

Part 2A of Form ADV: Firm Brochure



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This Brochure provides information about the qualifications and business practices of Ashford Investment Management, LLC. If you have any questions about the contents of this Brochure, please contact Jim Plohg at 972-778-9534 or jplohg@ashfordim.com. 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. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Ashford Investment Management, LLC is also available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2 - Material Changes

This is Ashford Investment Management, LLC's first Part 2 of Form ADV. Therefore, there are no material changes to report.

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Item 4 – Advisory Business

Ashford Investment Management, LLC (“AIM”) is a Delaware limited liability company, formed on July 28, 2014. AIM is located at 14185 Dallas Parkway, Suite 655, Dallas, Texas 75254. AIM was formed to provide investment advisory services to pooled investment vehicles and separately managed accounts.

The ultimate principal owners of AIM are Ashford Inc., a Delaware corporation listed on the NYSE MKT exchange under the symbol “AINC” (“Ashford”) (60%), Monty Bennett (25%) and Rob Hays (15%).

AIM anticipates initially providing discretionary investment advisory services and management services to three private pooled investment vehicles (each a “Fund” and collectively “Funds”) and two separately managed accounts. AIM may provide such services to other pooled investment vehicles, separately managed accounts or other entities in the future. The addition of any such investment advisory services will be set forth in an amendment to this Brochure.

The Funds are structured in a “master-feeder” configuration. AIM Real Estate Hedged Equity (U.S.) Fund, LP (“Onshore Feeder Fund”) serves as a feeder into the Master Fund (defined below), principally for U.S. taxable investors. AIM Real Estate Hedged Equity (Cayman) Fund, Ltd. (“Offshore Feeder Fund”) serves as a feeder into the Master Fund (defined below), principally for non-U.S. investors and tax exempt investors. The Onshore Feeder Fund and the Offshore Feeder Fund may be referred in this Brochure individually or collectively as a “Feeder Fund” and, along with any other feeder funds that may be created in the future, the “Feeder Funds”. The Feeder Funds invest all of their investible assets in AIM Real Estate Hedged Equity Master Fund, LP (“Master Fund”). AIM REHE Funds GP, LP (“General Partner”), an entity affiliated with AIM, serves as General Partner to the Onshore Feeder Fund and Master Fund.

AIM manages the Master Fund in accordance with the Master Fund’s investment objectives, strategies, restrictions, and guidelines and does not tailor investment decisions to any particular Fund investor (each an “Investor”). Investors invest through one of the Feeder Funds (or in certain circumstances may invest directly into the Master Fund) and have no opportunity to select or evaluate any Fund investments or strategies. AIM selects all Fund investments and strategies. Since AIM does not provide individualized advice to Investors, Investors should consider whether the Fund meets their investment objectives and risk tolerance prior to investing. Information about each Fund can be found in its offering documents, including the private placement memorandum or private offering memorandum (the “PPM”), respectively.

The Funds have two series of interests: Founder Series Interests (“Founder Series Interests”) and Primary Series Interests (“Primary Series Interests”).

Investors in the Funds may include high net worth individuals and a variety of institutional investors. Such investors must meet the requirements for an “accredited investor” under the Securities Act of 1933, as amended, and a “qualified purchaser” within the meaning of the Investment Company Act of 1940, as amended.

In addition to managing the investments of the Funds, AIM also offers discretionary investment advisory services to separately managed accounts (“SMAs”, and collectively with the Funds, “Clients”). Direct clients and investors in the Funds, SMAs or vehicles are generally expected to be institutional clients, including: banks or thrift institutions; pension or profit sharing plans; trusts, estates, or charitable organizations; family offices; high-net worth individuals; corporations; and other organizations.

AIM generally invests Client assets in long and short opportunities in the real estate, hospitality and leisure sectors via equities, equity options, ETFs, ETF options, indices, index options and, to a lesser extent, fixed income, currencies and other securities used to hedge the portfolios.

As of December 9, 2014, AIM managed \$106,607,028 in Client assets.

