

AES Infrastructure Advisors LLC

Form ADV Part 2A: Firm Brochure

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This brochure provides information about the qualifications and business practices of AES Infrastructure Advisors LLC (“AES Infrastructure”, the “Firm” or “Adviser”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer, Eduardo Deschappelles at 703-682-1215 or email eddie.deschappelles@aesinfra.com.

Additional information about AES Infrastructure is also available on the SEC’s website at: www.adviserinfo.sec.gov.

AES Infrastructure is registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (“Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

AES Infrastructure is a new registrant. Therefore, this is its initial Brochure with the SEC. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide a summary of such changes.

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Item 4: Advisory Business

AES Infrastructure is an investment adviser with its principal place of business in Arlington, Virginia, and is organized as a limited liability company under the laws of the State of Delaware. AES Infrastructure is a wholly-owned subsidiary of The AES Corporation (NYSE: AES) (“AES”). AES Infrastructure was formed in August 2018.

AES Infrastructure expects to serve as an investment manager and provide discretionary advisory services to one or more private investment partnerships (the “Fund”). The Firm will form one or more entities to serve as general partner for certain of the entities comprising the Fund (collectively, or individually, as the context may require, the “General Partner”).

AES Infrastructure focuses on clean energy investment opportunities, including renewables and efficient natural gas generation, energy storage and other related sectors.

In providing services to the Fund, AES Infrastructure expects to formulate the Fund’s investment objectives, direct and manage the investment and reinvestment of the Fund’s assets, and provide reports to limited partners of the Fund (the “Investors” or “Limited Partners”). Investment advice is provided directly to the Fund and not individually to the Limited Partners. AES Infrastructure intends to manage the assets of the Fund in accordance with the terms of the Fund’s confidential offering and/or private placement memoranda (the “Private Placement Memorandum”), individual limited partnership or shareholder agreements and other governing documents applicable to the Fund (the “Governing Fund Documents”).

Limited partnership interests in the Fund are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and the Fund is not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Fund are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements in private transactions within the United States.

The Adviser does not participate in wrap fee programs.

As of the date hereof, the Adviser manages \$0 in discretionary and non-discretionary portfolios.

Item 5: Fees and Compensation

General

AES Infrastructure expects to provide investment advisory services to the Fund pursuant to one or more investment management agreements (any such investment management agreement, the “Agreement”). The Agreement for the Fund, along with certain of the Governing Fund Documents, set forth in detail the relevant fee structure. The terms of the Agreement are established at the time of the initial closing of the Fund.

AES Infrastructure typically receives compensation from a combination of fees based on a percentage of assets under management, measured based on either committed or called capital, carried interest allocations, and certain other fees or expenses related to transactions (see below).

Investors should review all fees charged by AES Infrastructure and others to fully understand the total amount of fees to be paid by the Fund and, indirectly, by its Limited Partners.

Management Fee

The Fund will pay AES Infrastructure an annual management fee (the “Management Fee”), payable quarterly in advance based on a percentage of the aggregate committed capital during the investment period, and then on invested capital thereafter. AES Infrastructure reserves the right to waive or reduce the portion of the Management Fee attributable to any Limited Partner, in its sole discretion.

See the applicable Governing Fund Documents for a detailed discussion on the fees associated with an investment in the Fund.

Carried Interest Distributions

A portion of the Fund’s distributable cash may be distributed to the General Partner as “carried interest” or “yield share.” The manner of calculation of such carried interest and yield share is disclosed in the Governing Fund Documents. As is the case with Management Fees, AES Infrastructure reserves the right to waive or reduce carried interest and yield share with respect to any Limited Partner, in its sole discretion.

AES Infrastructure will neither deduct fees from the Fund’s assets nor bill the Fund directly. Management Fees are payable by the Fund to AES Infrastructure and carried interest will be distributed by the Fund to the General Partner, in each case on the terms provided for in the Governing Fund Documents. The General Partner may draw-down capital commitments from the Limited Partners, or may use amounts that would otherwise be available for distribution to such investors, in order to meet the obligation to pay the Management Fee.

Please see the applicable Governing Fund Documents for a detailed discussion of Management Fees and carried interest distributions associated with the Fund.

