reinvested in additional amounts of the Company’s common shares rather than receiving cash distributions.

■ **How can I opt out of the Company’s DRIP?**

Participants who hold their shares through a broker or other nominee should direct correspondence or questions concerning the Company’s DRIP to their broker or nominee.

Shareholders who hold shares directly may terminate their participation in the DRIP at any time by sending a written notice to DST Systems, Inc., 333 W. 11th Street, 5th Floor, Kansas City, MO 64105. A shareholder is free to change this election at any time. If, however, a shareholder requests to change its election within 95 days prior to a distribution, the request will be effective only with respect to distributions after the 95-day period.

■ **Does the Company have a share repurchases program?**

Yes. Beginning November 26, 2021, the Company will have the ability to acquire approximately \$262 million (representing the net proceeds from the IPO) in the aggregate of the Company’s share at prices below the Company’s net asset value per share in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act. The share repurchase program will last for a period of twelve months.

The Company put the share repurchases program in place because it believes that, in the current market conditions, if common shares are trading below the then-current net asset value per share, it is in the best interest of the Company’s shareholders for the Company to reinvest in its portfolio.

■ **How did the Company’s IPO impact fees paid to the Adviser?**

While under the Company’s advisory agreement the management fee and incentive fees paid to the Adviser would have increased following the IPO, the Adviser is waiving the increase in these fees for two years. This means for the first two years following the IPO, the management fee will remain at 0.75% and incentive fees will remain at 15%, then step up to 1.00% and 17.5%, respectively, as shown below:

	Pre-IPO	Post-IPO
Management Fee (as a % of gross assets)	0.75%	0.75% for initial 2 years, then 1.00%
Incentive Fees (as a % of both net income and net realized capital gains)	15.0%	15% for initial 2 years, then 17.5%

Further, the Adviser and the Company entered into a new advisory agreement to include a three-year total return lookback feature on the income-based incentive fee, which provides that following the IPO, the incentive fee on income will be subject to a twelve-quarter lookback quarterly hurdle rate of 1.50% as opposed to a single quarter measurement and will become subject to an incentive fee cap based on the Company’s net cumulative return.

■ **If I held my shares before the IPO, am I subject to any restrictions on transfer (i.e., “lock-up”)?**

Yes. With limited exceptions, all shareholders owning the Company’s shares before the IPO are subject to a lock-up period pursuant to the terms of each such shareholder’s subscription agreement with the Company unless waived by the Adviser. In connection with the IPO, the Adviser has designed a staged liquidity schedule over a period of eight months following the IPO:

Date	Shares Available
January 3, 2022	10% of shares unlock
March 1, 2022	15% of shares unlock
May 1, 2022	25% of shares unlock
July 1, 2022	Remaining 50% of shares unlock

This means that, as a result of these transfer restrictions, without the consent of the Adviser, a shareholder who owned 100 common shares on the date of the IPO could not sell any of such shares until January 3, 2022; prior to March 1, 2022, such shareholder could only sell up to 10 of such shares; prior to May 1, 2022, such shareholder could only sell up to 25 of such shares; prior to July 1, 2022, such shareholder could only sell up to 50 of such shares; and after July 1, 2022, such shareholder could sell all of such shares.

▪ **Can shareholders subject to a lock-up buy and sell new shares in the public market?**

Yes, a shareholder can buy new shares in the public market and sell those shares subject to any restrictions at the shareholders custodians or broker dealers, but any shares acquired prior to the IPO are subject to the lock-up scheduled described above.

▪ **If I receive additional shares after the IPO through my DRIP election, are those shares subject to a lock-up?**

Yes. For shares received before the IPO and subject to a lock-up, all DRIP shares received with respect to such shares will too be subject to the lock-up schedule.

▪ **If I acquired my shares before the IPO, how will the shares appear on my brokerage statement?**

After the lock-up on the first lot of share expires, those shares will be transferred from the Alternative Investments position of your statement and will be exchanged for non-restricted publicly traded shares that will be reflected in the same section as publicly traded equities. At such time, shares will be priced daily based on the public market closing price of the Company. The shares that continue to be subject to a lock-up will be reflected on your statement quarterly. You should consult your broker for additional information.

▪ **If I acquired my shares before the IPO, what price will I be able to obtain for my shares after the lock-up expires?**

As a listed and publicly traded company (NYSE: BXSL), shareholders will be able to sell their shares on the secondary market at the prevailing market price. Shareholders should consult their broker for additional information.

▪ **If I acquired my shares before the IPO, can I change my DRIP election during the lock-up period?**

Yes. Shareholders may continue to change their DRIP election at any time regardless of the lock-up schedule. Please see the above questions for additional details on the Company's DRIP.

▪ **If I am a foreign shareholder, how much tax withholding will be applied to my distributions once my shares are held on the public market?**

Custodians and broker-dealers may withhold 30% on the gross dividends paid by the Company to non-U.S. shareholders. If Interest Related Dividends (IRD) are reported by the Company, after the close of each taxable year, qualifying non-U.S. shareholders may have the ability to reclaim any over withholding applied during the year.