Item 5 - Fees and Compensation

General – Management Fees and Performance-Related Compensation

AIM will receive management fees in connection with the investment advisory services it provides to each of its Clients and may also receive performance fees, carried interest or other incentive compensation related to the performance of each Client account. Such fees will generally be established at the beginning of the advisory relationship with each Client. AIM anticipates charging management fees of up to approximately 2% of the net asset value calculated for each Client for which it provides investment advisory services. AIM may also receive performance fees, carried interest or other incentive compensation from Clients up to approximately 20% of the net appreciation or net profits of the assets managed for each Client. Specific details of such compensation and its method of calculation will be set out in the offering materials, disclosure documents, investment management agreements or separately managed account agreements. Such compensation may be negotiable and AIM may enter into strategic partnerships, side letter arrangements or other arrangements with specific Clients or Investors whereby they receive direct or indirect reductions of management fees or other compensation payable with respect to their investments managed by AIM.

The Funds

AIM is entitled to a management fee at the annual rate of 1.5% of the beginning quarterly capital account balance of each Founders Series Interest Investor and 2.0% of the beginning quarterly capital account balance of each Primary Series Interest Investor. The management fee is calculated and paid each calendar quarter in advance. Employees or affiliates of AIM that invest in the Funds may not be charged the management fee. Fees are deducted directly from the Funds.

As discussed more fully in the ***Performance Based Fees and Side-by-Side Management*** section below, the General Partner also receives a performance-based net profit allocation from the Funds.

The Funds offer monthly withdrawals with at least 45 days' prior written notice.

Please refer to the Fund's PPM for more detailed information regarding the Funds' fees and expenses.

Separately Managed Accounts

AIM may manage SMAs at an annual investment management fee rate negotiated between AIM and such Client, which will typically be a percentage of assets under management. Fees are negotiable. SMAs will typically be charged fees monthly or quarterly, in advance, based on the account value at the beginning of the month or quarter respectively. Clients may authorize AIM to deduct fees automatically from their brokerage accounts, but Clients may also request that AIM send quarterly invoices to be paid by check or other means.

SMA accounts that terminate the investment management agreement with AIM in the middle of a billing period will receive a refund for an amount that is pro-rated based on the number of days that the account was not managed.

Expenses

Each Client is responsible for paying various expenses relating to the organization of the Clients and offering of the Client's interests, if applicable (including, but not limited to, legal and accounting fees, printing costs, technology and systems (including costs of data storage and any backup facility), accounting, administration and travel fees and expenses, filing fees (including any "blue sky" filing fees) and other out-of-pocket expenses and compliance with any applicable federal and state laws). Each Client also bears investment and operational expenses (including, but not limited to, all costs, fees and expenses directly related to investments or prospective investments (whether or not consummated), including research and due diligence costs related to an investment; brokerage commissions and other execution and transaction costs, interest on, and commitment fees and expenses arising out of, debit balances or borrowings; exchange, clearing and settlement charges; technology-related trading costs, including, but not limited to, order management and accounting systems; fees and expenses of any third-party providers of "back office" and "middle office" services relating to trade settlement; market data and analytics services, including, but not limited to, Bloomberg terminals and data services provided through Bloomberg; travel expenses; appraisal fees; specific expenses incurred in obtaining, maintaining or performing systems, research and other information, including information service subscriptions, utilized with respect to the Clients' investment programs, including, without limitation, for portfolio management, valuations and accounting purposes, including the costs of statistics and pricing services, service contracts for quotation equipment and related hardware, software, phone and internet charges; investment banking fees and expenses; borrowing charges on investments sold short; custody fees; and fees of consultants and finders relating to investments or prospective investments; any withholding, transfer or other taxes; and any expenses relating to organizing investment subsidiaries through which investments may be made.) Each Client also bears all out-of-pocket costs of the administration of the Client, including, but not limited to, any governmental, regulatory, compliance, licensing, filing or registration fees incurred by the Client, AIM or its affiliates in compliance with the rules of any self-regulatory organization or any federal, state or local or other applicable laws; to the extent permitted by applicable law, any legal fees and costs (including settlement costs) arising in connection with any litigation or regulatory investigation instituted against the Client, the General Partner in its capacity as such for the Funds or AIM in its capacity as investment manager, or otherwise, involving Client activities; the cost of the audit of the Client's financial statements and the preparation of its tax returns (including any costs associated with FATCA compliance); the fees and expenses for financial and tax accounting, bookkeeping and reporting services, and administrative services performed by any person on behalf of the Client; the fees and expenses of the Client's counsel in connection with advice directly relating to the Client's legal affairs and tax-related or regulatory-related issues; the costs of any litigation or investigation involving Client activities; the costs and fees of any outside appraisers, accountants, administrators, attorneys or other experts engaged by the General Partner or AIM; all costs, fees and expenses associated with the ongoing offering of client interests (if applicable), other than any marketing-related costs to be borne by AIM; the costs and expenses associated with meetings of investors; the costs associated with maintaining "directors and officers" or similar liability insurance for the benefit of the Client, the General Partner or

