

Accion Impact Management LLC

Part 2A of Form ADV

The Brochure

1101 15th St. NW, Suite 400
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This brochure provides information about the qualifications and business practices of Accion Impact Management LLC (“AIM”). If you have any questions about the contents of this brochure, please contact us at 202.938.5532. 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.

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

Item 2. Material Changes

Accion Impact Management LLC is updating its Brochure as of the date on the cover of this Brochure in connection with its annual amendment filing. There have been no material changes to this Brochure since the most recent annual amendment was filed on March 30, 2023.

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Item 4. Advisory Business

Accion Impact Management LLC (“**AIM**”) commenced operations in 2022. Accion International is the sole member of Accion Impact Management LLC. Accion International is a New York not-for-profit corporation, tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Accion International does not have any owners or shareholders, nor is any person entitled to the organization's profit. AIM provides discretionary investment advisory services for private investment funds (the “**Funds**”). AIM has also entered into investment management agreements to manage certain investment portfolios beneficially owned by Accion International (referred to herein as the “**SMAs**” and, together with the Funds, the “**Advisory Clients**”).

On behalf of the Advisory Clients, AIM invests in pre-seed to growth-stage companies providing financial services and/or financial technology to micro, small and medium enterprises (“**MSMEs**”) and the Un(der)served. AIM generally invests in sub-Saharan Africa, Asia, Latin America and United States.

The Funds are governed by limited partnership agreements that set forth the specific investment guidelines and restrictions applicable to the Funds and the applicable investment guidelines and restrictions are set forth in the investment management agreement with the SMAs (the “**Governing Documents**”). In addition, investors in the Funds are provided with a Private Placement Memoranda or other offering documents (“**PPM**”) prior to their investment, which contains information regarding the intended investment program for the relevant Fund.

Affiliates of AIM serve as the general partners of the Funds (the “**GPs**”). The GPs have full and exclusive management authority over all investments, asset dispositions, distributions, and other affairs of the relevant Fund. The GPs are related persons of AIM and under common control with AIM. While the GPs maintain ultimate discretionary investment authority, AIM has been delegated the role of investment adviser for the Funds. The GPs will be subject to the Investment Advisers Act of 1940 (the “**Advisers Act**”) and rules thereunder, and to all of AIM’s compliance policies and procedures. References to AIM in this Brochure should also be considered references to the GPs in the appropriate context.

In accordance with the terms and conditions of the Governing Documents and subject to the direction and control of the GPs of the Funds, AIM directs and manages the investment and reinvestment of the Advisory Clients’ assets. Investment advice is provided directly to the Funds and not individually to the limited partners, members or investors of the Funds (the “**Investors**”). AIM does not tailor its advisory services to the individual needs of Investors in the Funds and Investors may not impose restrictions on investing in certain securities or types of securities, other than has been agreed in the Governing Documents.

In certain cases, the GPs have (and may in the future) entered into side letter agreements with certain Investors establishing rights under, or supplementing or altering the terms of, the applicable Governing Documents (including without limitation, “most favored nations” rights, transparency rights, reporting rights, approval rights and certain other protections). Once invested in the Funds, Investors generally cannot impose additional investment guidelines or restrictions on the Funds.

Except in limited circumstances, Investors are not permitted to withdraw from a Fund prior to the Fund's dissolution.

Co-Investments

Depending on the size and other relevant factors associated with an investment opportunity, investment allocation decisions may be made with respect to a potential co-investment in an investment opportunity. In making this determination, AIM will first ensure that the relevant Advisory Client receives the full amount of its desired allocation in respect of a particular investment opportunity prior to offering to any third party the opportunity to co-invest alongside such Advisory Client. There may be times when AIM determines that co-investing with affiliates of AIM in an investment opportunity is in the best interest of an Advisory Client. In such instances, AIM will determine if there is a conflict of interest as a result of such co-investment and may seek approval from the limited partner advisory committee, as required by the Governing Documents.

Wrap Fee Programs

AIM does not participate in wrap fee programs.

Regulatory Assets Under Management

As of December 31, 2023, AIM manages \$ \$191,111,607.28 of Advisory Client assets on a discretionary basis.

Item 5. Fees and Compensation

Interests in the Funds are offered only to certain qualified investors. Limited partnership interests of the Funds will be sold only to “accredited investors” as defined under Rule 501 of Regulation D of the Securities Act of 1933, as amended (the “Securities Act”), and “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “Investment Company Act”).

Investors and prospective Investors are provided with a PPM prior to their investments. Such PPMs contain a detailed description of fees, and Investors should refer to the relevant PPM for any questions relating to fees.

Management Fees

The Management Fee payable by each Fund, as set forth in greater detail in each Fund’s Governing Documents, generally ranges between 2.25% and 2.5% of aggregate commitments of the Funds during the Investment Period, as defined herein, and payable quarterly in advance less certain allowable fee offsets, as described below. The Investment Period is generally the period between the Fund’s initial closing date and the fifth anniversary of such date. Commencing with the first Management Fee due date after the expiration of the Investment Period, as described in greater detail in each Fund’s Governing Documents, the Management Fee is generally calculated on the basis of each Investor’s invested capital and pro rata share of reserved capital.

As detailed in the Governing Documents of each Fund, the Management Fee will be reduced by the amount of any transaction, monitoring, advisory, consulting, directors’ or break-up fees paid to AIM or any of its affiliates, members or employees by the Fund’s portfolio companies (other than any such fees expressly approved by the limited partner advisory committee), to the extent that such fees exceed the amount of unreimbursed Fund expenses borne by AIM or the GP (as applicable). As detailed in the Governing Documents, this offset will not apply to any fees paid to Accion International (or any of its subsidiaries) by any portfolio company for rendering certain specified services which Accion International (or such subsidiary) has been retained to provide by such portfolio company. In such instances, AIM will ensure that Accion International (or such subsidiary) has recognized standing as a provider of the relevant services and the terms of such retention (including the amount of fees payable to Accion International or such subsidiary) are believed to be comparable to those that would be obtained in arm’s-length negotiations with unrelated third parties for similar services, taking into account Accion International’s or such subsidiary’s level of experience and expertise in providing such services relative to other potential providers.

Carried Interest

The GP is generally entitled to a “carried interest” on the Fund’s profits in accordance with the provisions of the Fund’s limited partnership agreement. The “carried interest” is generally equal to a percentage (typically 20%) of the investment proceeds distributable by the Fund in excess of the capital invested by the Fund’s Investors and their allocable share of fees and expenses, and is subject to a preferred return.

