

Archstone Investment Management

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January 3, 2012

This Brochure provides information about the qualifications and business practices of ARCHSTONE INVESTMENT MANAGEMENT. If you have any questions about the contents of this Brochure, please contact us at 610-240-7750 or at info@archstoneinvestments.net. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

ARCHSTONE INVESTMENT MANAGEMENT is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about ARCHSTONE INVESTMENT MANAGEMENT also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated January 3, 2012 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Christian R. Hyldahl, CFA, President at 610-240-7750 or crhyldahl@archstoneinvestments.net. Our Brochure is also available on our web site www.archstoneinvestments.net, also free of charge.

Additional information about Archstone Investment Management is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Archstone Investment Management who are registered, or are required to be registered, as investment adviser representatives of Archstone Investment Management.

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Item 4 – Advisory Business

- A. Archstone Investment Management, LLC is an entity that was established in October 2003 to engage in the day to day research and selection of securities and management of investment portfolios.

Archstone Investment Management is 100% owned by Christian R. Hyldahl, CFA. Hyldahl has been involved in the securities industry since 1992. His Educational and Employment history is as follows:

CHRISTIAN R. HYLDAHL - year of birth: 1969

Education: (after high school)

Bucknell University, Lewisburg, PA, BA English/History, 1992

Duke University, Durham, NC, MBA Finance/Economics, 1998

Business Background: (preceding five years)

01/2005 to Present – Archstone Investment Management, President

- B. Archstone Investment Management manages portfolios in the following investment styles: Large Cap Growth, Large Cap Value, and Small Cap Core, and International Equity, and Fixed Income portfolios consisting of publicly traded securities of companies that Archstone Investment Management, LLC believes demonstrates the characteristics of these investment styles as defined by widely followed and respected indices created by Standard & Poors and/or the Russell Companies. As such,

Large cap Growth portfolios contain securities that have market caps greater than 3.5 billion and have price-to-book ratios higher than the index average.

Large Cap Value portfolios tend to contain securities with a market cap greater than 3.5 billion and have lower price-to-book ratios than the index average.

Small Cap Core portfolios generally contain securities with market caps below 2 billion, though the portfolio may hold securities larger than \$2 Billion. It may contain both growth-oriented and value-oriented securities.

International Equity portfolios contain securities of companies not domiciled in the United States, may include both growth and value oriented securities and may include investments from developed and emerging market economies.

Fixed income securities portfolios including municipals, treasuries, investment grade corporate bonds, unit investment trusts, preferred stock etc.

Archstone Investment Management, LLC may enter into arrangements with non-affiliated independent managers (sub-advisors) and or management companies that specialize in managing portfolios in other asset classes and investment styles.

In addition, Archstone Investment Management, LLC may recommend shares of investment management companies both open ended (mutual fund shares), closed ended fund shares (unit investment trusts), and Exchange traded Funds. Generally mutual fund shares are recommended and utilized for investments in markets that present difficulties to access such as stocks in emerging

market economies or below investment grade bonds. Also, fund shares both open and closed ended are used in instances where in Archstone Investment Management, LLC's judgment, the expense of establishing a portfolio is not justified because of its size as measured in terms of investable dollars.

In some cases, the outside sub-advisor will have discretion and trading authority for the portfolio. In other cases, Archstone Investment Management, LLC will initiate purchases and sales of securities based on information and recommendations provided by the sub-advisor. In the cases where Archstone Investment Management, LLC is utilizing the services and or advice of sub-managers or outside managers but exercising the trades for the client, Archstone Investment Management, LLC will attempt to adhere to the recommendations and advice of the sub-manager but will not be obligated to do so and may deviate from the sub-manager's advice if in Archstone Investment Management, LLC's judgment such deviation is in the best interest of a client.

Archstone Investment Management, LLC utilizes various software packages to analyze portfolios, mutual funds, investment sub-accounts and certain proprietary models for valuing securities. Reports utilizing these analyses are routinely given to clients to provide insight into our investment process or support recommendations. Also, reports of this type are routinely furnished to clients to assist them in making decisions relating to securities not recommended by Archstone Investment Management, LLC. This occurs most frequently when a client holds a concentrated position in a security that are being liquidated or transitioned into more diversified portfolios recommended by Archstone Investment Management, LLC through period sales or other hedging strategies.

