FORM ADV, PART 2A

FIRM BROCHURE

J.P. Morgan Private Investments Inc.

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This brochure provides information about the qualifications and business practices of J.P. Morgan Private Investments Inc. If you have any questions about the contents of this brochure, please contact us at 212-464-1945. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about J.P. Morgan Private Investments Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Material Changes

There have been no material changes since the last annual update completed on March 31, 2010.

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ITEM 4
Advisory Business

A. General Description of Advisory Firm

J.P. Morgan Private Investments Inc. ("JPMPI"), a Delaware corporation, is a registered investment adviser that acts as a sub-advisor to open-end and closed-end Registered Investment Companies ("RICs") under the Investment Company Act of 1940, as amended (the "1940 Act") and provides investment advice and/or administrative functions for private investment funds organized as limited partnerships, limited liability companies or offshore companies ("Private Funds"). For the purposes of this Form ADV, Part 2A, the RICs and Private Funds will be collectively referred to as the "Funds".

JPMPI was incorporated on November 25, 1991. JPMPI is a wholly-owned subsidiary of J.P. Morgan Chase and Co.

B. Description of Advisory Services

JPMPI does not hold itself out as specializing in a particular type of advisory service. JPMPI primarily acts in an administrative capacity on behalf of privately-offered pooled investment vehicles. However, JPMPI provides investment advisory services in the capacities listed below.

Advisory Services to Private Funds

JPMPI provides advisory services to certain Private Funds described below. Such Private Funds generally fall into one of two categories;

(i) conduit vehicles formed solely to invest in a designated master fund, typically a private equity fund, hedge fund or real estate fund ("Conduits"), and

(ii) other private investment funds, such as hedge funds, funds of hedge funds or funds of private equity funds, as described more fully below ("Hedge Funds or Private Equity Funds").

Conduit Vehicles:

Each Conduit is a special purpose entity (typically a limited partnership or limited liability company) formed by JPMPI for the sole purpose of investing its assets in a designated master fund, which is typically a private equity fund, hedge fund or real estate fund formed and managed by an affiliated or unaffiliated third party. Conduits may also participate in co-investment opportunities at the discretion of JPMPI. JPMPI has retained J.P. Morgan Investment Management Inc. ("JPMIM") to provide investment advisory services to the Conduits for the purposes of evaluating Co-Investment Opportunities. JPMIM is under common control with JPMPI and is a registered investment adviser.

After JPMIM evaluates each co-investment opportunity and makes its recommendation to JPMPI, JPMPI either accepts or declines JPMIM's decision. With respect to the Conduits, JPMPI generally serves as the general partner, managing member, manager or administrator thereto. For purposes of conducting JPMPI's business, JPMPI deems the Conduit, and not the master fund or each of the Conduit's investors, to be its client.

Hedge Funds/Private Equity Funds:

For the Hedge Funds and Private Equity Funds, JPMPI identifies certain investment strategies and retains either affiliated or unaffiliated investment advisers to act as sub-advisers to implement such investment strategies through direct investments or investments in other funds.

Advisory Services to RICs

JPMPI also acts as a sub-adviser to two open-end RICs and one closed-end RIC. JPMIM is the investment adviser to each RIC and JPMPI is the investment sub-adviser. JPMPI makes the day-to-day investment decisions for each RIC. JPMIM is a wholly-owned subsidiary of J.P. Morgan Asset Management Holdings Inc., which is a wholly-owned subsidiary of JPMorgan Chase & Co. (JPMorgan Chase), a bank holding company. JPMPI is a wholly-owned subsidiary of JPMorgan Chase. JPMIM is located at 245 Park Avenue, New York, NY 10167, and JPMPI is located at 270 Park Avenue, New York, NY 10017.

C. Availability of Customized Services for Individual Clients

As mentioned above, the Private Funds and RICs constitute JPMPI's entire advisory client base. JPMPI does not provide advisory or other services to individuals.

D. Wrap Fee Programs

Not Applicable

E. Assets Under Management

JPMPI does not manage client assets on a discretionary basis.

Private Equity assets managed as of 9/30/10:
$1,096,853,064.13

Hedge Fund assets managed as of 12/30/10:
$1,575,862,980.64

ITEM 5
Fees and Compensation

A. Advisory Fees and Compensation

Private Funds

JPMPI is paid a fee based on capital commitments with respect to the Hedge Funds or Private Equity Funds and Conduits. JPMPI may pay a portion of such fee to the affiliated or unaffiliated sub-adviser. The fees assessed are intended to compensate JPMPI for its services rendered to each respective fund. The fees are not negotiable and are charged to each fund and are generally allocated among the capital accounts of the investors; however, with respect to certain funds, such fee may not be charged to investors

who have commitments of a certain size, as more fully disclosed in the offering and organizational documents of such fund. Since such fees are payable in arrears, compensation is not payable until after services are provided. The master funds in which the funds invest also charge fees that are assessed to investors in the funds as described more fully in their respective offering materials.

With respect to certain of the funds, JPMPI is entitled to receive or share a performance fee contingent upon the funds realizing a predetermined rate of return. Additional information regarding advisory and related fees is available in the offering and organizational documents of the fund.

Fee Schedule

Fund Name	Management Fee	Performance/Incentive Fee
JPMorgan Leveraged Loans LLC, J.P. Morgan Leveraged Loans Master Fund LP	1.5% per annum	Not Applicable
JP Morgan BlackRock Opportunistic RMBS LLC, JP Morgan BlackRock Opportunistic RMBS Master Fund LP	2% per annum	Not Applicable
JP Morgan Winton Managed Futures LLC	2% per annum	20% per annum
[1]BW Private Investors LLC, BW Private Investors Offshore Ltd.	1.6% annual fee, paid quarterly	17.8% subject to high water mark

RICs

For its sub-advisory services to the JPMorgan Access Balanced Fund and the JPMorgan Access Growth Fund, JPMPI receives an annual fee equal to 1.00 percent per annum as a percentage of average daily net assets. Additional information regarding sub-advisory and management fees is available in the prospectuses of these funds and the Statement of Additional Information for the JPMorgan Funds.