The SMAs will pay a Management Fee, as detailed in the relevant Governing Documents. The SMAs do not pay carried interest to AIM or its affiliates.

Management Fees have been, and may in the future be, modified at the discretion of the GPs, for certain investors that have entered into side letter agreements with the GPs. More specifically, certain investors may pay lower fees in the Funds in which they are invested as compared to other investors invested in the Funds.

It is critical that Investors refer to the PPM and limited partnership agreement for a complete understanding of how AIM or the GP is compensated for advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.

Expenses

In addition to Management Fees and carried interest, the Funds' Investors will bear indirectly (to the extent not reimbursed by a portfolio company) the expenses charged to the Funds. Those expenses will vary by Fund in accordance with their respective Fund Governing Documents, but typically will include, among other things: expenses associated with the evaluation, making, holding and disposition of investments, including reasonable travel costs, broken deal expenses, financing, legal, auditing, insurance, consulting, and accounting fees and expenses, interest on fees and expenses arising out of all borrowings made by the Funds, and taxes and other governmental charges levied against a Fund.

The SMAs will bear the costs and expenses associated with the evaluation, making, holding and disposition of each actual or prospective investment in which the SMAs participate, as described in the Governing Documents.

In the discretion of the relevant Fund's GP, operating expenses may be paid either out of amounts otherwise available for distribution to the Investors or by drawdowns of the Investors' unfunded capital commitments. Any amount drawn down from the unfunded capital commitments to pay operating expenses may, to the extent the Investors receive subsequent distributions, be restored to the unfunded capital commitments and subject to future drawdowns.

Co-Investments

AIM and the GPs may or may not charge management fees, one-time funding or administrative fees, or carried interest in respect of co-investments, and fee income attributable to co-investments may or may not be shared by AIM or the GPs with co-investors, in each case as AIM or the relevant GP determines in its sole discretion. For the avoidance of doubt, AIM or the GPs may in its sole discretion structure any co-investment opportunity such that the proposed participants in such co-investment opportunity do not bear any broken deal expenses, with the result that the participating Fund will bear all such broken deal expenses; provided, if so structured, that such participants will not be entitled to receive any break-up or similar fee income, if any, that may be earned with respect to such transaction.

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

As described in Item 5 above, the GPs are entitled to receive performance-based compensation (in the form of carried interest) from the Funds. The fact that the GPs receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for AIM or the GPs to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. Investors are provided with information in the PPMs as to how performance-based compensation is charged with respect to the relevant Fund and the risks associated with such performance-based compensation prior to making an investment. However, the long-term nature of venture capital investing mitigates such risk because the performance-based compensation is calculated based on realized, not unrealized, gains, giving the incentive to focus on fundamentals when making investments and add-on investments for such Fund.

The SMAs do not pay carried interest to AIM or its affiliates.

AIM could face a conflict of interest due to the fact that it receives different levels of performance-based compensation from different clients. In such cases, AIM may have an incentive to favor a client, or take increased investment risk on behalf of a client for which it receives greater performance-based compensation. Prior to the establishment of any other client accounts, AIM has adopted policies and procedures to address this conflict of interest, including those designed to ensure allocation of investment opportunities among clients on a fair and equitable basis.

Item 7. Types of Clients

AIM provides investment advisory services to pooled investment vehicles operating as private funds. Interests in the Funds are not registered under the Securities Act, and the Fund is not registered under the Investment Company Act. Accordingly, interests or shares in the Funds are offered and sold exclusively to Investors that satisfy the eligibility provisions outlined in Item 5 above.

The minimum capital commitment of an Investor varies by Fund, as detailed in the Governing Documents, but generally ranges between \$500,000 and \$5,000,000, subject to modification or waiver by the GP. In addition, the Fund may enter into separate agreements, commonly referred to as “side letters,” with certain Investors, to modify certain terms or add different terms than those specifically described in the Governing Documents. Under certain circumstances, these agreements could create preferences or priorities for such Investors.

AIM also provides investment advisory services to the SMAs pursuant to the investment management agreements that were individually negotiated with such SMA.

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

On behalf of the Advisory Clients, AIM invests in pre-seed to growth-stage companies providing financial services and/or financial technology to MSMEs and the Un(der)served. AIM generally invests in sub-Saharan Africa, Asia, Latin America and United States.

AIM has developed what it believes to be a disciplined investment process for identifying and evaluating investment opportunities, structuring transactions, creating value and managing the portfolio through appropriate exits. The Advisory Clients' multi-step investment process entails two stages of Investment Committee approval. The first, involving the initial sourcing, screening and due diligence, focuses on high-level fit and approval of the key terms of investment based on the initial due diligence. Final investment recommendation only occurs after the second stage, which entails completion of deep due diligence and negotiated deal terms.

Sourcing of investments: The Advisory Clients are expected to benefit from Accion International's global footprint of operations and partners in seeking to source investment opportunities for the Advisory Clients. With decades of experience in financial inclusion across key emerging markets, coupled with local presence in key markets, AIM intends to source deals through multiple channels.

Screening of investments: The initial screening of investments will focus on social impact, alignment with country and market fundamentals, as well as the Advisory Clients' active ownership strategy. AIM will consider many factors in the screening of a target company.

Due Diligence: AIM will perform due diligence on prospective portfolio companies, which may involve reviewing and assessing the business model, impact strategy, financial and operating performance, growth projections and drivers, proposed investment structure (including assessing potential investment syndicates) and exit scenarios, as well as meetings with target company management. AIM may also engage third parties to conduct legal, financial and technology diligence, as determined to be necessary. For due diligence on certain portfolio companies, AIM will engage Accion International's Accion Advisory team members (further described in Item 10) to conduct due diligence on the technology platform and digital capabilities to determine key potential areas of digitization, conduct a preliminary gap analysis and assess the digital readiness of the company.

Investments in the Funds entail a high degree of risk with no certainty as to the magnitude or timing of the returns, if any, on a Limited Partner's investment. Accordingly, investments in the Funds should be made only by persons who are able to bear the risk of loss of all capital invested. No guarantee or representation is made that the Funds will be able to implement its investment strategy or achieve its targeted returns, or that the overall investment program of the Funds will be successful.