Other Fees Earned by AES Infrastructure

AES Infrastructure, its employees, and affiliates may also receive fee income paid by portfolio companies or other third parties, including advisory fees, directors’ fees, investment banking fees, break-up fees, or other similar fees received with respect to investments or proposed investments by a General Partner, AES Infrastructure, members of AES Infrastructure’s investment team, or any affiliate of the foregoing (collectively, “Other Fees”). Such Other Fees will typically be paid to AES Infrastructure or its affiliates and 100% of these fees will reduce or offset Management Fees paid by the Fund. However, Management Fees shall not, in any event, be reduced below zero.

The recipients of this Brochure must refer to the detailed information found in the Fund’s Private Placement Memorandum and other Governing Fund Documents for specific information about the fees earned by AES Infrastructure, including Other Fees, and the fees charged to the Fund.

Other Expenses Charged to the Fund

In addition to the Management Fees and carried interest, the Limited Partners of will bear directly or indirectly the fees and expenses charged to the Fund. Those fees and expenses typically will include, among other things: all expenses, fees, costs, and/or liabilities associated with the identification, purchase, management, operation, monitoring, hedging, restructuring, refinancing, sale or other disposition of investments, the Fund's share of joint venture expenses, broken deal expenses, financing, legal, auditing, valuation, and accounting fees and expenses, director and officer liability or other insurance, interest on fees and expenses arising out of all borrowings made by the Fund, expenses of any Limited Partner Advisory Committee ("LPAC") meetings, expenses of the annual Limited Partners' meetings, costs of dissolving or winding-up and liquidating the Fund, the cost of software used to track and monitor investments, and professional fees, including expenses of consultants and experts relating to investments or the Fund, including compliance consultants.

The types of fees and expenses that will be charged to the Fund in relation to the acquisition, holding and disposition of investments, include, where contemplated by the applicable Governing Fund Documents, among other things: meals, entertainment, lodging and travel expenses.

Investors should refer to the applicable Governing Fund Documents and review all fees and expenses charged by AES Infrastructure, its affiliates, and others to fully understand the total amount of fees and expenses to be paid by the Fund and, indirectly, the Limited Partners.

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

As described above in Item 5 – Carried Interest Distributions, an affiliate of AES Infrastructure may receive performance-based compensation in the form of "carried interest", which calculation is based on the profits generated on the operating income, sale or other disposition of the Fund's assets. See Item 8 for additional information about the investment risks associated with investing in the Fund.

Item 7: Types of Clients

As described in Item 4, AES Infrastructure will provide discretionary management and advisory services to the Fund directly, subject to the direction and control of the General Partner of the Fund, and not individually to the Limited Partners. Investors in the Fund may include institutional investors such as pension plans, insurance companies, endowments, pooled investment vehicles (e.g., funds-of-funds), trusts, and corporate or business entities. In addition, certain AES Infrastructure employees may invest in the Fund.

Investors will be required to meet certain suitability qualifications, such as being a "qualified purchaser" under Section 2(a)(51) of the Investment Company Act. Investors will be required to make certain representations when investing in a Fund, including but not limited to that (i) they are acquiring an interest for their own account, (ii) they have asked for and received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment and that (iii) they have the ability to bear the economic risk of an investment in the Fund. Details concerning applicable Investor suitability criteria are set forth in the respective Governing Fund Documents and subscription materials, which are furnished to each Investor.

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

The Adviser expects to cause the Fund to make direct investments in the clean energy industry to provide Limited Partners with exposure to long-life, stable, cash-generating projects in the clean energy sector that have extended operating and investment horizons.

AES Infrastructure will follow a comprehensive process with respect to the analysis and evaluation of prospective investment opportunities that will include four stages of analysis, including (i) evaluation of investment opportunities through an analytical and market-based approach, (ii) due diligence focused on the evaluation and management of operational, legal and financial risks, (iii) negotiation of the terms and conditions applicable to the consummation of the portfolio company acquisition transaction and (iv) approval by the investment committee of the Fund (the “Investment Committee”). The Investment Committee will be composed of the CEO/CIO, the CFO/Managing Director – Investments, and the Managing Director – Engineering and Operations.