For its sub-advisory services to the J.P. Morgan Access Multi-Strategy Fund ("Access RIC"), L.L.C., JPMPI receives an annual fee equal to 1.10 percent per annum as a percentage of average daily net assets. JPMPI is entitled to the Performance Allocation, if any, payable by the Access RIC. At the end of each calendar year, each investors' ("Member") return on investment for the year will be determined and a

[1] The BW Private Investors LLC maintains an approximate allocation of 60% to All Weather@12%, LLC and 40% to Bridgewater Pure Alpha Trading Company Ltd., and BW Private Investors Offshore Ltd. maintains an approximate allocation of 60% to All Weather @12%, Ltd. (together with All Weather @12%, LLC, "All Weather") and 40% to Bridgewater Pure Alpha Funds Ltd. (together with Bridgewater Pure Alpha Trading Company, Ltd., "Pure Alpha"). As an investor in the Bridgewater Funds, the Fund will pay (i) a 2% per annum management fee and a 20% annual profit participation fee in connection with its investment in Pure Alpha; and (ii) a 0.50% per annum management fee and a 8% annual profit participation allocation in connection with its investment in All Weather).

portion of the Net Capital Appreciation allocated to the Member's capital account during the year (the "**Performance Allocation**"), net of the Member's allocable share of the Management Fee and the Administration Fee, equal to 10% of the portion of such Net Capital Appreciation that exceeds the Preferred Return (as defined below) will be reallocated to the capital account of the Special Member. The "**Preferred Return**" is equal to the 3-month U.S. Treasury Bill yield (as defined below) for each month during the relevant calendar year (or any shorter period of calculation). The "3-month U.S. Treasury Bill yield" for any month shall equal one-twelfth of the annual yield for the 3-month U.S. Treasury bill for the first business day of the then current calendar quarter as set forth in the U.S. Federal Reserve Statistical Release H.15(519) under the caption "Treasury constant maturities," or if such measurement is not available, such other source as the Board may determine appropriate in its discretion.

No Performance Allocation will be made, however, with respect to a Member's capital account until any cumulative Net Capital Depreciation previously allocated to such Member's capital account plus any Management Fees and Administration Fee charged to such capital account (the "**Loss Carryforward**") have been recovered. Any Loss Carryforward of a Member will be reduced proportionately to reflect the repurchase of any portion of that Member's Interest.

The performance of each capital contribution made by a Member during a calendar year will be separately tracked, and the Performance Allocation, Preferred Return and any Loss Carryforward for such Member will be determined separately with respect to each such capital contribution as if it were a separate capital account. As a result, a Performance Allocation may be made with respect to a Member's capital account even though such Member's aggregate return for the year is not positive or does not exceed the Preferred Return.

Additional information regarding sub-advisory and management fees is available in the Offering Memorandum.

B. Payment of Fees

Fees are deducted from clients' assets. Certain fees are deducted on a one-time start up basis, and other fees are deducted on an ongoing basis (monthly, quarterly, annually).

C. Additional Fees and Expenses

Clients may pay the following types of fees in connection with JPMPI's advisory services:

One time fee- start up
- Origination fees
- Placement fees
- Organizational cost
- Offering cost

Ongoing fees
- Administration Fee
- Custodian Fees
- Audit Fees
- Tax Fees

Printing fees
Mailing fees
Brokerage fees
Management fees
Incentive Fees

Clients will incur brokerage and other transaction costs. Please see Item 12 of this brochure that discusses brokerage.

D. Prepayment of Fees

Not Applicable

E. Additional Compensation and Conflicts of Interest

Not Applicable

ITEM 6
Performance-Based Fees and Side by Side Management

JPMPI manages accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. Fees earned by JPMPI for managing certain accounts may vary, particularly because for multiple accounts, JPMPI is paid based upon the performance results for those accounts. In addition, some of the portfolio managers have personal investments in other accounts. This could create a conflict of interest because the portfolio managers could have an incentive to favor certain accounts over others, resulting in some accounts outperforming others. JPMPI believes that such conflicts are mitigated in part because the Funds that charge asset based fees invest predominantly in mutual funds and structured notes, the prices of which are fixed at the close of the trading day for all investors, while the Funds that charge performance fees predominantly invest in alternative strategies. With respect to other securities, JPMPI utilizes JPMIM's trading desk and systems in order to participate in JPMIM's policies designed to achieve fair and equitable allocation of investment opportunities. JPMPI also has policies and procedures that seek to manage conflicts and monitors a variety of areas, including compliance with fund guidelines, review of allocation decisions and compliance with its Code of Ethics and JPMorgan Chase &Co ("JPMC") Code of Conduct.

ITEM 7
Type of Clients

JPMPI provides investment advice to registered investment companies and privately-offered pooled investment vehicles. Investors who open accounts must be clients of JPMorgan Private Bank or employees of JPMorgan Chase Bank, N.A ("JPMCB"). There are minimum account sizes for each fund, as disclosed in the respective fund's prospectus or offering memorandum.

In addition, investors in the privately-offered pooled investment vehicles must generally be "Accredited Investors" as defined in Regulation D under the Securities Act of 1933, as amended, and "Qualified Purchasers" as defined in the 1940 Act.

ITEM 8
Method of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

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

Private Equity Funds

AIF VII Private Investors, LLC
AIF VII Private Investors Offshore, L.P.
AIF VII Private Investors (TE) LLC

J.P. Morgan private clients will invest in AIF VII Private Investors, LLC, AIF VII Private Investors Offshore, L.P. and AIF VII Private Investors (TE) LLC (together, the Feeder Funds") which will invest substantially all of its assets in Apollo Investment Fund VII, L.P.

Investment Strategy and Method of Analysis

The investment strategy for Apollo Investment Fund VII, L.P. is value-oriented and often contrarian in its approach. Apollo quickly adapts to changing market environments through its three-pronged buyout approach including classic, distressed and corporate partner buyouts. During times of economic expansion, Apollo's flexible strategy has produced returns from classic and corporate partner buyouts. Similarly, during recessionary periods, Apollo has used its expertise to invest significant amounts of capital in distressed buyouts.

Co-Investment

A Feeder Fund may from time to time be invited by Apollo to co-invest with the Fund in certain of the Fund's portfolio companies (each such invitation, a "Co-Investment Opportunity"). Apollo will have no obligation to offer Co-Investment Opportunities to the Feeder Funds. JPMorgan will determine whether any Co-Investment Opportunity is accepted by a Feeder Fund. In addition to an investor's capital commitment to a Feeder Fund, each investor will be required to make additional contributions (each a "Co-Investment Contribution") in respect to Co-Investment Opportunities accepted by a Feeder Fund. The aggregate amount of an investor's Co-Investment Contributions will not exceed 20% of such investor's capital commitment.