Certain Risk Factors

Long-term Nature of Investment; Illiquidity of the Fund's Investments. An investment in the Funds requires a long-term commitment of capital. There may be a significant period of time before a Fund has completed its investment program. The process of searching for and selecting

investments and their management and disposition is likely to take several years from the initial closing date. The return of capital and the realization of gains, if any, from portfolio investments may not occur until a number of years after such investments are made, if at all. In addition, investments made by the Funds are likely to be illiquid. Illiquidity may result from the absence of an established market for the Funds' portfolios, as well as from legal, contractual or other restrictions on their resale by the Funds. This illiquidity may interfere with the Funds' ability to dispose of its investments in a timely manner or adversely affect the terms of such dispositions. Moreover, distributions to the Investors may be made kind, including (following the dissolution of a Fund) in illiquid securities, and losses on unsuccessful investments may be realized before any gains on successful investments are realized.

Risks Upon Disposition of Investments. In connection with the disposition of a portfolio investment, the Advisory Clients may be required to make representations about the business and financial condition of such portfolio investment or may be responsible for the contents of disclosure documents under applicable securities laws. The Advisory Clients may also be required to indemnify the purchasers of such portfolio investment or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which may ultimately have to be funded by the Investors. The Governing Documents contain provisions to the effect that if there is any such claim in respect of a portfolio investment, it will be funded by the Investors to the extent that they have received distributions from the Funds, subject to certain limitations.

Cybersecurity Breaches. The GPs, AIM, the Advisory Clients, the Advisory Clients' portfolio companies and their respective service providers (including the Advisory Clients' and the GPs' administrators, counsel and accountants) are subject to operational and information security risks associated with cyberattacks or other breaches in cybersecurity. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. In general, cyberattacks are deliberate, but unintentional events may have similar effects. The Advisory Clients and any of the portfolio investments may incur substantial costs as the result of a cyberattack or cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of bank accounts or proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information, the imposition of regulatory fines and reputational damage.

Competitive Nature of the Advisory Client's Business. The Advisory Clients may be competing for investment opportunities against other investors, including other private equity funds, as well as institutional and strategic investors. Some of these competitors could have financial and strategic resources significantly in excess of those of an Advisory Client, may be willing to provide financing and operational assistance on more favorable terms than such Advisory Client and may make competing offers for investment opportunities that are targeted by such Advisory Client. It is possible that competition for investment opportunities may increase, thus reducing the number of opportunities available to the Advisory Clients and adversely affecting the terms upon which investments can be made. Consequently, there is no assurance that the Advisory Clients will be able

to consummate investments which will enable them to invest all of their committed capital, diversify their investments to the extent anticipated or satisfy their return objectives.

Business and Financial Risks. The entities in which the Advisory Clients invest involve a high degree of business and financial risk. For example, they may be operating at a loss or have significant variations in operating results; they may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position; or they may otherwise have a weak financial condition or competitive position. intense competition, including competition from companies with greater financial resources and more extensive development, marketing, and other capabilities, and with a larger number of qualified managerial and technical personnel.

Although AIM will make every effort to conduct appropriate due diligence prior to making an investment, the due diligence process may be subjective at times and may need to be undertaken on an expedited basis and/or on the basis of imperfect information in order to take advantage of available investment opportunities. The due diligence process also may require AIM to rely on limited resources available to it, including information provided by the target of the investment and third-party consultants, legal advisors, accountants and investment banks. As a result, the due diligence investigation may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating an investment opportunity. AIM's due diligence investigations cannot ensure the success of its investments.

Dependence on Patents, Trademarks and Other Intellectual Property. Certain of the Advisory Clients' investments will depend heavily on intellectual property rights, including patents, trademarks and service marks. The ability to effectively enforce patent, trademark and other intellectual property laws will affect the value of many of these companies. Patent disputes are frequent and can preclude commercialization of products, and patent litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product.

Leverage. The Advisory Clients may invest in portfolio companies the capital structure of which may have significant leverage. Although the GPs may seek to use leverage at the portfolio company level in a manner they believe is prudent, a leveraged capital structure will increase the exposure of the relevant portfolio company to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the business of such portfolio company or its industry. Further, the portfolio investments may be made at levels in the capital structures of portfolio companies subordinate to senior equity or debt securities of such companies.

Global Financial Markets. Financial markets have in the past experienced an unprecedented degree of instability and volatility, including the failure or forced sale of large financial institutions, the contraction of available credit and significant declines in value of equities in the U.S. and global capital markets. Economic instability and volatility could adversely affect the Funds' economic performance by, among other things, impairing the Funds' ability to obtain leverage, acquire or dispose of portfolio investments, or hedge currency and political risk. Moreover, the ability of portfolio companies in which the Funds may invest to grow, to raise capital (equity and debt) or refinance debt may depend on the ability to borrow from banks or otherwise and sell securities in

the debt or equity markets (public or private), and may be affected by changing risk perceptions of capital providers based on macro and micro economic conditions.

Delay in Investment in Assets. There may be a delay in the time when an Investor is required to make a capital contribution to a Fund and the time such capital contribution is used to make portfolio investments. Any such delay may reduce the overall financial performance of such Fund.

Follow-on Investments. The Advisory Clients may be called upon to provide follow-on funding for their existing portfolio companies or have the opportunity to increase their investment in such portfolio companies. There can be no assurance that the Advisory Clients will make such follow-on investments or that they will have sufficient funds to do so. Any decision by an Advisory Client not to make follow-on investments or their inability to make them may have a substantial negative impact on portfolio companies in need of such an investment or may diminish such Advisory Client's ability to influence the portfolio company's future development.

Availability of and Ability to Acquire Suitable Investments. Identifying attractive investment opportunities is difficult and involves a high degree of uncertainty. While AIM believe that currently there are many attractive investments of the type in which the Advisory Clients may invest, AIM cannot give any assurances that such investments will be available when the Advisory Clients commence investment operations, or that available investments will meet the Advisory Clients' investment criteria. Accordingly, there is no guarantee that the Funds will be able to consummate investments which will enable the Advisory Clients to invest all of the uncommitted capital, to diversify their investments to the extent anticipated or to satisfy their return objectives.

Lack of Diversification. The Advisory Clients may participate in only a limited number of investments or may only find suitable investment opportunities in a limited number of geographic locations or industries. As a result, an Investor's exposure to a Fund's investment portfolio could become quite limited or highly concentrated and the performance of a few investments may substantially affect its aggregate return. Furthermore, to the extent that the capital commitments raised are less than the targeted amount, an Advisory Client may invest in fewer portfolio companies and thus be less diversified and subject to a greater level of volatility.