AES Infrastructure may, pursuant to project services agreements, retain affiliated entities, including AES, to provide engineering, technical, maintenance, regulatory and project-level management services, including operational services but also extending to financing and other project-level needs relevant to investments to portfolio investments and portfolio companies of the Fund. Such services will be provided pursuant to written project services agreements and will be performed on arm’s-length terms.

Associated Risks

All investing involves a risk of loss, and the investment strategy offered by AES Infrastructure could lose money over short or long periods. An investment in the Fund is a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and can bear the risk of an investment in the Fund. No guarantee or representation is made that the Fund will achieve its investment objective or that investors will receive a return of their capital. The risks presented below do not purport to be a complete list or explanation of risks involved in an investment in the Fund. **Please see the Governing Fund Documents for more detail and additional risks.**

Market Risk. Overall market risks may affect the value of an investment. Factors such as U.S. economic growth and market conditions, interest rates, commodity prices, and political events affect the overall market.

Lack of Operating History. Each of the entities comprising the Fund, AES Infrastructure and the General Partner are newly formed and have not commenced operations and do not have an operating history upon which prospective Investors may evaluate their performance.

Nature of the Fund’s Investments Generally. The Fund expects to make investments in and relating to the clean energy sector. Investments in projects in the clean energy sector involve many significant, relatively unique and acute risks. Revenues can be affected by several factors, including, without limitation, economic conditions, political events, competition, regulation and the financial position and business strategy of customers. Unanticipated changes in the availability

or price of inputs necessary for the operation of projects in the clean energy sector may adversely affect the overall profitability of a Fund investment. For example, projects in the clean energy sector may be affected by the prevailing prices of related commodities, such as oil and coal, which compete with projects in the clean energy sector as a power source. The energy sector has experienced significant volatility at times, which may also occur in the future, and which could negatively affect the returns on any investment made by the Fund in this sector.

Events outside the control of a Fund investment, the Fund, or AES Infrastructure such as political action, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, toll, tariff, tax and other fee rates, social stability, natural disasters (such as severe weather, fire, flood, earthquakes, hurricanes, tornadoes, lightening, icing events, dam failures, tsunamis), changes in weather, the spread of disease or illness, changes in demand for products or services, bankruptcy or financial difficulty of a major customer and acts of war, terrorism or piracy, could significantly reduce the revenues generated or significantly increase the expense of constructing, operating, maintaining or restoring energy or infrastructure facilities. In turn, this may impair an investment's returns to the Fund or even result in termination of an applicable concession or other agreement.

As a general matter, the operation and maintenance of projects in the clean energy sector involve various risks, many of which may not be under the control of the Fund or AES Infrastructure, including labor issues, failure of technology to perform as anticipated, structural failures and accidents and the need to comply with the directives of governmental authorities. Although assets may be insured to protect against certain risks (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), where available on reasonable commercial terms, such insurance generally is subject to customary deductibles and coverage limits and may not be sufficient to recoup all of a Portfolio Investment's losses and the Adviser is not obligated to, may not be able to, and may choose not to obtain insurance in respect of all assets. Many such risks may also be inherent in the generation, storage, transmission, distribution and marketing of solar, wind and other clean sources of energy; and in the managing or producing of such commodities, including, without limitation: unexpected operational or mechanical failures (including those not covered by warranty or insurance); competition from other similar assets in the markets in which they operate, the presence of which depends in part on governmental plans and policies; and damage to electric transmission and distribution lines and interconnection facilities, storage plants or related equipment and surrounding properties caused by acts of God, severe weather, fire, flood, earthquakes, hurricanes, tornadoes, lightening, icing events, dam failures, tsunamis and other disasters or war and acts of terrorism and inadvertent damage from construction and explosions.

These risks could result in substantial losses due to personal injury or loss of life, severe damage to and destruction of property and equipment and pollution or other environmental damage, and may result in the curtailment or suspension of project operations, any and all of which could result in lower than expected returns to the Fund.

Investments in Long-Life Assets. The Fund intends to invest in long-life projects in the clean energy sector that have extended operating and investment horizons. In respect of many investments, it is expected that the term of the Fund will not align with the anticipated operational life of the projects in which the Fund proposes to invest, or the term of power purchase

agreements negotiated in respect of such projects. A lack of alignment between the term of the Fund and the operational life or power purchase agreement term of an investment may necessitate that the Fund divest itself of an investment at a time that is inconsistent with a strategy designed to maximize the value of such investment upon disposition.