AIM; all reasonable costs and expenses associated with reporting and providing information to existing and prospective Client investors; and any costs or expenses of winding up and liquidating the Clients. In the case of the Funds, each Feeder Fund, as a limited partner of the Master Fund, will bear its pro rata portion of any similar expenses incurred at the Master Fund level.

However, in all cases, AIM and/or the General Partner may choose to absorb any such expenses incurred on behalf of the Client.

Item 6 - Performance Based Fees and Side-by-Side Management

As discussed in the *Fees and Compensation* section above, AIM, the General Partner or their affiliates may receive performance fees, carried interest or other incentive compensation for providing investment advisory services to Clients.

The General Partner is entitled to receive a performance-based fee or incentive allocation (“performance fees”) at the end of each calendar year from each Investor in the Fund that is a percentage of net profits (including both realized and unrealized appreciation and depreciation of securities) based on the series class of the Investor. The performance fee is 15% per annum for Founders Series Interests and 20% per annum for Primary Series Interests of the amount by which the Fund’s net profits allocated to such Investor’s capital account for the current calendar year, subject to a high-water mark. Employees or affiliates of AIM that invest in the Funds may not be charged the performance fee. Please refer to the PPM for more detailed information.

AIM may also charge each SMA Client a performance fee equal to a percentage of net profits of the account (including both realized and unrealized gains and losses), as negotiated directly between AIM and the Client.

AIM complies with Section 205 and Rule 205-3 under the Investment Advisers Act of 1940 (“Advisers Act”) to the extent required by applicable law.

AIM’s ability to earn performance-based compensation aligns the interests of AIM and the Clients in some ways, but the arrangements also pose potential conflicts of interest. AIM may have an incentive to invest the Clients’ capital more speculatively than would otherwise be prudent in an effort to generate outsized returns. Also, performance fees for the Clients are based on realized and unrealized gains and losses, so AIM could have an incentive to overvalue the Clients’ holdings. However, these potential conflicts are mitigated by a variety of factors, including: policies and procedures designed to ensure allocation of investments to Clients on a fair and equitable basis over time, personal investments in the Funds by AIM’s employees discourage imprudent risk-taking, independent valuation of the investments by the Funds’ (and if applicable SMA’s) administrator, and valuation practices are reviewed by the Funds’ independent auditors at least annually.

Item 7 - Types of Clients

AIM intends to provide investment management services primarily to the Funds, SMAs, and other institutional clients. Investors in the Funds, SMAs, other pooled investment vehicles or direct clients may include trusts, estates, banks and thrifts institutions, pension and profit sharing plans, funds of funds, family offices, high net worth individuals and other qualified persons or entities.

AIM generally requires a minimum initial investment of \$1,000,000 for Founders Series Interests and Primary Series Interests in the Funds, but such minimums may be waived by AIM in its or its affiliates' discretion. Applicable law, however, explicitly prohibits initial investment in the Offshore Feeder in any amount less than \$100,000.