Amounts contributed to Co-Investment Opportunities by the Feeder Funds (i) may be subject to fees and carried interest in favor of Apollo and (ii) will be subject to an incentive fee, payable to JPMPI, equal to 10% of any profits derived from Co-Investments

AIF V Private Investors LLC

J.P. Morgan private clients will invest in AIF V Private Investors LLC which will invest substantially all of its assets in Apollo Investment Fund V, L.P.

Investment Strategy and Method of Analysis

Apollo Advisers V, L.P. (together with its affiliated investment management entities, "Apollo") has formed a U.S. private equity limited partnership (together with parallel non-U.S. limited partnerships, the "Partnership" or "Apollo V") to invest in mid-size private and public companies with strong business franchises through the purchase of distressed securities or through direct equity infusions ("buyouts"). Apollo has developed a buyout strategy. Apollo focuses on mid-size companies ($500 million - $5 billion enterprise value[2]) which it believes have successful operating franchises and strong prospects for value creation through capital restructuring and strategic growth. Apollo seeks to obtain control or influential ownership of its portfolio companies through either "friendly" transactions in which the investment professionals aim to work in partnership with management or reorganizations where Apollo believes it can serve as a catalyst for a consensual resolution. Apollo's goal is to consistently buy businesses with strong franchise assets at 5.5x to 6.5x cash flow. In addition to paying below market multiples, building in downside protection is a key element of over 75% of Apollo transactions and can take the form of (i) an investment senior in a company's capital structure; (ii) guaranteed returns from corporate partners such as Liberty, Sony and Cendant; or (iii) conservatively capitalizing portfolio companies with low amounts of leverage. Further, Apollo has been able to achieve these transaction structures regardless of market environment by pursuing one of three different types of buyouts: distressed buyouts, "classic" buyouts, and corporate partner buyouts.

BCOM I Private Investors Ltd.

J.P. Morgan private clients will invest in BCOM I Private Investors Ltd. which will invest substantially all of its assets in Blackstone Communications Partners I, L.P.

Investment Strategy and Method of Analysis

BCOM I Private Investors Ltd. seeks to achieve superior, long-term capital appreciation through investments in the communications sector by investing in equity and equity-related securities, principally through privately negotiated investments. It will invest substantial effort in seeking quality management teams with proven track records in prior related endeavors. It pursues unique opportunities with limited competition, investing in companies with recurring revenues and in strategic assets in the context of ongoing consolidation. And it will build upon core and proven investment strategies by seeking companies that fall within current investment themes. Such themes incorporate new, opportunistic and strategic trends in the sector.

[2] Enterprise value is the intrinsic value of a going concern without regard to discount or premium.

KKR 2006 Fund Private Investors, LLC
KKR 2006 Fund Private Investors Offshore, L.P.

J.P. Morgan private clients will invest in KKR 2006 Fund Private Investors, LLC and KKR 2006 Fund Private Investors Offshore, L.P. which will invest substantially all of its assets in KKR 2006 Fund L.P. (the "Fund").

Investment Strategy and Method of Analysis

KKR's strategy is to acquire large, industry leading companies with investment opportunities arising from public-to-privates, corporate divestitures, consolidations and private company sales. Overall, KKR 2006 expects to invest in 20 to 30 companies over its life, or approximately three to five transactions per year, typically with enterprise values in excess of $1.0 billion. Equity investments are expected to average between $500 and $750 million with several having the potential to exceed this number. Investments will generally be in the industry sectors where KKR has specific expertise including: chemicals, consumer products, energy and natural resources, financial services, health care, industrials, retail, media and communications and technology. KKR 2006 expects to acquire controlling interests in its portfolio companies, to take an active role on the board, and to maintain significant involvement throughout the life of the investment. KKR identifies investment opportunities by leveraging its extensive network of industry contacts and its expertise in specific sectors. KKR conducts extensive due diligence prior to making an investment. Before an investment closes, the KKR deal team develops a 100-day plan, often in conjunction with Capstone Consulting and Capstone Europe, consulting firms with which KKR has an exclusive relationship, to identify operational improvements.

Co-investment with KKR European Fund II

The Fund will invest side-by-side with the KKR European Fund II, Limited Partnership ("European II") in Non-North American Portfolio Companies of European II. The Fund will be allocated 15% of the equity available to KKR with respect to investments in Non-North American Portfolio Companies.

Nestor 2000 Special LLC

J.P. Morgan private clients will invest in Nestor 2000 Special LLC which will invest substantially all of its assets in Nestor 2000 S.p.r.l. (the "Investment Vehicle").

Investment Strategy and Method of Analysis

The Investment Vehicle is a private equity vehicle that seeks significant capital appreciation through equity investments in start-up and early-stage privately held Internet companies located primarily in Europe. The Investment Vehicle intends to acquire significant minority ownership interests — generally between 10%-25% – in its portfolio companies and intends to maintain its position in subsequent rounds of financing. Accordingly, it is anticipated that the Investment Vehicle will make investments in 20-30 companies over the investment term, with no more than 20% of its total capital commitments invested in any one company. In making investments, the Manager will use the following criteria:

• Viability of overall business plan (e.g., proprietary assets, first mover advantage or strong competitive positioning, revenue and cost drivers)

• Market size (e.g., large local market or Pan-European/global demand, rate of growth);

• Quality of management team (e.g., sector and industry knowledge, experience, reputation);

• Potential synergies with other investments (e.g., possibility to build "vertical portals");

• Risk factors (e.g., market cycle, legal, competition, technology replacement); and

• Exit potential (e.g., timing and likelihood of liquidity event).

The Manager intends generally to obtain board positions and to maintain an active role in the portfolio companies following the initial investment, by assisting in the ongoing development of strategy and the recruitment of key personnel, and by making introductions to potential strategic partners for further rounds of financing.

TL Ventures V Special Partners LLC

J.P. Morgan private clients will invest in TL Ventures V Special Partners LLC which will invest substantially all of its assets in TL Ventures V L.P.