Reliance on Manager Team. The success of the Fund will depend in part upon the skill and ability of the employees and officers of AES Infrastructure in identifying, acquiring, managing, operating and disposing of investments. The incentive arrangements to be implemented in respect of the employees and officers of AES Infrastructure are designed with the intent to discourage such professionals from ceasing to be involved in the operations of AES Infrastructure. However, there can be no assurance that such professionals retained by AES Infrastructure will continue to be associated with AES Infrastructure or involved in the Fund's activities throughout the life of the Fund or that any replacement retained by AES Infrastructure will perform well.

Reliance on AES. The success of the Fund, and its access to target opportunities will depend on AES' continued focus on the clean energy sector in a manner consistent with past practice and the segments therein targeted by the Fund.

Complex Governance Arrangements. The Fund is expected to contain complex governance arrangements that will be heavily negotiated between and among the Limited Partners and the General Partner. These customized governance structures have not previously been used by the Fund or the General Partner, or in the marketplace generally, and the attributes of such structures include the use of eligible project holding entities and certain arrangements contemplated by the Partnership Agreement. There can be no guarantee that the execution of these arrangements will not have adverse, unforeseen consequences for Limited Partners or the General Partner, making it less likely that the Fund can achieve its investment objectives, or that such governance arrangements will adequately protect the interests of Limited Partners.

Lack of Liquidity of the Interests. An investment in the Fund is suitable only for certain sophisticated Investors who have no need for liquidity, including over very long periods, in this investment. An investment in the Fund provides limited liquidity because the interests in the Fund are not freely transferable and are not redeemable, and the underlying assets are highly illiquid. No assurance can be made that the Fund will be able to make any distributions to the Limited Partners at any time. There is no public market for interests in the Fund and none is expected to develop.

Nature of Investment. An investment in the Fund requires a long-term commitment with no certainty of any return, including return of capital. Although investments are generally expected ultimately to generate cash flow, there may be little or no near-term cash flow available to Limited Partners. Since the Fund may only make a limited number of investments and the potential to increase yields attributable to such investments is relatively limited, poor performance by a few of the investments could severely affect the total return to Limited Partners.

Conflicts of Interest. AES will make available to the Fund certain investment opportunities; however, other opportunities or aspects of AES' business will not be made available to the Fund ("Other Business Activities"). AES' interests with respect to the Other Business Activities could conflict with the interests of the Fund and AES may elect to favor the Other Business Activities

over the sourcing of investments on behalf of the Fund. Additionally, AES' interests with respect to the Other Business Activities could cause it to engage in activities inconsistent with the investment objectives of the Fund. If AES grants priority to the Other Business Activities or favors activities inconsistent with the investment objectives of the Fund, the Fund could be exposed to conflicts of interest and other risks because of any such conflict. There can be no assurance that a conflict of interest will not have a deleterious effect on the Fund, its assets or the interests of the Limited Partners.

Joint Investments with Third Parties. The Fund expects to acquire interests in certain portfolio investments (including non-control or minority investments) in cooperation with third-party partners or co-investors through jointly-owned acquisition vehicles, joint ventures or other structures. The Adviser may also offer co-investment opportunities in respect of portfolio investments to any co-investment fund as contemplated in the Private Placement Memorandum. There are general risks inherent in many joint venture relationships, including, but not limited to, unclear and uncommunicated objectives of the venture; differing objectives among the venture's partners; inability to achieve agreement with respect to project goals and strategies among the partners; varying expertise and asset levels brought into the venture by the partners; different cultures and management styles that are poorly integrated; lack of cooperation within the venture; and a higher chance of cost overruns and schedule delays relative to non-joint venture projects due to potentially divergent investment rationale, project assessment criteria and tolerance for project risk. In addition, while the Fund will strive to enter into the most appropriate joint venture structure for the particular project, the Fund cannot guarantee that such joint venture structure will be the most suitable in the long-term due to differences among the joint venture partners in strategy, culture, compatibility or priorities that are later revealed. These and other risks may cause such joint ventures to be inefficient or incapable of pursuing their intended investment objectives. This could in turn adversely affect the Limited Partners' return on their investment in the Fund.