Minimum account size is generally negotiated between AIM and each SMA Client, but is not typically expected to be any less than \$25,000,000. Any minimums may be waived by AIM in its or its affiliates' discretion.

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

AIM allocates Client's capital generally among equity long/short positions and hedges. The long/short equity strategy primarily focuses on real estate, hospitality and leisure securities and is complemented by the hedging program which focuses on hedging Client's direct equity exposure as well as various industry and macroeconomic risk factors.

Equity Long/Short

The equity long/short strategy takes fundamental views on companies within the real estate, hospitality and leisure sectors and seeks to position long and short trades that maximize return potential and at the same time limit risk. These views are in large part determined by AIM's analyses of the developing cyclical and secular trends in real estate and related industries. Equity valuations within the target sectors are based on a combination of top-down macroeconomic and industry analyses and bottom-up fundamental company research, both of which are supplemented by AIM's proprietary data channels and its affiliates' expansive real estate operations.

AIM may implement Clients' long and short trades both directly and synthetically. In addition to direct positions, AIM may at times use equity options (*i.e.* buying and selling calls and puts) and other instruments to create synthetic long and short exposures for Clients when their use offers an improved risk-reward skew for the underlying investment thesis or more efficient access to the desired investment. Tactical implementation of the use of equity options and other synthetic instruments will vary depending on liquidity, implied volatilities, cyclical positioning and other factors.

Hedges

The hedging strategy is intended to add diversification and protection to Client's portfolios by attempting to mitigate various security specific, industry and macroeconomic risks identified by AIM. The hedging program is reflective of AIM's real estate and global outlook, which is formed through a process of intensive research that leverages AIM and its affiliates' unique positioning as an active participant in both public and private real estate transactions and in the global real estate capital markets.

Security Specific Hedges

AIM will at times use equity options (*i.e.* buying and selling calls and puts) to directly hedge equity positions when the use of options offer an improved risk-reward skew for the underlying investment thesis. Its tactical implementation will vary depending on options liquidity, implied volatilities, cyclical positioning and other factors. AIM may at times also use equity options to express AIM's fundamental views on companies in the real estate, hospitality and leisure sectors.

Industry and Macroeconomic Hedges

Industry and macroeconomic risk factors affecting Client's portfolio may include, but are not limited to, interest rates, inflation/deflation, credit spreads, general market volatility, exchange

rates and global sovereign crises. AIM will at times hedge against these industry and macroeconomic risk factors by initiating Client positions in ETFs, ETF options, indices, index options, bonds, bank loans, currencies, derivatives and other instruments that AIM believes will improve either the risk or return profile of Clients' equity long/short positions.

Risk Factors

Investing in securities is inherently risky. An investment in individual securities or in a portfolio of securities could lose money. The investments selected by AIM should be deemed speculative investments and are not intended as a complete investment program. These types of investments are designed for sophisticated investors who fully understand and are capable of bearing the risk of loss of their entire investment. AIM cannot give any guarantee that it will achieve its investment objectives or that any client will receive a return of its investment.

AIM may rely on information that turns out to be wrong. AIM selects investments based, in part, on information provided by issuers to regulators or made directly available to AIM by the issuers or other sources. AIM is not always able to confirm the completeness or accuracy of such information, and in some cases, complete and accurate information is not available. Incorrect or incomplete information increases risk and could result in losses.

Funds are newly-formed entities which do not have an operating history for prospective investors to evaluate prior to making an investment in such Funds.

AIM anticipates investing in real estate-related investments. The performance of such investments will be inherently linked to the value of the real estate from which they derive their inherent value. Accordingly, all of the risks which apply in respect of direct real estate will, to varying degrees, impact the value of real estate-related investments.