Investment Strategy and Method of Analysis

TL Ventures' strategy is to invest in the top U.S. venture capital markets with a particular focus on investment opportunities in the mid-Atlantic, Southwest and Southern California markets, where TL Ventures believes favorable supply and demand dynamics for venture capital exist. TL Ventures targets and assists early-stage companies at concept (seed), product development (first), and market development (second) stages in three principal areas: IT, communications and life sciences. TL Ventures will look to capitalize on investment opportunities created by the convergence of these sectors: computing and communications, communications and content, and computing and content. TL Ventures' professionals are actively involved in the growth of portfolio companies by helping to define the companies' strategy, recruit executives, design marketing plans and recommend optimal capital structure. The team seeks to create value early in a company's evolution. TL Ventures will seek to leverage its close relationship with

Safeguard Scientifics, a leading investor in emerging growth technology companies for over 40 years, to source and evaluate investment opportunities. TL Ventures' investment process includes: a careful analysis of a target company's market size and growth; sales organization and strategy for going to market; potential strategic alliances; financing plans; technology and development time; and, most importantly, the strength and capability of the management team.

Hedge Funds

BW Private Investors LLC
BW Private Investors Offshore Ltd.

J.P. Morgan private clients will invest in the BW Private Investors LLC (the "Onshore Fund") and BW Private Investors Offshore Ltd. (the "Offshore Fund") which initially invested 60% of their assets in All Weather and 40% of their assets in Pure Alpha.

Investment Strategy and Method of Analysis

At launch, JPMPI determined that the BW Private Investors, LLC and the BW Private Investors Offshore, Ltd. will initially be invested in 60% in All Weather and 40% in Pure Alpha (the "Target Allocation"). JPMPI may adjust the Target Allocation from time to time; however, if JPMPI determines to adjust the Target Allocation up or down by more than 5% (i.e., outside the range of 55% to 65% for All Weather and 35% to 45% for Pure Alpha), clients will be notified at least 60 days prior to the effective date of such adjustment and will be permitted to withdraw any client's investments in the Onshore/Offshore Funds prior to the effective date of such adjustment. The sole purpose of the Onshore/Offshore Funds are to acquire interests in Pure Alpha and All Weather.

J.P. Morgan Leveraged Loans LLC
J.P. Morgan Leveraged Loans Master Fund LP

J.P. Morgan private clients will invest in J.P. Morgan Leveraged Loans LLC, which will invest substantially all of its assets in J.P. Morgan Leveraged Loans Master Fund LP.

Investment Strategy and Method of Analysis

The current strategic focus of the J.P. Morgan Leveraged Loans Master Fund LP is to perform well in an environment of weak recovery in the economy with positioning in better quality leveraged loans with strong downside protection from solid issuers. J.P. Morgan Leveraged Loans Master Fund LP is incrementally and opportunistically adding yield and total return potential through increased exposure to lower rated loans and more cyclical issuers as market conditions and credit fundamentals continue to improve, and this trend is expected to continue within the context of a generally defensive portfolio.

As the J.P. Morgan Credit Team (the "Team") believes that security selection will drive leveraged loan returns, it will seek to use its bottom-up analysis to identify companies with strong fundamentals in the leveraged loan market. The Team will seek to mitigate credit risk with continuous and meticulous research of sectors and issuers and will search for opportunities in inefficient sectors of the market where credit ratings have not caught up with improving credit fundamentals. The fundamental analysis of the Team will be complemented by its macroeconomic insights as they relate to interest rates, default rates and capital market liquidity. In addition to traditional fundamental credit and valuation analysis, the Team will specifically focus on identifying the cause (or potential causes) of a company's distress, identifying catalysts that drive value creation and downside risk, calculating the expected enterprise value relative to the leveraged market value of the securities and analyzing the potential volatility of the company's enterprise value to assess downside risk and upside potential.

J.P. Morgan-BlackRock Opportunistic RMBS LLC
J.P. Morgan-BlackRock Opportunistic RMBS Master Fund LP

J.P. Morgan private clients will invest in J.P. Morgan-BlackRock Opportunistic RMBS LLC which will invest substantially all of its assets in J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P.

Investment Strategy and Method of Analysis

J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P. is an open-ended investment fund created exclusively for J.P. Morgan Private Bank clients to take advantage of the historic dislocation in the non-agency residential mortgage-backed securities ("RMBS") market. J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P. will seek to provide a directional and liquid investment opportunity following the dislocation in the RMBS market by investing in the senior portion of the capital structure of non-agency RMBS. The J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P. seeks to take advantage of this opportunity by making long-only investments with no leverage, at prices that reflect a steep discount to par. Subprime RMBS will be limited to 15% of the portfolio, and at least 90% of the J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P. will be invested in securities that are currently or were previously AAA-rated.

J.P. Morgan-BlackRock Opportunistic RMBS Master Fund L.P.'s investment team emphasizes disciplined portfolio management and creative structuring capabilities, while focusing on a high degree of credit scrutiny. The investment team aims to provide high risk-adjusted returns by employing rigorous quantitative analysis that is reinforced by fundamental research to identify and quantify risks. This allows the investment team to customize their analysis in an effort to identify mortgage securities that have relatively consistent performance across a wide range of scenarios.

JPMorgan Winton Managed Futures LLC

J.P. Morgan private clients will invest in JPMorgan Winton Managed Futures LLC, a Delaware limited liability company. The Fund will be sub-advised by Winton Capital Management Limited ("WCM").

Investment Strategy and Method of Analysis

JPMorgan Winton Managed Futures LLC seeks long-term capital appreciation through intensive research and the development of mathematical methods applied to investments in futures markets. Specifically, the sub-advisor WCM creates statistically-driven computer models that are designed to identify small but persistent inefficiencies across various equity, interest rate, commodity and currency futures markets. WCM follows the Diversified Strategy which trades a portfolio of more than 100 futures, options, equities, contracts for differences and forward contracts centered on the following areas: stock indices, interest rates, currencies, metals, agriculture and energy. WCM uses a computerized, statistical trading system designed to track the price movements of these markets around the world. The system seeks to maximize profit within a certain range of risk by calculating the degree to which the portfolio should have long and short exposure to various markets. The portfolio management process is automated and driven by the trading system. The system uses expected returns, volatility, correlations and other statistical

measures to create an optimal portfolio. The updated portfolio is compared with the current portfolio to generate a list of trades, taking transaction costs into account.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies

AIF VII Private Investors LLC
AIF VII Private Investors Offshore LP
AIF VII Private Investors (TE) LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

General
An investment in Apollo VII involves a high degree of risk. There can be no assurance that Apollo VII's return objectives will be realized or that there will be any return of capital. An investor may lose part or all of its capital. **Past investment activities or results of Apollo provide no assurance of future success.**

Illiquidity; Restrictions on transfer and withdrawal; Default
An investment in Apollo VII and the Feeder Funds will be an illiquid investment that requires a long-term commitment. Interests may not be transferred or pledged without prior written consent, which may be withheld. There will be no market for the interests. Investors may not withdraw capital. A default by an investor in making a required capital contribution may result in forfeiture of all or a substantial part of the investor's investment, as well as other remedies. The investments to be made by Apollo VII also are likely to be illiquid and, if successful, may not produce a realized return for a number of years. Investors should not subscribe unless they are prepared to bear the risks of owning the investment for an extended period of time and can readily bear the consequences of partial or total loss of capital.