Archstone Investment Management may provide advice to clients seeking to diversify, hedge, or liquidate a concentrated position. In some circumstances, a fee may be charged for this advice or for the facilitation of a trade through an unaffiliated broker/dealer.

Archstone Investment Management is associated with Archstone Investment Partners, LP. Archstone Investment Partners, LP is a privately managed Limited Partnership for qualified high net worth investors or institutions. Archstone Investment Management, LLC and its affiliates no longer recommend investment in Archstone Investment Partners, LP to individuals or entities as the partnership is in the process of liquidation.

Archstone Investment Management is associated with Archstone Funding Company, LP. Archstone Funding Company, LP is a privately managed Limited Partnership for qualified high net worth investors or institutions. Archstone Investment Management, LLC and its affiliates no longer recommend investment in Archstone Funding Company, LP to individuals or entities as the partnership is in the process of liquidation.

- C. Archstone Investment Management works with clients to tailor an investment portfolio to the needs of the client. In some cases, Archstone Investment Management is hired to provide investment exposure to a single investment style (Ex. Large Cap Growth, Large Cap Value, etc.), in other cases, all of the investment styles are utilized in an "asset allocation" approach. In these cases, effort is made to understand the investment needs, risk tolerance, existing investment exposure, and other relevant information to prepare a customized "asset allocation" for the client. It is the responsibility of the client to provide accurate information regarding investment expertise, experience, risk tolerance, and accurate and reasonable investment goals in the process of building an asset allocation plan. It is further the responsibility of the client to follow, monitor, and evaluate the asset allocation and portfolio performance of their investments and advise Archstone Investment Management in the event of any changes to their financial condition, risk profile, and/or their investment goals.
- D. Archstone Investment Management currently does not participate in any wrap programs.
- E. Archstone Investment Management manages or advises approximately \$5 Million dollars of client assets as of March 31, 2011.

Item 5 – Fees and Compensation

Archstone Investment Management is a fee based investment advisor. Fees are negotiable, and they are automatically deducted from the account on a quarterly basis, in advance, based on the fee schedules elected by the client:

Standard Fee Structure

Archstone Investment Management, LLC provides investment advisory services for an annual fee, payable quarterly in advance, based on the value of the client's portfolio under management using the value of the portfolio at the end of the previous fiscal quarter, as follows:

<u>Investable Assets:</u>	<u>Annual Fee</u>
Up to \$3 Million	1.25 %
Next \$2 Million	1.00 %
Next \$5 Million	0.85 %
Next \$5 Million	0.75 %
Remainder	0.50 %

Fees may be negotiated on a case by case basis and the negotiated fee structure will override the above stated fee structure.

There is a minimum management fee charge of \$2,500.00 per quarter of active management for a family of accounts.

There are no fees charged by Archstone Investment Management, LLC to terminate an account. However, the minimum management fee of \$2,500 per quarter applies to any part of the quarter under which management services were provided regardless of termination prior to the conclusion of the quarter. Fees above and beyond the \$2,500 minimum quarterly account fee will be rebated on a pro rata basis within fifteen (15) business days upon client's written termination of Archstone Investment Management.

Other costs may be incurred by certain qualified plan funds, which may require supplemental reporting and supervision to comply with ERISA fiduciary requirements. All accounts are also subject to commission charges, and in some instances, prime broker fees on securities transactions.

Incentive fee Structure

For accounts who desire an alternative fee structure, an incentive fee structure is offered as an alternative to the standard fee structure listed above. This structure offered on a case by case basis at the discretion of Archstone Investment Management and may not be suitable for all accounts as the total management fee may be significantly higher than the traditional fee structure.

This fee structure is payable quarterly in advance and is calculated based on the value of the clients assets under management using the value at the end of the previous quarter. The incentive fee is calculated 12 calendar months from the first full month of portfolio management services provided by Archstone Investment Management, and the incentive fee, if any, is payable in full after the 12th month of portfolio management. There forth it is calculated on a rolling 12 month basis.