Risks Arising from Exercise of Control Rights. The Advisory Clients generally seek to acquire a strategic equity or equity-equivalent position in each of their portfolio companies, either individually or through a consortium of co-investments. Accordingly, the Advisory Clients may possess a controlling interest in certain of their investments, either on a stand-alone basis or as part of a group with other investors. Any measures contemplated by Advisory Clients in connection with an exercise of their control rights could expose the assets of such Advisory Client to claims by portfolio companies, their other owners (if any) and creditors. These measures also could result in certain liabilities being attributed to such Advisory Clients in the event of the bankruptcy or reorganization of a portfolio company. While the GP and AIM intend to manage the Advisory Clients in a way that will minimize the Advisory Clients' exposure to such risks, the possibility of successful adverse claims cannot be precluded.

Lack of Controlling Equity Interests. The Advisory Clients may not hold controlling equity interests with respect to some of their portfolio investments, and in such cases the Advisory Clients

may not be in a position to exercise control over their portfolio companies or to prevent decisions by management of portfolio companies that could decrease the value of the Advisory Clients' portfolio investments. Accordingly, the Advisory Clients are subject to the risk that a portfolio company may make business decisions with which AIM disagrees, and the stockholders and management of a portfolio company may take risks or otherwise act in ways that are adverse to the Advisory Clients' interests. Due to the lack of liquidity for the equity that the Advisory Clients typically expect to hold in respect of their portfolio investments and transfer restrictions imposed on such investments, the Advisory Clients may not be able to dispose of the Advisory Clients' investments in the event AIM disagrees with the actions of the management of a portfolio investment and may therefore suffer a decrease in the value of the Advisory Clients' portfolio investments.

Foreign Currency and Exchange-Rate Risks. The Advisory Clients' investments, and the income and other proceeds received with respect to such investments, may be denominated in local currencies other than the U.S. dollar. Nonetheless, the Advisory Clients are denominated in U.S. dollars and distributions to their Investors will be paid in U.S. dollars. Over time, there may be changes in currency exchange rates as a result of the interaction of many factors; these changes may directly or indirectly affect economic and political conditions in the countries in which the Advisory Clients invest. Sovereign governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rates of their currencies. The Advisory Clients may use hedging techniques to seek to protect them against losses attributable to fluctuations in the exchange rates between the U.S. dollar and those local currencies in which the Advisory Clients' investments are denominated; however, for certain currencies, currently there is not a reliable and cost-efficient method of hedging currency risk. Consequently, currency exchange rate fluctuations, currency devaluations and exchange-control regulations may adversely affect the performance of the returns realized on the Advisory Clients' investments.

Potential Portfolio Investments in Alternative Currency Companies. It is possible that the Advisory Clients will make a portfolio investment or portfolio investments in a company or companies that utilize an Alternative Currency such as Bitcoin to conduct business (an “**Alternative Currency Company**”). An “Alternative Currency” is a digital medium of exchange that relies on cryptography to implement a decentralized, stable and secure economy, and relies on a pre-determined algorithm to control issuance of new currency units as opposed to issuance by fiat currency. “Bitcoin” is currently the dominant currency in the Alternative Currency ecosystem. The development and acceptance of Alternative Currencies, which represent a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of Alternative Currencies may adversely affect the value of any portfolio investments in Alternative Currency Companies. Further, a lack of stability in Alternative Currency exchange markets and the closure or temporary shutdown of exchanges due to fraud, business failure, hackers or malware may reduce confidence in Alternative Currencies and could adversely affect a portfolio investment in an Alternative Currency Company.

Local Intermediary Risks. Certain of the Advisory Clients' transactions may be undertaken through local brokers, banks or other organizations outside the United States, and the Advisory Clients may be subject to the risk of default, insolvency or fraud of such organizations. There can

be no assurance that any money advanced to such organizations will be repaid or that the Advisory Clients would have any recourse in the event of default. The collection, transfer and deposit of bearer instruments and cash may expose the Advisory Clients and their portfolio companies to a variety of risks, including theft, loss and destruction. The Advisory Clients will also be dependent upon the general soundness of the banking systems of the countries in which they invest.

Co-investment Risks. The Advisory Clients will seek to invest alongside strategic, financial or other third-party co-investors. The Advisory Clients' ability to achieve their investment objectives in a co-investment situation assumes that the Advisory Clients will be able to negotiate and execute mutually acceptable terms and conditions in respect thereof. Such investments will involve additional risks which may not be present in investments which do not involve a co-investor, including the possibility that a co-investor may at any time have economic or business interests or goals that are not consistent with those of the Advisory Clients, may be in a position to take action contrary to the Advisory Clients' investment objectives or may default on its obligations. While the Advisory Clients intend to mitigate these risks contractually through co-investment agreements, there can be no assurance that the Advisory Clients will be successful in doing so. Also, such co-investment may or may not be on substantially the same terms and conditions as the Advisory Clients (even despite the relevant general partner's or AIM's efforts to do so), and similarly, such co-investments may or may not be disposed of at the same time or on the same terms as dispositions by the Advisory Clients. In addition, under certain circumstances the Advisory Clients may be liable for the actions of its co-investors.

Investments in New Growth Industries. The Advisory Clients' portfolio companies may operate in new growth industries. Investments in those industries may involve risks greater than those generally associated with other industries and may experience significant fluctuations in returns. New growth industries are challenged by rapidly changing market conditions and participants, new competing products and services, and improvements in existing products and services. A number of the Advisory Clients' portfolio companies may compete in this volatile environment. There is no assurance that products or services sold by such portfolio companies will not be rendered obsolete or adversely affected by competing products and services or other challenges. Instability, fluctuation or an overall decline within new growth industries may not be balanced by investments in other industries not so affected. In the event that the new growth industries decline, returns to Investors may decrease.

Emerging Markets. Investments may be adversely affected by changing political environments, regulatory restrictions or changes in government institutions and policies in countries in which the Advisory Clients invest or in countries where suppliers and customers of products and services critical to the Advisory Clients' investments are located. Such risks may include: (a) increased risk of nationalization or expropriation of assets or confiscatory taxation; (b) greater social, economic and political uncertainty, including a heightened risk of military hostilities; (c) higher dependence on exports and the corresponding importance of international trade; (d) greater volatility, less liquidity and smaller capitalization of securities markets; (e) greater volatility in currency exchange rates; (f) greater risk of inflation; (g) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (h) increased likelihood of governmental involvement in, and control over, local and national economies; (i) governmental decisions to cease support of economic reform programs or to impose

non-market conditions, such as interest rate caps or forced lending programs; (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (k) less extensive regulation of securities markets and of banking and other financial systems; (l) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; and (m) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors.