Post-Development Portfolio Investments. The Fund will generally invest in target opportunities which have attained "post-development" status. While such post-development portfolio investments will be contracted and will have obtained all material permits, certain development and construction risks may be present in such portfolio investments during the interim period following the point at which a project has achieved post-development status but prior to such project reaching its commercial operation date. In addition to the general risks associated with investments in the clean energy sector, target opportunities that have not yet commenced commercial operation may be subject to certain construction and development risks including risks associated with project's property, plant and equipment, engineering or design specifications, unforeseen environmental, geological or archaeological risks, as well as governmental and licensing requirements, among other potential risks. Such risks could have the effect of necessitating material modifications to the scope, performance or costs of such target opportunity or the abandonment of such target opportunity, which could result in a whole or complete loss of capital.

Expedited Transactions. Investment analyses and decisions by the Adviser may be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the Adviser at the time an investment decision is made may be limited, and the Adviser may not have access to detailed information regarding the potential

portfolio investment. Therefore, no assurance can be given that the Adviser or the General Partner will have knowledge of all circumstances that may adversely affect such portfolio investment. If the Adviser causes the Fund to invest in such potential portfolio investment, such unknown circumstances may adversely affect the value of such portfolio investment. Moreover, the organization of AES' business is such that the Adviser cannot guarantee that it will be able to obtain or evaluate all relevant information pertinent to a deal or to each investment opportunity that is presented to the Fund. If the information is not delivered and reviewed within the applicable timeline, the Adviser may not be able to pursue certain opportunities that would have been within the investment program of the Fund and of a kind which the Adviser would otherwise pursue.

Reliance on Diligence Materials. The Adviser will be called upon to make a range of complex and unique cost-benefit decisions that pertain to, among other things, the propriety of placing reliance in any way upon diligence materials that pertain to target opportunities when such diligence materials have been procured at a stage prior to that when the Adviser is considering an investment decision in such target opportunity. In making such determinations the Adviser will seek to balance the costs of refreshing or repeating steps required for diligence with the benefit of doing so, and will make such determinations on a case by case basis with the objective of achieving an appropriate level of diligence and cost. However, such judgments are inherently complex and risky and while the Adviser intends to bring to bear its experience to bear in making such decisions, there can be no assurance that such an approach will not present risks that would not arise by comparison to the more costly approach of refreshing and repeating all diligence steps. The potential liability and risks that may arise from that approach should be anticipated to be of a scale and scope that may, in certain circumstances, far outweigh the costs of having the diligence step renewed or repeated, and investors should be prepared to bear the risk of this approach and its inherent risk that it presents to potential lower returns and loss of capital, including a total loss of capital.

Public Demand and Usage. Even though the Fund will generally target assets that are anticipated to be subject to lower risk of declining demand, usage and patronage, the Fund may not be able to eliminate these risks. To the extent that the General Partner's or the Adviser's assumptions regarding the demand, usage and patronage of assets prove incorrect, the Fund's financial returns could be adversely affected. Also, some portfolio investments may be subject to seasonal variation. Accordingly, the operating results for certain portfolio investments in any particular quarter may not be indicative of the results that can be expected for such portfolio investments throughout the entire year.

Changes in Technology in the Clean Energy Sector. The market for clean and renewable energy products and services is intensely competitive. Evolving industry standards, rapid price changes and product obsolescence may also impact the market. Current competitors or new market entrants in the clean energy sectors could introduce new or enhanced technologies, products or services with features that render the technologies, products or services of the projects in which the Fund invests obsolete, less efficient, less productive or less marketable. The success of projects in the clean energy sector in which the Fund invests in will be dependent upon such projects' ability to develop and operate technology in a manner superior to existing products and products introduced in the future, and in a manner that is cost effective. In addition, there may be pressure to continually enhance any products that are developed as well as introduce new products

that keep pace with technological change and address the increasingly sophisticated needs of the marketplace. Even if the current technologies and protocols of the projects in the clean energy sector in which the Fund invests prove to be commercially feasible, there is extensive research and development being conducted on alternative energy sources that may render such technologies and protocols obsolete or otherwise non-competitive. In addition, changes in commodity prices for conventional energy sources, the regulation of carbon-intensive fuel sources and other market factors could result in decreased reliance on clean and renewable energy sources in favor of other energy sources.