In the event that a client terminates the relationship before the completion of a full 12 month cycle, performance will be prorated by the number of days in the unfinished 12 month cycle, divided by 360 days. The incentive fee earned and payable will be calculated on an annualized basis of the prorated performance as if the full 12 month period has been completed and the incentive fees paid in full on this annualized performance calculation. The incentive fee structure is as follows:

Base fee: 35 Basis points of total portfolio

Gross portfolio performance at or below the performance of the agreed upon benchmark index – No incentive fee (35 BPs Total)

Gross portfolio performance in excess of and up to 199 BPs above the agreed upon benchmark index – Additional 65 Basis Points (100 BPs Total)

Gross portfolio performance in excess of 200 BPs to 499 BPs above the agreed upon benchmark index – Additional 90 Basis Points (125 BPs Total)

Gross portfolio performance in excess of 500 BPs above the agreed upon benchmark index – Additional 125 Basis points (175 BPs Total)

There is a minimum management fee charge of \$5,000.00 per quarter of active management for a family of accounts.

Other costs may be incurred by certain qualified plan funds, which may require supplemental reporting and supervision to comply with ERISA fiduciary requirements. All accounts are also subject to commission charges, and in some instances, prime broker fees on securities transactions. Archstone Investment Management's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client.

Item 12 further describes the factors that Archstone Investment Management considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Item 6 – Performance-Based Fees and Side-By-Side Management

In some cases, Archstone Investment Management has entered into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. Archstone Investment Management will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions there under, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, Archstone Investment Management shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Archstone Investment Management to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Archstone Investment Management has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

Archstone Investment Management provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, private investment funds, trust programs, sovereign funds, foreign funds such as UCITs and SICAVs, and other U.S. and international institutions.

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

Investing in securities involves risk of loss that clients should be prepared to bear.

Investments with Archstone Investment Management are not FDIC insured are not government guaranteed, do not insure against loss, are not approved or reviewed by any governmental agency. Investing the financial instruments (equities, bonds, mutual funds, ETFs, etc.) used by Archstone Investment Management are subject to market volatility and the risk of total loss of principal.

Archstone Investment Management's principal method of analysis for selected securities is fundamental analysis. The firm evaluates such ratios and measures as price/book, price/earnings, current debt/current assets, earnings growth rate, profit margin, dividend yield, etc., as well as determines an investment's potential relative to its peers with regard to current and future product strengths, competition etc. The Registrant also evaluates a client's holdings to determine whether selected securities are appropriate for the client's stated risk tolerance and financial objectives. The Registrant may purchase research and analyses on asset allocation and money manager performance from outside sources. In addition, Registrant may retain consultants from time to time as informational resources. These consultants may provide the Registrant with research and analysis for the Registrant's evaluation.

Sector weighting is determined based on top down analysis of the economy, the stock market, and the growth prospects for each sector using historical and statistical analysis. Individual securities are selected using a rigorous valuation approach that incorporates sophisticated valuation techniques and methodologies. The proprietary software we employ combines discounted cash flow analysis, multiple analysis, EVA analysis, earnings per share projections, ratio analysis, comparables, as well as relative and historical price performance valuation based on historical valuation. Each security goes through this detailed, customized valuation process to arrive at a fair value price for a security. The securities with a "fair value" price lower than the current price, within each sector are ranked for their risk/return characteristics and are evaluated for portfolio impact. The securities deemed most attractive in each sector are incorporated into the portfolio and continuously monitored.

The use of any method of analysis involves the prediction of future events based on historical norms for the economy, economic sectors, industries, and individual companies. Assumptions of future events cannot be guaranteed and therefore the expectations of the benefits and risks of investing in any given security or investment may not be realized

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Archstone Investment Management or the integrity of Archstone Investment Management's management. Archstone Investment Management, LLC has no information applicable to this Item.

In an abundance of caution to fully comply with this request, Christian R. Hyldahl, CFA has been named in an action initiated in the Philadelphia Court of Common Pleas relating to separate entities, Archstone Investment Partners, LP and Archstone Funding Company, LP. The same attorney has begun a FINRA arbitration case naming Hyldahl. In the opinion of Hyldahl and his counsel, the allegations are false and Hyldahl denies any wrongdoing and is vigorously defending against all allegations.