Economic and Political Risks. The Advisory Clients' assets are invested in countries where the market economy is relatively less developed. Although the recent general trend in certain of those countries has been towards more open markets and the promotion of private-business initiatives, AIM cannot give any assurances that the governments of these countries will continue to pursue those policies or that those policies will not be altered significantly. Political instability, economic distress, the difficulties of adjustment to a market economy, social instability, organized crime and other factors beyond the control of AIM in Emerging Markets could have a material adverse effect on the performance of the Advisory Clients.

International Trade. The economies of many Emerging Markets are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

Embargoes and Sanctions. Trade embargoes, sanctions and other restrictions may, from time to time, be imposed by international bodies (for example, but not limited to, the United Nations) or sovereign states (for example, but not limited to, the United States) or their agencies on portfolio investments held or to be held by the Funds. Such restrictions may result in a portfolio investment or cash flows relating to a portfolio investment being frozen or otherwise suspended or restricted. The GPs and the investment manager will not be liable for any losses suffered by the Advisory Clients as a result of the imposition of such restrictions or as a result of suspensions being imposed on any portfolio investment or any cash flows associated with any portfolio investment.

Investment Controls. At times, restrictions or controls may limit or preclude foreign investment in Emerging Markets or may increase the Advisory Clients' costs and expenses of investing in those countries. Certain of such countries have one or more of the following restrictions or controls: (a) they require governmental approval prior to investments by foreign persons; (b) they limit the amount of investment by foreign persons in a particular issuer; (c) they limit investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights than the classes available for purchase by domiciliaries of such countries; and (d) they impose additional taxes on foreign investors. Certain such countries may also restrict investment opportunities in industries deemed important to national interests. Investments in Emerging Markets may require governmental approval for the repatriation by foreign investors of investment income, capital or the proceeds of sales of securities. In addition, if a country's balance of payments deteriorates, that country could impose temporary restrictions on foreign capital remittances. As a result of the foregoing, investing in Emerging Markets may require the Advisory Clients to adopt special procedures, seek local government approvals or take other actions, each of which may involve

additional costs to the Advisory Clients. The Advisory Clients could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by restrictions on foreign investment being applied to it.

Corruption. Corruption is a widespread and persistent problem in some of the countries in which the Advisory Clients may invest. The adverse social and economic effects of corruption can have a corresponding effect on the ability of the Advisory Clients to realize value on its investments. The Advisory Clients' unwillingness to participate in corruption may limit their effectiveness and result in negative consequences being levied on the Advisory Clients by the governments of such countries, which could include: the possibility of expropriation or confiscatory taxation or retrospective taxation, imposition of withholding or other taxes on dividends, interest, capital gains, or other income; limitations on the removal of the Advisory Clients' assets from such jurisdiction; managed or manipulated exchange rates; and other issues affecting currency conversion, political or social instability or diplomatic developments that could negatively impact investments in those countries.

Risk of Terrorism. There is a risk that the Advisory Clients, the GPs or AIM may be directly or indirectly affected by terrorist attacks. More widely, terrorist attacks and ongoing military and related actions in certain Emerging Markets and elsewhere could have significant adverse effects on the world's economy and the business of the Advisory Clients and, in turn, the value of an investment in the Funds by an Investor.

Inflation. Many of the countries in which the Advisory Clients may invest have experienced and/or are experiencing substantial rates of inflation. Inflation and/or rapid fluctuations in the rates of inflation have had, and may continue to have, negative effects on the economies and securities markets of such countries, and the governments of such countries have sometimes imposed drastic economic measures to curb inflation that have adversely affected economic activity. There can be no assurance that governments will be able to exercise effective control over inflation rates or that a return to higher rates will not have a materially adverse effect on the Advisory Client's investments.

Disclosure and Accounting Standards. Accounting, auditing and financial reporting standards and requirements in many Emerging Markets may not be as stringent, consistently applied or informative as corresponding standards and requirements in countries with more developed economies. As a result, the availability, quality and reliability of corporate information and equity research (including official data) is likely to be lower than that which is used to evaluate investments in developed markets, with the attendant risk that pricing decisions may be less than optimal to the extent they are based upon inaccurate or insufficient information. Standards of disclosure in certain Emerging Markets are materially less stringent than those of the United States or the European Union. There generally will be little or no publicly available information regarding the status and prospects of portfolio investments. Many investment decisions by AIM will be dependent upon the ability of their employees and agents to obtain relevant information from non-public sources.

In addition, local generally accepted accounting principles or adaptations of International Financial Reporting Standards in certain Emerging Markets differ in certain significant respects from U.S. generally accepted accounting principles or more widely accepted International Financial Reporting

Standards. It is possible that no reconciliation to U.S. generally accepted accounting principles or International Financial Reporting Standards will have been made for the financial information of portfolio companies in which the Fund invests.

Volatility. Certain Funds may have exposure and correlation (beta) to the equity markets. Equity markets in Emerging Markets are more likely to experience periods of extreme volatility than those in developed markets. Such volatility could have an adverse impact on the value of the Funds' investments.

Force Majeure. The Advisory Clients' investments are subject to the risk of loss arising from exposure that may incur, directly or indirectly, due to the occurrence of various force majeure events (i.e., events beyond the control of the firm, including, but not limited to, natural disasters, pandemic or any other serious public health concern, war, terrorism, failure of technology, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a Fund, the firm, a portfolio company or a counterparty to a Fund) to perform its obligations until the force majeure event is remedied. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which a client may invest specifically. The risk of loss from such exposure could adversely affect the return of the Advisory Clients.

Microfinance and Other Financial Institutions Serve Vulnerable Clients. The end-clients of the microfinance and other financial institutions that the Advisory Clients will invest in have limited income, may have little or no previous credit history with formal lenders and may largely function as part of informal and/or local economies. They are often ignored by formal banking, governmental or other systems. In some Emerging Markets, they may also be subject to discrimination and harassment under the law and by local interests. All of this may limit their ability to repay, or may delay the payment of, loans and other charges for the products or services provided by the portfolio companies. Failure to pay or delayed payments by the portfolio company's clients may negatively impact the operation of the portfolio companies and the value of the Advisory Clients portfolio investments.