There can be no assurance that the projects in the clean energy sector in which the Fund invests will be able to keep pace with the technological demands of the marketplace or successfully develop or gain access to products that will succeed in the marketplace. There can be no assurance that the Fund will be able to provide the capital resources to undertake the research that may be necessary to upgrade equipment or develop new devices to meet the efficiencies of changing technologies. The inability to adapt to technological change could have a materially adverse effect on the Investors' returns.

Risks Associated with Hedging Policies. The Fund may employ hedging techniques in connection with the acquisition, holding, financing, refinancing or disposition of certain portfolio investments, in order to reduce the risks of adverse movements in interest rates, securities prices and currency exchange rates. While hedging transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in commodity prices, interest rates, securities prices, currency exchange rates or other events relating to such hedging transactions may result in a poorer overall performance for the Fund or its portfolio investments than if it had not entered into such hedging transactions.

General Risks. Investments made by the Fund will generally involve a significant degree of financial and/or business risk. The Fund and its investments may face intense competition, changing business and economic conditions, evolving regulatory landscapes and other developments that may adversely affect their performance.

Values of asset-based businesses and asset portfolios in the clean energy sector may be affected by several factors, including changes in the general economic and political climate, regulatory developments, energy and commodity prices, local conditions, competition, attractiveness and location of properties, quality of maintenance, insurance and management services and changes in operating costs. Values of asset-based businesses and asset portfolios in the clean energy sector may also be affected by such factors as government regulations, foreign-exchange rates, interest rate levels, availability of financing and potential liability under changing environmental and other laws. Additionally, all asset-based businesses and asset portfolios are subject to the risk that a general downturn in the global, regional or local economy will depress the value of such businesses and/or portfolios. The Fund may be unsuccessful in structuring its investments to minimize any detrimental impact that a recession or other discrete market conditions may have on its investments and, as a result, the Fund may suffer significant losses.

Non-Control Investments. The Fund intends to use a preponderance of its capital commitments to make investments of a type that would not permit the General Partner or AES Infrastructure to

exercise control over the assets, instruments or securities in which the Fund invests. The performance of such non-control investments will be subject, in part, to the expertise and ability of the party or parties exercising control over such assets, instruments or securities. Moreover, were the Fund to co-invest alongside other parties in certain investments where the Fund would not control such investment and any such party were to obtain an interest in such investments that is large enough to permit it to exercise control over the investment, the Fund's investment would be subject to the investment objectives of such other party (which may be different from or adverse to that of the Fund). There can be no assurance that minority shareholder rights in respect of investments, to the extent obtained by the Fund, will be available or that such rights will provide sufficient protection of the Fund's interests.

No Assurance of Return of Capital. The success of the Fund depends on the ability of the Adviser to identify, acquire, manage, operate and dispose of the Fund's assets. There can be no assurance that the Fund will achieve its investment or performance objectives, including the identification of suitable opportunities and the achievement of targeted returns, or that the Fund will be able to fully invest its committed capital.

Potential Lack of Diversification. Subject to limited conditions contained in the Governing Fund Documents, the General Partner is under no obligation to diversify the Fund's investments by sector, sub-sector, investment type or geographical region. To the extent the Fund concentrates investments in a particular sector, sub-sector, investment type or geographic region, its portfolio will become more susceptible to fluctuations in value resulting from adverse economic, political or business conditions with respect thereto. In addition, any Limited Partner may be exposed to a larger share of the risk of loss on any particular investment due to, among other things, defaults by other Limited Partners or the exclusion of other Limited Partners from an Investment. Moreover, the participation of a Limited Partner in a successor fund or co-investment fund that invests in the same investment may expose such Limited Partner to a greater share of the risk of loss on such investment than it might otherwise expect. Accordingly, poor performance by one or more investments could substantially affect the aggregate returns to individual Limited Partners.