Archstone Investment Partners, LP and Archstone Funding Company, LP business activities are unrelated to the business activities of Archstone Investment Management.

Item 10 – Other Financial Industry Activities and Affiliations

Archstone Investment Management is associated with Archstone Funding Company, LLC. Archstone Funding Company, LLC is a privately managed Limited Partnership for qualified high net worth investors or institutions. Archstone Investment Management, LLC and its affiliates no longer recommend investment in Archstone Funding Company, LP to individuals or entities as the partnership is in the process of liquidation.

Archstone Investment Management is associated with Archstone Investment Partners, LP. Archstone Investment Partners, LP is a privately managed Limited Partnership for qualified high net worth investors or institutions. Archstone Investment Management, LLC and its affiliates no longer recommend investment in Archstone Investment Partners to individuals or entities as the partnership is in the process of liquidation.

Christian Hyldahl, President of Archstone Investment Management, LLC, is a general partner of Archstone Investment Partners, LLC, and Archstone Funding Company, LLC. Archstone Investment Partners, LP invests in all types of investment vehicles including, but not limited to Securities, both public and private, real estate, commodities, and currencies. Archstone Funding Company, LP provides financing to various real estate projects across the country

Archstone Investment Management, LLC has various relationships with independent contractors. These independent contractors may market and represent themselves to the public as Archstone Investment Management, LLC Associates. They may be paid a portion of fees or commission generated by a client that they have brought to the firm. Currently, all Archstone Investment Management, LLC equity owners and sales associates are compensated as independent contractors. Though Archstone Investment Management, LLC will maintain copies of the securities licenses for all independent contractors and affiliated persons, each contractor has agreed to bear the responsibility individually of maintaining the proper licenses, continuing education and other required compliance measures.

Subject to applicable law and regulations, the Registrant may from time to time enter into written agreements with third parties for the referral of clients. Should a relationship result in the Registrant entering into agreements with specific clients, the Registrant may pay referral fees. The payment of such fees does not result in additional costs to the client. Clients (including prospective clients), will be provided with written disclosure of any applicable relationship in accordance with applicable provisions of Rule 206(4)-3 under the Investment Advisors Act of 1940.

Item 11 – Code of Ethics

Archstone Investment Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Archstone Investment Management must acknowledge the terms of the Code of Ethics annually, or as amended.

Archstone Investment Management anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Archstone Investment Management has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Archstone Investment Management, its affiliates and/or clients, directly or indirectly, have a position of interest. Archstone Investment Management's employees and persons associated with Archstone Investment Management are required to follow Archstone Investment Management's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Archstone Investment Management and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Archstone Investment Management's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Archstone Investment Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Archstone Investment Management's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Archstone Investment Management and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Archstone Investment Management's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Archstone Investment Management will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Archstone Investment Management's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Christian R. Hyldahl.

It is Archstone Investment Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Archstone Investment Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

The registrant has authority, without limitation, to determine, without obtaining specific client consent, the broker/dealers to be used, without limitation. The consideration of costs, both implicit and explicit, of trading with selected counterparty's is made prior to executing any transaction. Archstone Investment Management currently trades only with the largest broker/dealers in order to ensure best execution and the lowest costs of trading for our clients.

When selecting a broker, Archstone Investment Management, LLC considers several factors. Best execution, reasonableness of rates, and if block trades are used, the effect such trades may have on commission rates and the execution capacity of the broker. In addition, Registrant may select a broker if it determines that software or research that it receives under soft dollar arrangements justify the commission rate charged to the Client in enabling the Registrant to offer improved management to its Clients. In some cases, the lowest commission rate available will not be paid due to soft-dollar arrangements. However, at no time will a non-competitive commission rate be paid. Periodic reviews of all trading relationships, arrangements, rates, etc. will be made to ensure compliance with all applicable rules and laws.

Registrant chooses custodial relationships based on the technology capacity of the custodian to download and interface with Archstone Investment Management, LLC computer systems and software.