Dependence on key personnel
Apollo's ability to identify investments and successfully manage Apollo VII's affairs depends on the Apollo partners, and their experience, relationships and expertise. There can be no assurance that these individuals will remain in the employ of Apollo, or that they will otherwise continue to be able to carry on their current duties throughout the term of Apollo VII. In addition, certain Apollo personnel are and will continue to be involved in the investment activities of other Apollo investment vehicles and business activities.

Potential conflicts of interest
Apollo expects that the universe of potential investments and other activities of Apollo's business could overlap with the investments and activities of the Fund and may create conflicts of interest. The Fund's Confidential Private Placement Memorandum discusses certain of these conflicts in more detail, for example, those associated with the allocation of investment opportunities among Apollo funds or other activities and interests of management that may restrict or compete with the Fund.

Possible lack of diversification
While diversification is an objective of the Fund, there is no assurance as to the degree of diversification that will actually be achieved in Apollo VII investments. Because as much as 20% of Apollo VII's aggregate committed capital may be invested in a single portfolio company, a loss with respect to such an investment could have a significant adverse impact on the results of the Fund.

Lack of control over fund policies
The management, financing and disposition policies of Apollo VII are determined by the General Partner. Although the General Partner has no present intention to do so, these policies may be changed at the discretion of the General Partner without a vote of the limited partners of Apollo VII and any such changes could be detrimental to the value of Apollo VII.

Business and market risks
The investments made by Apollo VII may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made; changes in national or international economic and market conditions; and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks.

Competition
There is currently, and will likely continue to be, competition for investment opportunities by investment vehicles and others with investment objectives and strategies identical or similar to Apollo VII's investment objectives and strategies as well as by strategic investors, hedge funds and others. Over the past several years, many private equity funds have been formed and many such existing funds have grown substantially in size, while hedge funds have increasingly sought private equity investments, resulting in an unprecedented amount of capital available for private equity investment.

Increasing size of transactions; Co-investors
Private equity opportunities increasingly involve larger-sized investments, which involve additional risks, including the involvement of multiple co-investors, and may be more difficult to finance and exit.

Leverage
Apollo VII will typically leverage its investments with debt financing at the portfolio company level. Although Apollo will seek to use leverage in a manner it believes is prudent, the use of leverage may substantially increase the risk of loss.

Affect of change in credit markets
Apollo's recent investments have benefited from favorable borrowing conditions in the debt markets, which historically have been cyclical. Although Apollo believes that there is currently ample availability of financing for leveraged transactions by historical standards, a decrease in availability of financing (or an increase in the interest cost) for leveraged transactions would impair, potentially materially, Apollo VII's ability to consummate transactions and to make similar leveraged distributions.

Distressed securities and restructurings
Apollo VII may make investments in restructurings that involve portfolio companies that are experiencing or are expected to experience severe financial difficulties, some which may never be overcome and may cause such portfolio companies to become subject to bankruptcy proceedings.

Foreign investments
Apollo VII will be permitted to make investments in foreign countries, some of which may prove to be unstable. With any investment in a foreign country, there exists risks relating to: adverse political developments, including nationalization, confiscation without fair compensation or war; fluctuation in currency exchange rates which may affect the value of investments in foreign securities or other assets; restrictions imposed to prevent capital flight which may make it difficult or impossible to exchange or repatriate foreign currency; the laws and regulations of foreign countries which may impose restrictions that would not exist in the U.S. and may require financing and structuring alternatives that differ significantly from those customarily used in the U.S.; and the imposition by foreign countries of taxes on Apollo VII and/or the its partners.

Hedging Policies/Risks
In connection with certain investments, Apollo VII may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks.

Investment in the Communications Industry
Apollo VII may include communications companies. Communications companies in the United States, Europe and other developed and emerging countries are undergoing significant changes mainly due to evolving levels of governmental regulation or deregulation as well as the rapid development of communication technologies. Competitive pressures within the communications industry are intense, and the securities of communications companies may be subject to significant price volatility. In addition, because the communications industry is subject to rapid and significant changes in technology, the companies in this industry in which Apollo VII may invest will face competition from technologies being developed or to be developed in the future by other entities, which may make such companies' products and services obsolete.

Investments in Public Companies
Apollo VII may invest in public companies or take private Portfolio Companies public. Investments in public companies may subject Apollo VII to risks that differ in type or degree from those involved with investments in privately held companies.

AIF V Private Investors LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Foreign Investments
The fund may make investments in a number of different foreign countries, some of which may prove to be unstable. With any investment in a foreign country, there exists the risk of adverse political developments, including nationalization, confiscation without fair compensation or war. Furthermore, any

fluctuation in currency exchange rates will affect the value of investments in foreign securities or other assets and any restrictions imposed to prevent capital flight may make it difficult or impossible to exchange or repatriate foreign currency.

General

An investment in the Partnership involves a high degree of risk. There can be no assurance that the Partnership's return objectives will be realized or that there will be any return of capital.

Risk Associated with Unspecified Investments

Investors will be relying on the ability of Apollo to identify, select, develop and realize investments. Even if the investments of the Partnership are successful, they may not produce a realized return to the Partners for a period of several years.

Dependence on Key Personnel

Apollo's ability to successfully manage the Partnership's affairs currently depends on the Principals, and their experience, relationships and expertise. There can be no assurance that these individuals will remain in the employment of Apollo, or that they will otherwise continue to be able to carry on their current duties throughout the term of the Partnership.