AIM may also invest in REITs which involves certain unique risks in addition to those associated with investing in the real estate industry in general and may be affected by changes in the value of the underlying properties it owns. REITs are generally dependent upon maintaining cash flows to repay borrowings and to make distributions to shareholders and are subject to the risk of default by lessees or borrowers. REITs whose underlying assets are concentrated in properties used by a particular industry, such as health care, are also subject to risks associated with such industry. Finally, REITs are also subject to interest rate risks, often have limited financial resources and, if publicly-traded, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than larger company securities.

Concentrating investments in a single industry may result in losses due to factors that affect an entire industry. Each particular industry or sector may be affected by unique risks, and the value of investments in a particular industry will differ from the value of the overall stock market. Fluctuations in specific market sectors are often more extreme than fluctuations in the overall market. Therefore, concentrating investments in a single industry exposes an investor to the risk that a single set of events or circumstances will decrease the value of the investor's overall portfolio. AIM anticipates investments will have industry concentrations in the hotel industry and leisure industry.

Subject to applicable margin and other limitations, Client accounts may borrow funds in order to make additional investments and thereby increase both the possibility of gain and risk of loss. Consequently, the effect of fluctuations in the market value of a portfolio would be amplified. Interest on borrowings will be an expense of the Client accounts and will affect the operating results of the Client accounts. Also, AIM could potentially create leverage in Client accounts via the use of instruments such as options and other derivative instruments.

AIM may invest a portion of Clients' capital in futures contracts. Futures prices are highly volatile. Because of the low margin deposits normally required in futures trading, an extremely high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the investor. Like other leveraged investments, any purchase or sale of a futures contract may result in losses in excess of the amount invested.

AIM anticipates investing Clients' assets in real estate-related investments. The performance of such investments will be inherently linked to the value of the real estate from which they derive their inherent value. Accordingly, all of the risks which apply in respect of direct real estate will, to varying degrees, impact the value of Clients' real estate-related investments.

Clients are subject to certain risks associated with the ownership of real estate-related assets and the real estate industry in general, including: the burdens of direct or indirect ownership of real property; local, national and international economic conditions; the supply and demand for properties; the financial condition of tenants, buyers and sellers of properties; changes in interest rates and the availability of mortgage financing which may render the sale or refinancing of properties difficult or impracticable; changes in environmental laws and regulations, planning laws and other governmental rules and fiscal and monetary policies; environmental claims arising in respect of properties acquired with undisclosed or unknown environmental problems or as to which inadequate reserves have been established; changes in real property tax rates; changes in energy prices; negative developments in the economy that depress travel activity; uninsured casualties; *force majeure* acts, terrorist events, under-insured or uninsurable losses; and other factors which are beyond the reasonable control of AIM. In addition, as recent experience has demonstrated, real estate assets are subject to long-term cyclical trends that give rise to significant volatility in values.

Many of these factors could cause fluctuations in occupancy rates, rent schedules or operating expenses, causing the value of Clients' investments to decline and negatively affect Clients' returns. The value of Clients' investments may fluctuate significantly due to these factors and may be significantly diminished in the event of a sudden downward market for real estate and real estate-related assets. The returns available from investments depend on the amount of income earned and capital appreciation generated by the relevant underlying properties, as well as expenses incurred in connection therewith. If properties do not generate income sufficient to meet operating expenses, including amounts owed under any third-party borrowings and capital expenditures, Clients' returns will be adversely affected. In addition, the cost of complying with governmental laws and regulations and the cost and availability of third-party borrowings may also affect the market value of and returns from the investments.

AIM may make investments for Clients in real estate investment trusts ("REITs"). REITs often

own real estate directly and the income they earn depends upon the income of the underlying properties and the rental income they earn. The values of securities issued by REITs are affected by tax and regulatory requirements and by perceptions of management skill. They also are subject to heavy cash flow dependency, defaults by borrowers or tenants, self-liquidation and the possibility of failing to qualify for the tax-preferred status afforded to REITs under the Internal Revenue Code of 1986, as amended (the “Code”), or to maintain exemption from the Investment Company Act of 1940, as amended (the “Investment Company Act”). Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general and may be affected by changes in the value of the underlying properties it owns. REITs are generally dependent upon maintaining cash flows to repay borrowings and to make distributions to shareholders and are subject to the risk of default by lessees or borrowers. REITs whose underlying assets are concentrated in properties used by a particular industry, such as health care, are also subject to risks associated with such industry. Finally, REITs are also subject to interest rate risks, often have limited financial resources and, if publicly-traded, may trade less frequently and in a limited volume and may be subject to more abrupt or erratic price movements than larger company securities. REITs also must satisfy a number of organizational and operational tests to qualify as REITs under the Code.