Changes in Laws and Regulations Governing Hedging and Commodities. The Fund may invest in derivatives and other similar instruments for risk-management and hedging purposes. The laws and regulations governing the trading of commodity futures, security futures, commodity options, swaps and other commodity interests are subject to change at any time. This may negatively affect the Fund's risk-management and hedging strategies and investments.

Cyber Security Breaches and Identity Theft. AES Infrastructure's and its portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, flood, earthquakes, hurricanes, tornadoes, lightening, icing events, dam failures, tsunamis. Although AES Infrastructure has implemented, and portfolio companies may implement, various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, AES Infrastructure, the Fund and / or a portfolio company may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in AES Infrastructure's, the

Fund's and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors (and the beneficial owners of Investors). Such a failure could harm AES Infrastructure's, the Fund's and/or a portfolio company's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

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 a client's or investor's evaluation of the adviser or the integrity of the adviser's management. Neither AES Infrastructure nor any of its officers, directors, employees or other management persons, has been involved in any legal or disciplinary events that are material to an evaluation of AES Infrastructure's advisory services or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

AES Infrastructure is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of AES Infrastructure are registered representatives of a broker-dealer.

Neither AES Infrastructure nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

The General Partner and the Adviser are each wholly-owned subsidiaries of AES. Other than these affiliated entities, the Adviser has no relationships or arrangements with any related person listed in the instructions to this Item that are material to its advisory business or to the Fund.

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

Pursuant to Rule 204A-1 under the Advisers Act, AES Infrastructure has adopted a written Code of Ethics (the "Code"). The Code is designed to address and avoid potential conflicts of interest and is applicable to all Employees (as defined below), each Employee's spouse, domestic partner, minor children and other family members living in his or her household, as well as each other individual designated in writing by a compliance officer as being subject to all or a portion of the compliance procedures or policies adopted by AES Infrastructure (collectively the "Employees"). All Code violations must be promptly reported to the Chief Compliance Officer. AES Infrastructure endeavors to maintain current and accurate records of all personal securities accounts of its Employees in an effort to monitor all such activity. A copy of AES Infrastructure's Code is available upon request.

As described in Items 4 and 8 above, AES Infrastructure expects to form the Fund in order to provide Limited Partners with the benefits of access to not only a proprietary investment pipeline from AES affiliates, but also the benefits of the experience and skills of the best-in-class services

available through AES affiliates. As a result, there is a range of conflicts of interest that inherently arise in respect of the sourcing, pricing, holding, servicing and exiting of portfolio investments when those transactions are conducted by the General Partner of the Fund in collaboration with AES affiliates. Each Limited Partner will be required to acknowledge that they have understood and consented to the presence of such conflicts of interest, and further, that the terms and conditions applicable to the decision making and operations of the Adviser, the General Partner and the Fund are only designed to mitigate certain of the effects of such conflicts of interest, rather than to eliminate or cure them. As a result, each Limited Partner will be asked to weigh the benefits of the unique proprietary access and service arrangements that benefit the Fund, and all the related conflicts and related party transactional elements, against the risks associated with such transactions.

The Adviser intends to act in good faith in a manner consistent with their respective duties to clients and Limited Partners under applicable law and the Governing Fund Documents. However, the Adviser is subject to various conflicts of interest arising from its relationships with AES. AES engages in a broad spectrum of activities, including development for parties other than the Fund and the making, holding and operating of direct investments into energy-related assets. Such activities may from time to time conflict or compete with the Fund's investment activities and the interests of the Adviser and the Fund may not align with those of AES.

The General Partner will establish the LPAC which will include representatives from the Limited Partners. The LPAC will address certain issues involving conflicts of interest, specifically identified under the Governing Fund Documents or otherwise brought by the General Partner to the LPAC in its discretion, and will also be responsible for certain other determinations under the Governing Fund Documents.

It is critical that Investors review the Fund's Private Placement Memorandum and Governing Fund Documents for a detailed description of potential conflicts of interest related to an investment in the Fund. The information contained herein is a summary only, and investors and prospective investors are advised to carefully review all conflicts of interest set forth in such documents.