Limited Control over Partnership Policies

The management, financing and disposition policies of the Partnership are determined by the General Partner. Although the General Partner has no present intention to do so, these policies may be changed at the discretion of the General Partner without a vote of the limited partners of the Partnership and any such changes may be detrimental to the Partnership.

Illiquidity; Restrictions on Transfer and Withdrawal; Default

An investment in the Partnership and the conduit vehicles will be illiquid. Interests may not be transferred, pledged or otherwise encumbered without the prior written consent of the General Partner in its sole discretion. There will be no market for interests in the Partnership. A default by an investor in making a required capital contribution may result in forfeiture of all or a substantial part of the investor's investments, as well as other remedies.

Leverage

The Partnership will typically leverage its investments with debt financing at the portfolio company level. Although the use of leverage may enhance returns and increase the number of investments that can be made, it may also substantially increase the risk of loss.

BCOM I Private Investors Ltd

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

No Participation by Investors in Management

Investors will have no right or power to participate in the management or control of the business of the Fund and thus must depend solely upon the ability of the Administrator, the Board of Directors and the

Fund Manager with respect to the management and control of the Fund. In addition, Investors will not have an opportunity to evaluate the specific investments made by Blackstone Communications Partners I, L.P. (the "Partnership") or the terms of any such investments and thus must depend solely upon the ability of the parties managing the Partnership.

Dependence on Managers of the Partnership

The Administrator, the Board of Directors and the Fund Manager will not have any control over the management of the Partnership, nor will they have an active role in the day-to-day management of investments made by the Partnership nor will they have an opportunity to approve the specific investments made by the Partnership.

Limited Liquidity of Shares

An investment in the Fund provides limited liquidity since Investors cannot withdraw their Shares. Shares are not transferable without the consent of the Board of Directors and there is no secondary market for such Shares and it is unlikely that any secondary market will develop.

Illiquidity of Investment in the Partnership

The Fund's investment in the Partnership will be illiquid. It is also expected that the underlying investments made by the Partnership will be illiquid.

Changing Market and Economic Conditions

Changing market and economic conditions and other factors, such as changes in U.S. federal or state tax laws, securities laws, bankruptcy laws or accounting standards, may make the business of the Fund less profitable or unprofitable.

Minority Holding in the Partnership

The Fund's investment in the Partnership will not be significant enough to afford the Fund blocking rights with respect to certain actions and amendments to the Partnership's documentation. The Fund therefore will be dependent upon the general partner of the Partnership and to a lesser degree, the other limited partners in the Partnership with respect to such actions and amendments.

Forfeiture of Shares

The Fund's investment in the Partnership will include a commitment to meet capital calls required by the Partnership over an extended period of time. Failure by an Investor to meet a Fund capital call could result in forfeiture by such Investor of its entire interest and capital account in the Fund.

KKR 2006 Fund Private Investors LLC
KKR 2006 Fund Private Investors Offshore LP

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

General

An investment in the Fund and/or the conduit vehicles involves a high degree of risk. There can be no assurance that the Fund's return objectives will be realized or that there will be any return of capital. An investor may lose part or all of his capital.

Illiquid and Long-Term Investment; Restrictions on Transferability; Default; No Rights of Withdrawal

An investment in the Fund and the conduit vehicles is an illiquid investment that requires a long-term commitment, with no certainty of return. Interests may not be transferred or pledged without prior written consent, which may be withheld. There will be no market for the interests. A default by an investor in making a required capital contribution may result in forfeiture of all or a substantial part of the investor's investment, as well as other remedies.

Availability of Suitable Investments; Limited Number of Investments

There can be no assurance that the Fund will be able to locate and complete suitable investments, or realize upon their values. The Fund may make a limited number of investments and, as a consequence, the aggregate return of the Fund may be adversely affected by the unfavorable performance of even a single investment.

Leverage

The Fund's investments are expected to include companies whose capital structures may have significant leverage. Although the General Partner will seek to use leverage in a prudent manner, the use of leverage may substantially increase the risk of loss.

No Right to Control Operations

Investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Fund. Investors must rely entirely on the General Partner to conduct and manage the affairs of the Fund.

Valuation

As a result of the illiquidity of the Fund's investments no assurance can be provided that any given investment can be liquidated at a price equal to the market value ascribed to such investment. The liquidating value may differ, sometimes significantly, from the interim valuations arrived at by the Fund.

Hedging

KKR 2006 may enter into swaps, forward contracts and other arrangements to seek to preserve a return on a particular investment or seek to protect against currency fluctuations. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by KKR 2006 relating thereto.

Currency Risk

The Fund's investments may be denominated in various non-U.S. currencies. However, the books of the Fund will be maintained, and capital contributions to and distributions from the Fund generally will be made, in U.S. dollars. Accordingly, changes in currencies may adversely affect the U.S. dollar value of the Fund's investments and the gains and losses realized in respect of the Fund's investments.

Non-U.S. Investment Considerations

Investments in non-U.S. securities involve certain factors not typically associated with investing in U.S. securities, including risks relating to: potential price volatility in and relative illiquidity of some non-U.S.

securities markets; the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements; less government supervision and regulations; potential economic, political or social instability; exchange control regulations; restrictions on non-U.S. investment and repatriation of capital (possibly requiring government approval); expropriation or confiscatory taxation; and the possible imposition of non-U.S. taxes.

Nestor 2000 Special LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

• The success of the Investment Vehicle as a whole depends significantly on the Manager's ability to identify, select, develop and realize appropriate investments. There is no guarantee that suitable investments will be available or that investments will be successful.

• An investment in the Investment Vehicle involves a high degree of risk due to, among other things, the nature of the Investment Vehicle's investments, the nature of the interests in the Investment Vehicle, and potential or actual conflicts of interest.

• The prior investment vehicles formed, and prior investments made, by the Manager were much smaller than the Investment Vehicle and its proposed investments. The Manager has no experience with this size investment pool or investments.

• The assets of the Investment Vehicle will be concentrated in one industry (i.e., the Internet) and in one geographic region (i.e., Europe).

• Investments in private, start-up companies lacking diversification of products or services, having little or no operating history, and relying on a few key people, involve much greater risk than investments in larger, mature companies.

• Investments will be made in companies that are not publicly traded and such investments can be difficult to realize. In addition, the laws of certain jurisdictions may make dispositions of investments in portfolio companies difficult to effectuate.