Likely Changes to Microfinance and Financial Services Laws and Regulations. The governments of many Emerging Markets are actively considering significant changes to existing legal regimes relating to microfinance and financial services in their countries, and it is expected that the legal and regulatory landscape for microfinance, financial services and related industries in these countries will continue to evolve throughout the term of the Advisory Clients' Portfolio Investments. Areas likely to see important changes include, but are not limited to, consumer protection, banking regulations and permitted technologies for the delivery of financial services. Such changes may significantly impact the performance of the Advisory Clients' portfolio companies by imposing additional compliance costs and changing the viability of established microfinance and financial services business models.

Government Policies Toward Microfinance. From time to time, some governments and politicians in Emerging Markets have promoted policies that take a negative view of certain lending and business activities, including microfinance activities targeting poverty alleviation. In some

cases, political leaders have successfully advocated non-repayment of microloans on a widespread basis, resulting in large scale losses to microfinance institutions. Such policies and political activities may negatively impact the Funds' portfolio companies.

Underdeveloped Financial Ecosystem. The banking and other financial systems in Emerging Markets are typically not well developed. Although certain Funds will aim to invest in scaled microfinance and other financial institutions with established operating models, these institutions must operate in a broader financial ecosystem which may exhibit operating inefficiencies across institutions, liquidity and/or solvency problems, underdeveloped country-wide financial networks or systems, and risks of possible contagion if there is a systematic threat to the banking sector.

Technological Uptake. Certain Funds will seek to invest in disruptive technologies and solutions that seek to improve efficiency and access to financial services in underserved communities. Certain technologies and solutions may ultimately prove not to be viable, either generally or within the context of the specific Emerging Market, and may not have the uptake from local communities that the Fund or portfolio company may expect due to technological literacy, end-client expectations, distribution difficulties or lack of attending infrastructure.

Cyber Attacks Targeting Technology in Emerging Markets. The Advisory Clients seek to invest in Emerging Markets where the technological infrastructure may not be well established or where minimal or no cyber security protections are in place. The occurrence of a cyberattack on one or more portfolio companies may negatively affect the success of the Advisory Clients' investments.

Competitive FinTech Sector. Although certain Funds will aim to invest in scaled microfinance and other financial institutions with established operating models, the portfolio companies may have limited product lines, markets, financial resources, or personnel, which may limit their adaptability to the demands of establishing and maintaining relevant and accessible digitized products. In addition, the industry for financial technology as a whole is challenged by various factors, including rapidly changing market conditions and/or participants, new competing products, services and/or improvements in existing products. Many financial technology activities are regulated with various levels of requirements which, especially due to the novelty of the industry, are subject to inconsistent regulatory and judicial interpretations. The Funds' portfolio companies will compete in this volatile environment. There is no assurance that products or services sold by these portfolio companies will not be rendered obsolete or adversely affected by competing products and services.

Focus on Client Needs. The portfolio companies that the Advisory Clients may invest in may make decisions or opt for courses of action that may not appear to be in the short-term operating or financial interest of the portfolio company or its shareholders (for example, in terms of increasing profitability of the portfolio company), but instead may be in the interest of their borrowers or other financial end-users, the communities such portfolio companies serve and/or provide greater value to individuals that are part of these communities. While AIM believe that a long-term focus on clients will result in stronger operating and financial performance, there can be no certainty that such a strategy will result in positive returns, if any, to the Advisory Clients and/or Investors.

Operating Performance. The portfolio companies that the Advisory Clients may invest in may face difficulties in providing products or services to their clients and their enterprises. These

difficulties may include, among others: their vulnerability in respect of socio-political and environmental changes; inadequate credit analysis and risk management procedures; high operating costs; increases in costs of living or reduced earnings of their clients due to macro- or micro-economic factors; and liquidity constraints. There can be no assurance that these difficulties will not have a material adverse effect on the Advisory Clients or their portfolio investments.

Shortage of Management Skills and Organizational Capability and Dependence on Founders.

The Advisory Clients may invest in portfolio companies whose leadership or management may have individuals who have a strong understanding of the needs of clients and their markets but have limited financial, entrepreneurial or business backgrounds. Similarly, certain potential portfolio companies may lack experienced senior and second tier management as well as a strong board of directors. In addition, such portfolio company's operation and strategic direction may be highly dependent on its founders. In the face of an unexpected event that leaves the company without its leader, the sustainability of the company may be jeopardized, which may negatively impact an Advisory Client's investment in such portfolio company. Finally, in some Emerging Markets, attracting and retaining field and management talent may pose a significant challenge – either due to the number of employment opportunities that are available in such countries or because of the specific clients or markets the company works with.

General Risks of Investing in Early-Stage Companies. Investments in early-stage companies involve substantial risks. Such companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small and, accordingly, investments in such companies often involve a heightened risk of bankruptcy or liquidation of the portfolio company. There is no assurance that such investments by certain Advisory Clients will be successful.

Risks Associated with Investments in Small Capitalization Companies. Certain Advisory Clients may invest a portion of their assets in the securities of companies with small market capitalizations. While AIM believes these investments often provide significant potential for appreciation, the securities of such companies involve higher risks in some respects than do investments in securities of larger-capitalization companies. For example, prices of such securities are often more volatile than prices of securities of larger-capitalization companies. In addition, due to thin trading in some such securities, an investment in these securities may be more illiquid than an investment in the securities of larger-capitalization companies.

Difficulty in Valuing the Investment Portfolio. AIM and the GPs will value the investment portfolios of the Advisory Clients from time to time based upon their best estimate of the value of each portfolio investment. There are typically no public market comparisons for the securities of the companies in which the Advisory Clients invest. Thus, portfolio valuation inherently is highly subjective and imprecise. In establishing the value of each Advisory Client's investment portfolio, AIM and the relevant GP may also consult with accounting firms, investment banks and other consulting firms when needed, to assist with the valuation of the Advisory Client's investments.

The value set by AIM and the GPs may not reflect the price at which the Advisory Clients could dispose of interests in a company in the portfolio at any given time.

Certain Legal, Governmental and Regulatory Risks. Many countries lack suitable legal frameworks for supporting companies focused on financial inclusion and the BoP (base of the pyramid). There may be circumstances or countries in which legal or other restrictions (resulting from the activities of the Advisory Clients, the GPs or AIM) could prevent the Advisory Clients from completing a portfolio transaction that would otherwise be desirable. In these cases, AIM will work to take such actions as may be appropriate to mitigate the restrictions and to complete the transaction, if possible. There can be no assurance that such restrictions will not prohibit the Advisory Clients from completing an otherwise desirable portfolio investment. Moreover, changes in policy and regulation in a country may adversely impact the long-term sustainability of companies in particular countries and therefore adversely impact their ability to operate.