Item 12: Brokerage Practices

AES Infrastructure does not ordinarily deal with any financial intermediary such as a broker-dealer; therefore, commissions are not ordinarily payable in connection with such investments. To the limited extent AES Infrastructure transacts in public securities, or other non-private equity investments, AES Infrastructure will seek to obtain best execution. AES Infrastructure intends to select brokers based upon the broker's ability to provide best execution for the Fund. AES Infrastructure and/or the General Partner is generally authorized to make the following determinations, subject to the Fund's investment objectives and restrictions, without obtaining prior consent from the relevant Fund or any of their Investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

AES Infrastructure does not participate in any soft dollar arrangements outside of receiving research available to other institutional investors. Research services received from brokers and dealers are supplemental to AES Infrastructure's own research effort. To the best of AES Infrastructure's knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. AES Infrastructure 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.

Item 13: Review of Accounts

All investments are carefully reviewed and approved by AES Infrastructure's investment team. The individual investments are reviewed on a regular basis and the investment personnel meet regularly to discuss investment ideas, economic developments, industry outlook and other issues related to current portfolio holdings and potential investment opportunities.

AES Infrastructure provides each Investor with the following reports in accordance with the terms of the applicable Governing Fund Documents: (i) audited annual financial statements; (ii) quarterly unaudited financial statements; and (iii) annual tax information necessary to complete any applicable tax returns. AES Infrastructure will also hold annual meetings of the Limited Partners, beginning not later than one year after the initial close.

Item 14: Client Referrals and Other Compensation

The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to its Clients.

AES Infrastructure currently has entered into an agreement with a third-party placement agent, to introduce prospective investors to the Fund. Under this agreement, the placement agent receives a percentage of the capital commitments attributable to each prospective Investor referred depending upon specific circumstances and restrictions. This agreement is disclosed to prospective Investors. This arrangement and any future arrangements are conducted in accordance with applicable laws and regulations, including Rule 206(4)-3 under the Advisers Act. The fees and expenses of the placement agent or any other third-party placement agents will be borne by AES Infrastructure and will not be charged to the Fund.

Item 15: Custody

AES Infrastructure does not currently have custody of client accounts, but expects to obtain custody of client accounts upon the initial closing of the Fund. AES Infrastructure will be deemed, under Rule 206(4)-2 under the Advisers Act, to have custody of client accounts since an affiliate serves as the General Partner to the Fund. As noted in Item 13, the Fund will be audited on an annual basis in accordance with generally accepted accounting principles (GAAP) and the audited financial statements shall be distributed to the Fund's Investors within 120 days of the Fund's fiscal year end.

Item 16: Investment Discretion

In accordance with the terms and conditions of the applicable Governing Fund Documents, and subject to the direction and control of the General Partner of the Fund, AES Infrastructure generally will have discretionary authority to determine, without obtaining specific consent from the Fund or its Limited Partners, the investments in which to participate and the amounts to be bought or sold on behalf of the Fund, and to perform the day-to-day investment operations of the Fund.

Item 17: Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 under the Advisers Act, AES Infrastructure has adopted and implemented written policies and procedures governing the voting of client securities.

The Fund is expected to primarily invest in proprietary, privately-held clean energy investments which typically do not issue proxies. However, in the event that AES Infrastructure receives proxies in connection with any publicly traded portfolio companies of the Fund, it is the Adviser's policy to exercise the proxy vote in the best interest of its Fund, taking into consideration all relevant factors, including without limitation, acting in a manner that AES Infrastructure believes will (i) maximize the economic benefits to the Fund and (ii) promote sound corporate governance by the issuer. On rare occasions, AES Infrastructure may be required to exercise a vote for a privately-held portfolio company, in which case the same procedures shall apply. In some instances, it may be appropriate to abstain from voting.

In situations where AES Infrastructure perceives a material conflict of interest, AES Infrastructure may defer to the voting recommendation of an independent third-party provider of proxy services or take such other action in good faith which would protect the interests of AES Infrastructure's Fund.

All proxies that AES Infrastructure receives will be treated in accordance with these policies and procedures. A copy of AES Infrastructure's written proxy voting policies and procedures, as well as a record of how AES Infrastructure has voted in the past, will be maintained and available for review upon written request.

Item 18: Financial Information

A balance sheet is not required to be provided as AES Infrastructure (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.