• The business of identifying and structuring transactions is competitive and involves a high degree of uncertainty.

• Some portfolio companies may be passive foreign investment companies, resulting in potentially adverse tax consequences to U.S. investors. The Manager will seek to minimize these adverse consequences by making certain tax elections.

TL Ventures V Special Partners LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Portfolio risk

An investment in TL V involves a high degree of risk due to, among other things, the nature of TL V's investments, the nature of the interests in TL V, and potential or actual conflicts of interest. There can be no assurances that TL V's objectives will be realized or that there will be any return of capital.

Dependence on managers
The success of TL V as a whole depends significantly on the General Partner's ability to identify, select, develop and realize appropriate investments. There is no guarantee that suitable investments will be available or that investments will be successful.

Illiquidity; restrictions on transfer and withdrawal
An investment will be highly illiquid. Except in certain very limited circumstances, investors will not be permitted to transfer their interests. Investors may not withdraw or have their interests redeemed.

Early-stage investments
Investments in private, start-up companies lacking diversification of products or services, having little or no operating history, and relying on a few key people, involve much greater risk than investments in larger, mature companies.

Liquidity and exit
Investments will be made in companies that are not publicly traded and such investments can be difficult to realize. Difficulties in effecting realizations of investments in portfolio companies will cause delays in distributions to investors.

BW Private Investors LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Lack of Operating History
The past investment performance of the Bridgewater Funds or any of their affiliates should not be construed as an indication of the future results of the Bridgewater Funds or, therefore, of the Onshore Fund.

Future Changes in Applicable Law
Bridgewater's ability to implement the Bridgewater Funds' investment programs, as well as the ability of the Onshore Fund to conduct its operations, is based on laws and regulations which are subject to change through legislative, judicial or administrative action.

Market Risk
The profitability of the Onshore Fund's investment program depends, to a great extent, upon Bridgewater's ability to correctly assess the future course of the price movements of securities and other investments held by the Bridgewater Funds.

Performance Fees
The Onshore Fund will bear a profit participation fee in Pure Alpha and a profit participation allocation in All Weather. The investment performance of each Bridgewater Fund will not be aggregated for purposes of determining the profit participation fee/allocation borne by the Onshore Fund. As a result, the Onshore Fund may bear a profit participation fee/allocation with respect to its investment in one Bridgewater Fund notwithstanding that the combined performance of the Bridgewater Funds does not result in a net profit for the Onshore Fund.

Limited Withdrawal Rights
An investment in the Onshore Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investment. Such an investment provides limited liquidity because the Interests are not freely transferable. JPMPI may suspend Withdrawal rights, in whole or in part, when there exists in the opinion of JPMPI a state of affairs where disposal of the Onshore Fund's assets, or the determination of the value of a Member's Interests, would not be reasonably practicable. Such limitations on liquidity must be considered significant. JPMPI will also suspend Withdrawal rights in circumstance where the Bridgewater Funds suspend redemptions.

Operational Risk
Despite JPMPI's initial due diligence and ongoing oversight of Bridgewater, the Onshore Fund may suffer losses resulting from a failure of Bridgewater's operations, which may include continuity of business, procedural failures, weakness of operational controls and fraud.

Investment and Trading Risks
A JPM Portfolio Manager should be aware that a Member may lose all or part of its investment in the Onshore Fund. All investments risk the loss of capital. No guarantee or representation is made that the Bridgewater Funds' and the Onshore Fund's investment programs will be successful, and investment results may vary substantially over time.

Returns Dependent on Performance of the Bridgewater Funds
Substantially all of the assets of the Onshore Fund will be invested in the Bridgewater Funds. The success of the Onshore Fund depends upon the ability of Bridgewater to develop and implement investment strategies that achieve the investment objectives of the Bridgewater Funds, and, therefore, of the Onshore Fund. Subjective decisions made by Bridgewater may cause the portfolios of the Bridgewater Funds (and, therefore, the Onshore Fund) to incur losses or to miss profit opportunities on which it may otherwise have capitalized. The Onshore Fund will not have access to the portfolios of the Bridgewater Funds and, accordingly, will not be able to hedge against risks arising from such portfolios.

BW Private Investors Offshore Ltd.

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Lack of Operating History
The past investment performance of the Bridgewater Funds or any of their affiliates should not be construed as an indication of the future results of the Bridgewater Funds or, therefore, of the Offshore Fund.

Future Changes in Applicable Law
Bridgewater's ability to implement the Bridgewater Funds' investment programs, as well as the ability of the Offshore Fund to conduct its operations, is based on laws and regulations which are subject to change through legislative, judicial or administrative action.

Absence of Regulatory Oversight
While the Offshore Fund may be considered similar to an investment company, it is not required and does not intend to register as such under the Investment Company Act, and, accordingly, the provisions of the

Investment Company Act (which may provide certain regulatory safeguards to investors) are not applicable.

Market Risk

The profitability of the Offshore Fund's investment program depends, to a great extent, upon Bridgewater's ability to correctly assess the future course of the price movements of securities and other investments held by the Bridgewater Funds. There can be no assurance that Bridgewater will be able to predict accurately these price movements. Bridgewater's strategies for moderating such risk and valuation models may produce an adverse impact on the Bridgewater Funds (and therefore, the Offshore Fund).

Performance Fees

The Offshore Fund will bear a profit participation fee in Pure Alpha and in All Weather. The investment performance of each Bridgewater Fund will not be aggregated for purposes of determining the profit participation fees borne by the Offshore Fund. As a result, the Offshore Fund may bear a profit participation fee with respect to its investment in one Bridgewater Fund notwithstanding that the combined performance of the Bridgewater Funds does not result in a net profit for the Offshore Fund.

Limited Redemption Rights

An investment in the Offshore Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investment. Such an investment provides limited liquidity because the Shares are not freely transferable. JPMPI may suspend Redemption rights, in whole or in part, when there exists in the opinion of JPMPI a state of affairs where disposal of the Offshore Fund's assets, or the determination of the value of a Shareholder's Shares, would not be reasonably practicable.

Misconduct or Bad Judgment

It will be difficult, if not impossible, for JPMPI to protect Shareholders from the risk of Bridgewater engaging in fraud, misrepresentations or material strategy alteration. Shareholders themselves will have no direct dealings or contractual relationships with Bridgewater or any of its affiliates.