Trades that are directed to a client-designated broker based on the client's preference are unable to benefit from the volume discounts achieved on those trades, nor will Archstone be able to negotiate for lower commissions, and the trade will not be eligible for block trading.

When selecting a broker, Archstone Investment Management, LLC considers several factors. Best execution, reasonableness of rates, and if block trades are used, the effect such trades may have on commission rates and the execution capacity of the broker. In addition, Registrant may select a broker if it determines that software or research that it receives under soft dollar arrangements justify the commission rate charged to the Client in enabling the Registrant to offer improved management to its Clients. Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

In some cases, the lowest commission rate available will not be paid due to soft-dollar arrangements. Archstone Investment Management currently has no soft-dollar relationships, but in the past has received soft-dollar payments whereby AIM received the Bloomberg Financial Service and exchange fees in return for a trading obligation. AIM was required to trade in the amount of 1.4X the cost of these services.

Periodic reviews of all trading relationships, arrangements, rates, etc. will be made to ensure compliance with all applicable rules and laws.

Registrant chooses custodial relationships based on the technology capacity of the custodian to download and interface with Archstone Investment Management, LLC computer systems and software.

Trades that are directed to a client-designated broker based on the client's preference are unable to benefit from the volume discounts achieved on those trades, nor will Archstone be able to negotiate for lower commissions, and the trade will not be eligible for block trading.

Item 13 – Review of Accounts

In the course of its business, Archstone Investment Management regularly reviews and makes necessary changes to the holdings of its current model portfolios. Client reports are sent out on a monthly basis, and while best efforts are made

to maintain client asset allocation weightings within agreed upon parameters, the ultimate responsibility for the rebalancing and monitoring of the portfolios lies with the customer. Monthly reports generated by the accounting system used by Archstone Investment Management and sent to the known address or known e-mail of the client serve as the basis for updating and informing the client of their portfolio holdings and current asset allocation. Frequency of meetings and portfolio reviews are dependent upon, and are dictated by, the client and the responsibility for informing Archstone Investment Management of significant changes to the client's financial position and circumstances, or change in risk profile are the sole responsibility of the client.

Item 14 – Client Referrals and Other Compensation

Archstone Investment Management, LLC has various relationships with independent contractors. These independent contractors may market and represent themselves to the public as Archstone Investment Management, LLC Associates. They may be paid a portion of fees or commission generated by a client that they have brought to the firm. Currently, all Archstone Investment Management, LLC equity owners and sales associates are compensated as independent contractors. Though Archstone Investment Management, LLC will maintain copies of the securities licenses for all independent contractors and affiliated persons, each contractor has agreed to bear the responsibility individually of maintaining the proper licenses, continuing education and other required compliance measures.

Subject to applicable law and regulations, the Registrant may from time to time enter into written agreements with third parties for the referral of clients. Should a relationship result in the Registrant entering into agreements with specific clients, the Registrant may pay referral fees. The payment of such fees does not result in additional costs to the client. Clients (including prospective clients), will be provided with written disclosure of any applicable relationship in accordance with applicable provisions of Rule 206(4)-3 under the Investment Advisors Act of 1940.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Archstone Investment Management urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Archstone Investment Management manages portfolios on a purely discretionary basis according to its investment management agreement. All investment decisions relating to a client portfolio are made and executed by Archstone Investment Management without the prior consent or approval of the client relating to the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Archstone Investment Management observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Archstone Investment Management's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Archstone Investment Management in writing.

Item 17 – Voting Client Securities

Clients may obtain a copy of Archstone Investment Management's complete proxy voting policies and procedures upon request. Clients may also obtain information from Archstone Investment Management about how Archstone Investment Management voted any proxies on behalf of their account(s).

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Archstone Investment Management's financial condition. Archstone Investment Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Archstone Investment Management is set up as an S-Corporation under US Tax Law. As such the company passes all income through to its shareholders on a pro-rata basis. The firm has no assets, no liabilities, and no shareholders equity in the form of retained earnings.

Item 19 – Requirements for State-Registered Advisers

Archstone Investment Management is registered with the state of Pennsylvania. All disclosure items required for this section have been disclosed in other sections of this form.