Ecosystem Development. The GPs, AIM and their respective affiliates (including Accion International) anticipate engaging in activities that they believe will promote the growth and development of the markets in which the Advisory Clients will invest, which may include advising non-profit entities, debt providers, larger corporations and other service providers, among other activities. While AIM believes that such activities will ultimately be beneficial to the Advisory Clients' investment strategies, there can be no assurance that such activities will increase returns, if any, to the Advisory Clients and/or Investors.

Difficulty of Achieving and Measuring Social Impact. The Advisory Clients will invest in portfolio companies that aim to achieve positive social impact by the provision of such services or products. There are inherent difficulties in measuring positive social impact and therefore no guarantee that such measurements will be accurate or reflect the actual social impact achieved, if any.

Item 9. Disciplinary Information

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

Item 10. Other Financial Industry Activities and Affiliations

As described in Item 4 above, the GPs are the general partner of the Funds with absolute investment authority for the Funds. While the GPs maintain ultimate discretionary investment authority, AIM has been delegated the role of investment adviser for the Funds. The GPs are related persons of AIM and has delegated AIM the role of investment adviser to provide economic and investment analysis and day-to-day management and administrative services to the Funds. While the GPs of the Funds are not separately registered as investment adviser with the SEC, all of the GPs' investment advisory activities are subject to the Advisers Act and the rules thereunder, and to AIM's compliance policies and procedures.

As further described in Item 4, Accion International is the sole member of AIM. Accion International has entered into investment advisory agreements with AIM so that AIM manages certain investment portfolios beneficially owned by Accion International.

Affiliates of AIM, Accion Frontier Inclusion Fund GP, LLC and Accion Quona Inclusion Fund GP, LLC, are the general partners of venture capital funds managed by Quona Capital Management LLC ("**Quona**"), an unaffiliated registered investment adviser. A member of the Funds' Investment Committees serves on the investment committee of certain private funds managed by Quona. Conflicts may arise as a result of such other activities, including with respect to allocating time and investment opportunities. AIM believes that such time commitments will not conflict with time commitments to the Funds.

AIM has entered into a services agreement with Accion International whereby Accion International provides certain operational and technological support to AIM.

An in-house advisory unit at Accion International, Accion Advisory (formerly Global Advisory Solutions or GLAS), supports AIM in the due diligence process of certain Funds. In addition, Accion Advisory provides technical advisory services and works with portfolio and non-portfolio companies on value creation, digital transformation, business strategy and client engagement projects. Accion Advisory may offer its service to portfolio companies. To the extent that the Funds are invested in a portfolio company and the portfolio company hires Accion Advisory, a conflict of interest may arise in determining the terms and conditions of the engagement, given its relationship with AIM. Accordingly, the Funds and any affiliates will recuse themselves from voting on any service contract related to a portfolio company's retention of Accion Advisory.

Further, in order to effect its investment strategy as discussed in Item 8 above, Access Persons (as defined in Item 11 below) may serve as director, officer or advisor (or in a similar capacity) to the portfolio companies in which the Funds invest. Such a service may create a conflict of interest between the Funds and the portfolio companies. For example, potential conflicts could result when, among other things, Access Persons learn material non-public information about a portfolio company, Access Persons are involved in the investment decision-making process for a portfolio company, or Access Person duties to a Fund and Investors are in conflict with those to other portfolio company investors.

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

Code of Ethics

AIM's Code of Ethics (the "**Code**") is designed to meet the requirements of Rule 204A-1 of the Advisers. The Code applies to AIM's "Access Persons." Access Persons include, generally, any partner, officer or director of AIM and any employee or other supervised person of AIM who, in relation to the Advisory Clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All AIM employees and certain other individuals are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account AIM's status as a fiduciary and requires Access Persons to place the interests of Advisory Clients above their own interests and the interests of AIM. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of AIM's Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at 202-938-5532 or by email at jcastro@accion.org.

Conflicts of Interest

AIM addresses potential conflicts through regular monitoring of the Funds' portfolios for consistency with Fund objectives, strategies, and target capacity. Further, AIM considers the risks involved in any investment and AIM provides extensive disclosure to prospective Investors regarding the potential risks that come with an investment in a Fund. The Code requires Access Persons to place the interests of the Funds over their own or those of AIM, and all Access Persons are required to acknowledge their receipt and understanding of the Code.

AIM receives management fees and the GPs receive performance-based compensation in the form of carried interest. The Management Fees are payable without regard to the overall success or income earned by the Funds and therefore create an incentive on the part of AIM to raise or otherwise increase assets under management to a higher level than would be the case if AIM were receiving a lower or no management fee. Performance-based fees create an incentive for the investment personnel to make investments that are riskier or more speculative than in the absence of such performance-based compensation.

Each Fund has a limited partner advisory committee (the "**LPAC**") as required by the Governing Documents. Such LPAC is appointed by the relevant Fund's GP and would be comprised of certain Investors in such Fund. The LPAC would provide such advice as is requested by the GP in connection with the Fund's investments, potential conflicts of interest, and other Fund matters.

AIM manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. AIM requires that certain Access Person transactions be pre-cleared with the Chief Compliance Officer. Pre-clearance decisions are based on a number of factors, including whether any of the Funds holds or is contemplating an investment in the given security.

AIM maintains a “Restricted List” with the names of issuers of securities about which AIM (or its Access Persons) has learned material, non-public information, as well as any companies held in the Funds’ portfolios or being considered as an investment for a Fund. Access Persons are strictly prohibited from trading securities on the Restricted List (or any other securities to which the material non-public information relates).

In addition, AIM receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons’ personal transaction and holdings reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.

At times, an affiliate of AIM may acquire investments which are warehoused for the benefit of future Funds (the “**Warehoused Investments**”). Such Warehoused Investments will be contributed to the Funds following the initial close of the Funds in exchange for an amount detailed in the Funds’ Governing Documents and PPMs.

At times, AIM may recommend a portfolio company’s services to other portfolio companies of the Funds and/or private funds managed by Accion International and/or its affiliates, which may involve fees, commissions, servicing payments and/or discounts to an affiliate, or a portfolio company. AIM and its affiliates may have a conflict of interest in making such recommendations, in that AIM and its affiliates may have an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best or lowest cost option available to the portfolio companies held by the Funds and could result in higher expenses for the portfolio company as well as an advantage for the Fund holding the service-providing portfolio company. The benefits received by a portfolio company providing a service may be greater than those received by the Funds and portfolio companies receiving the service.