Please refer to the PPMs for more detailed information.

Item 9 - Disciplinary Information

AIM and its employees have not been involved in any legal or disciplinary events in the past 10 years that AIM believes would be material to a client's evaluation of the company or its personnel.

Item 10 - Other Financial Industry Activities and Affiliations

Ashford Hospitality Trust, Inc. and Ashford Hospitality Prime, Inc. (“AHP”) have each entered into \$50 million SMAs (together, the “Ashford SMAs”) that have substantially similar investment programs to that of Funds. AIM will allocate investments among Clients, including the Funds and Ashford SMAs, fairly and equitably over time. The Ashford SMAs are expected to generally make investments in parallel with other Clients on a pro rata basis in accordance with available capital at the time of investment, unless in the judgment of AIM, tax, regulatory, legal, capital inflows or outflows or other considerations make such investments inappropriate. The Ashford SMAs may have different terms than those offered to investors in the Funds.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

AIM has adopted a written Code of Ethics that establishes various procedures with respect to investment transactions in accounts in which employees of AIM or related persons have a beneficial interest or accounts over which an employee has investment discretion.

AIM's Code of Ethics was adopted to avoid possible conflicts of interest, avoid the inappropriate use of material, non-public information, and ensure the propriety of its employees' and principals' trading activity.

The foundation of the Code of Ethics is based on the underlying principles that:

- Employees must at all times place the interests of the client first,
- Employees must make sure that all personal securities transactions are conducted consistent with the Code of Ethics, and
- Employees should not take inappropriate advantage of their position.

Employees are prohibited from effecting transactions in securities in Ashford, AHT, AHP or their affiliates. Employees must obtain pre-approval for any transactions in other reportable securities from the Chief Compliance Officer and all such transactions are subject to a +/- five (5) day black-out period.

In addition, employees may not participate in any initial public offering or engage in any outside business activities or private placements before obtaining authorization from the Chief Compliance Officer.

All AIM employees must report their personal trading activities and holdings to the Chief Compliance Officer.

AIM's Code of Ethics is available upon request.

Item 12 - Brokerage Practices

Best Execution

AIM seeks to pay reasonable commissions and other transaction costs to reputable broker-dealers in exchange for high-quality execution services. AIM's Best Execution Committee meets periodically to evaluate trading counterparties based on a variety of factors, including, generally, cost, execution capabilities, the provision of proprietary research reports and analysis, reputation, and responsiveness. The Best Execution Committee also considers whether AIM experienced any conflicts of interest in connection with its selection of trading counterparties.

Soft Dollar Benefits

AIM accepts only proprietary research from the broker-dealers and has not entered into any soft dollar arrangements whereby it receives research or any other benefit from third parties. Research received from brokers and dealers are supplemental to AIM's own research effort. To the best of AIM's knowledge, the research received is generally made available to all institutional investors doing business with such broker-dealers. AIM does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services due to the difficulty associated with the broker-dealers not breaking out the costs for such services. Adviser's acceptance of research from brokers is done in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended.

Client Referrals

In selecting broker-dealers, AIM does not take into consideration Client or Investor referrals from a broker-dealer or other third party.

Directed Brokerage

Clients may not direct AIM to effect Securities transactions in such Client's account through a specific broker-dealer.