AIM provides investment advisory services to the SMAs of Accion International, which is the sole member of AIM. The SMAs pay management fees, but do not pay carried interest. As described in Item 5, the SMAs bear the costs and expenses associated with the evaluation, making, holding and disposition of each actual or prospective investment in which the SMAs participate. As described in Item 12, AIM will make a good faith determination of a fair and reasonable allocation of any investment opportunity that is suitable for more than one Advisory Client, subject to the investment objectives and investment allocations requirements detailed in each Advisory Client’s Governing Documents. To the extent a conflict of interest relating to the allocation of an investment opportunity, AIM will seek approval from the relevant Fund’s limited partner advisory committee, as required under the relevant Governing Documents.

Item 12. Brokerage Practices

Brokerage

As described in Item 4.A., above, AIM is the investment adviser to private equity funds. Due to the nature of the Advisory Clients' investment programs, which focus on making investments in private securities, AIM and its affiliates do not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments. To the limited extent AIM may transact in public securities or otherwise effects transactions through broker-dealers, it intends to select brokers based upon the broker's ability to provide the best execution under the circumstances at a competitive rate. AIM is generally authorized to make the following determinations, subject to each 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. Although AIM generally will seek competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

Soft Dollars

AIM does not utilize "soft dollars."

Aggregation and Allocation

AIM maintains policies and procedures that are designed to ensure that all investment opportunities are, to the extent applicable, allocated among the Advisory Clients on a basis that over time is fair and equitable to an Advisory Client relative to other Advisory Clients, taking into account all relevant facts and circumstances. AIM may depart from this policy in a particular circumstance if it is determined that it would be appropriate to do so and that such a departure would nonetheless be consistent with AIM's fiduciary duties to its Advisory Clients. The factors generally considered by AIM in making an allocation determination include: (i) the applicable provisions of each Advisory Client's Governing Documents, (ii) differences among Advisory Clients with respect to available capital, size and remaining life of each Advisory Client, (iii) the nature of the investment opportunity, (iv) potential conflicts of interest, (v) tax, legal or regulatory considerations, and (vi) current and anticipated market conditions. AIM does not anticipate any significant sharing of investment opportunities between the Advisory Clients. However, allocation of investment opportunities may occur in circumstances deemed appropriate by AIM and subject to the terms in the Governing Documents. A follow-on investment opportunity in an existing portfolio company will generally first be considered as an opportunity for the Advisory Client(s) that has an existing investment in that portfolio company.

Item 13. Review of Accounts

The Advisory Clients and portfolio companies are under regular review by the Investment Committees. After investments are made, the Investment Committees remains actively involved with the portfolio companies in an effort to ensure and accelerate value creation for the Advisory Clients.

Investors will receive (i) annual audited financial statements, (ii) compiled financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each Investor's tax returns, and (iv) descriptive investment information for each portfolio company on a quarterly basis.

Item 14. Client Referrals and Other Compensation

Neither AIM nor the GPs currently use promoters for client or investor referrals (though such parties or their affiliates may use promoters in the future). To the extent AIM decides to engage the services of a promoter in the future, such referral activities will be conducted in a manner that is consistent with Rule 206(4)-1.

Item 15. Custody

Pursuant to Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”), AIM is deemed to have custody of the Funds’ assets because affiliates of AIM serve as the general partners of the Funds.

As AIM’s investment program typically involves investments in private companies, AIM generally will be exempt from the requirement that securities be maintained with a “qualified custodian.” AIM anticipates that many of its investments in private companies will involve securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, and ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the issuer’s outstanding securities.

To the extent that AIM’s investments in private companies involve securities that are certificated, but also are acquired from the issuer in a private transaction or chain of transactions and subject to restrictions on transfer (as referenced above), AIM will not be required to maintain such private stock certificates or certificated interests with a qualified custodian, provided the certificates are appropriately safeguarded by AIM and can be replaced upon loss or destruction, in accordance with applicable guidance issued by the SEC’s Division of Investment Management. If AIM is otherwise unable to rely on the privately offered securities exception of the Custody Rule, AIM will maintain such securities with a qualified custodian (i.e., a bank or registered broker-dealer).

The Funds are subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, audited financial statements of the Funds will be prepared in accordance with generally accepted accounting principles and distributed to Investors within 120 days of the end of each Fund’s fiscal year. Investors should carefully review the audited financial statements of the Funds upon receipt, and should compare these statements to any account information provided by AIM.

Item 16. Investment Discretion

AIM, together with the GPs, have discretionary authority to manage securities accounts on behalf of the Funds. Such parties are authorized to make transaction recommendations for the Funds. As explained in Item 4 above, each Fund's investment strategy is set forth in detail in each Fund's PPM. Investors do not have the ability to impose limitations on the discretionary authority of AIM and the GPs, unless otherwise specified in the Governing Documents. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, Investors must become parties to a limited partnership agreement.

Item 17. Voting Client Securities

Pursuant to Advisers Act Rule 206(4)-6, registered investment advisers that exercise voting authority with respect to client securities are required to have proxy voting policies and procedures. Based upon AIM's business as a private equity fund manager (and lack of involvement in publicly-traded equities) it is not expected that much proxy voting, if any, will occur.

Most of the portfolio companies held by the Funds are private companies, which typically do not issue proxies. However, in the event there is proxy voting, AIM would have authority to vote proxies on behalf of the Funds. AIM has adopted and implemented written policies and procedures governing the voting activities on behalf of the Funds in accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act. Its proxy voting activities are conducted in a manner consistent, under all circumstances, with the best interest of the Funds.

In exercising its voting discretion, AIM and its employees will avoid any direct or indirect conflict of interest raised by such voting decision. Prior to voting any proxies, AIM will determine if there are any conflicts of interest related to the proxy in question. If a material conflict is identified, AIM will determine what course of action is in the best interests of the affected Investors (which may include utilizing an independent third party to vote such proxies and/or consulting with the LP Advisory Committee of the Fund).

All proxies that AIM receives will be treated in accordance with its proxy voting policies and procedures. A copy of AIM's written proxy voting policies and procedures, as well as a record of how AIM has voted in the past, is available upon request.

Item 18. Financial Information

Not Applicable. AIM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet for its most recent fiscal year. 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 or meet contractual commitments to the Fund or Investors.