Aggregated Trades

AIM generally manages all Client accounts on a basis believed by AIM to be fair and equitable over time. When the AIM determines that it would be appropriate for one or more Clients to participate in an investment opportunity, AIM will seek to execute orders for all of the participating Clients on a fair and equitable basis over time. If AIM has determined to invest at the same time for more than one Client, AIM will generally place combined orders for all such Clients simultaneously, and if all such orders are not filled at the same price, it will generally average the prices paid. Similarly, if an order on behalf of more than one Client cannot be fully executed under prevailing market conditions, AIM will allocate the trade among the different accounts on a basis that it considers fair and equitable. Situations may occur where one Client could be disadvantaged because of the investment activities conducted by AIM for other Clients.

AIM may allocate investment opportunities among its Clients for which it provides investment advice in a manner which is deemed in the good faith discretion of AIM to be fair and equitable over time.

Trade Errors

The cost of trade errors in Clients' accounts will, generally, be borne by Clients unless an error is the result of bad faith, gross negligence, or willful misconduct by AIM.

Item 13 - Review of Accounts

Accounts under AIM's management are reviewed periodically by the Investment Committee to assure conformity with the investment objectives and guidelines. In addition, all accounts are reviewed in light of emerging trends and developments.

SMA Clients receive account statements directly from their account custodian.

Each Fund Investor will receive monthly statements from the Fund Administrator, who independently values security holdings, detailing their capital account information including the capital account's beginning and ending equity, and the capital account's performance for that period. Additionally, each Investor will receive the audited financial statements of the applicable Fund within 120 days of such Fund's fiscal year end.

Item 14 - Client Referrals and Other Compensation

AIM does not currently compensate third parties for Client or Investor referrals.

AIM does not receive any other economic benefits from non-clients in connection with the provision of investment advice to Clients.

Item 15 – Custody

All Clients' accounts are held in custody by unaffiliated broker/dealers or banks.

AIM may have the ability to access and direct the flow of Clients' cash and securities since AIM or an affiliate serves as investment manager or general partner of Clients. As a result, AIM may be deemed to have custody of Clients' assets.

SMA Clients receive statements directly from the custodian and are encouraged to review them carefully. In addition, SMA Clients may receive statements from the SMA Administrator and SMA Clients should compare these statements with the custodian statements carefully.

Fund Investors do not receive statements from the custodian. Instead, the Funds are subject to an annual audit performed by an independent public accountant that is registered with, and subject to regular inspection by the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Fund Investor. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Funds' fiscal year end.

Item 16 - Investment Discretion

AIM has investment discretion over all Clients' accounts pursuant to a grant of authority in each Fund's applicable investment management agreement, governing agreement or a limited power of attorney in each SMA's account agreement or other agreement. AIM's discretion over SMAs may be limited by requirements that the SMA Client advises AIM of: the investment objectives of the account, any changes or modifications to those objectives, and any specific investment restrictions relating to the account.

Item 17 - Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 under the Advisers Act, AIM has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that AIM receives will be treated in accordance with these policies and procedures.

AIM's authority to vote proxies for Clients is established by limited partnership agreements, investment advisory agreements, or comparable documents. AIM has established proxy voting policies and procedures and the Chief Compliance Officer or his designee oversees the proxy voting process. The proxy voting procedures are designed to ensure that proxies are voted in the best interest of the Clients. In addition, the proxy voting policy includes guidelines for the Chief Compliance Officer to follow if a material conflict of interest arises between AIM, its employees, and/or its Clients to ensure that any material conflict is resolved fairly.

In the event that AIM receives notice of a class action that could result in a recovery for Client accounts, the Chief Compliance Officer or his designee will determine whether or not to participate in the class action on clients' behalf. The Chief Compliance Officer or his designee shall oversee the completion of Proof of Claim forms and any associated documentation, the submission of such documents to the claim administrator, and the receipt of any recovered monies. The Chief Compliance Officer will maintain documentation associated with clients' participation in class actions.

A copy of AIM's proxy voting policies and procedures, as well as specific information about how AIM has voted in the past, is available upon written request.

Item 18 - Financial Information

AIM does not require or solicit prepayment of fees six months or more in advance.

AIM has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.