Operational Risk

Despite JPMPI's initial due diligence and ongoing oversight of Bridgewater, the Offshore Fund may suffer losses resulting from a failure of Bridgewater's operations, which may include continuity of business, procedural failures, weakness of operational controls and fraud.

Investment and Trading Risks

A JPM Portfolio Manager should be aware that a Shareholder may lose all or part of its investment in the Offshore Fund. All investments risk the loss of capital. No guarantee or representation is made that the Bridgewater Funds' and the Offshore Fund's investment programs will be successful, and investment results may vary substantially over time.

Additional Expenses and Transaction Costs

The Offshore Fund will incur expenses and transaction costs in addition to its pro rata share of expenses incurred by the Bridgewater Funds. Such costs and expenses will reduce the Offshore Fund's performance relative to the Bridgewater Funds.

Returns Dependent on Performance of the Bridgewater Funds
Substantially all of the assets of the Offshore Fund will be invested in the Bridgewater Funds. The success of the Offshore Fund depends upon the ability of Bridgewater to develop and implement investment strategies that achieve the investment objectives of the Bridgewater Funds, and, therefore, of the Offshore Fund. Subjective decisions made by Bridgewater may cause the portfolios of the Bridgewater Funds (and, therefore, the Offshore Fund) to incur losses or to miss profit opportunities on which it may otherwise have capitalized. The Offshore Fund will not have access to the portfolios of the Bridgewater Funds and, accordingly, will not be able to hedge against risks arising from such portfolios.

JPMorgan Leveraged Loans LLC
J.P. Morgan Leveraged Loans Master Fund LP

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Investment and Trading Risks
An investment in the JPMorgan Leveraged Loans LLC (the "Feeder Fund"), including the Feeder Fund's investment as an investor in the J.P. Morgan Leveraged Loans Master Fund LP (the "Fund"), involves a high degree of risk, including the risk that the entire amount invested may be lost. The Feeder Fund and the Fund will invest in and trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of financial markets and the risk of loss from counterparty defaults.

Limited Liquidity of Interests
The Feeder Fund is intended for long-term investors who can accept the risks associated with investing primarily in securities that involve a high degree of financial risk and are potentially illiquid. There is no public market for interests in the Feeder Fund, and no such market is expected to develop in the future.

Risk Control Framework
The J.P. Morgan Credit Team (the "Team") has implemented a risk control process to help the Feeder Fund and the Fund manage their risk exposure. The Manager will also implement a risk control process with respect to any investments made by the Offshore Feeder Fund other than in the Fund.

Portfolio Valuation
Valuations of the Feeder Fund's and the Fund's portfolios, which will affect the amount of the management fee, may involve uncertainties and judgment determinations. Third-party pricing information may at times not be available regarding certain of the Feeder Fund's or the Fund's securities and other assets. A disruption in the secondary markets for the Feeder Fund's or Fund's investments may limit the ability of the Team or the Manager, as the case may be, to obtain accurate market quotations for purposes of valuing the Feeder Fund's and Fund's investments and calculating the net asset value of the Feeder Fund's and Fund's investments.

Special Investments
The Feeder Fund and the Fund may invest in certain investments that are subject to legal or contractual restrictions on transferability or subject to other special considerations (such as a lack of a liquid market) that restrict or limit the ability of the Feeder Fund or the Fund, as the case may be, to dispose of such

investment or make it difficult to value such investment ("Special Investments"). Special Investments may represent up to 20% (or such higher percentage as may be agreed by the investor and the relevant Feeder Fund) of the aggregate balances of an investor's capital account and special investment account, measured as of the first day of the accounting period during which any Special Investment is made.

General Economic Conditions; Highly Volatile Markets

Various sectors of the global financial markets have been experiencing an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. Recently, market uncertainty in the United States has increased dramatically, and adverse market conditions have expanded to other markets. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency.

Investments in Bank Loans and Other Debt Instruments

The Feeder Fund and the Fund intend to invest substantially all of their capital in fixed-income instruments. These instruments may pay fixed, variable or floating rates of interest. Fixed income instruments are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (*i.e.*, market risk).

High Yield Debt

The Feeder Fund and the Fund intend primarily to invest in instruments that are rated below investment-grade by one or more nationally recognized statistical rating organizations (or are unrated but of comparable credit quality to obligations rated below investment-grade), and have greater credit and liquidity risk than more highly rated debt obligations. The lower rating of high yield debt reflects a greater possibility that adverse changes in the financial condition of the obligor or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) or both may impair the ability of the obligor to make payment of principal and interest.

Diversification Risk

Although the Fund intends to hold a diversified portfolio in accordance with its investment guidelines, the Fund may, in the discretion of the Team, invest in a limited number of investments. Investments made by the Feeder Fund outside the Fund are not subject to any diversification or concentration limits. A consequence of a limited number of investments is that the aggregate returns realized by the Feeder Fund may be substantially affected by the unfavorable performance of a small number of such investments.

Direct Investments and Differing Performance of the Feeder Fund

In addition to investing in the Fund, the Feeder Fund is expected to make certain direct investments. Although the Feeder Fund is permitted to make direct investments outside the Fund, including certain investments that it may purchase from the Feeder Fund for an arm's length price, it is not expected to do so.

J.P. Morgan – BlackRock Opportunistic RMBS LLC
J.P.Morgan – BlackRock Opportunistic RMBS Master Fund LP

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Limited Operating History
There can be no assurance that the Sub-Advisor's investment team (the "Investment Team") will be successful in managing the investments of the Fund.

Reliance on the Members of the Investment Team
The success of the Fund will depend in large part upon the skill and expertise of the principals of the Investment Team. Although the general partner of the Fund believes that the success of the Fund is not dependent upon any one member of the Investment Team, there can be no assurance that any of the members of the Investment Team will continue to be associated with the Sub-Advisor.

Risks Associated with Mortgage-Related Securities
The Fund plans to invest primarily in pools or tranches of multi-issuer non-agency RMBS and, in certain circumstances, in Non-Agency RMBS relating to a single issuer or a handful of issuers, which involves a high degree of concentrated risk with no certainty of any return of capital. The Fund may also invest in stripped mortgage securities issued by federal agencies or private originators. Securities issued by certain federal agencies are not backed by the full faith and credit of the United States government and are supported only by the credit of the issuer.

Investments in Fixed-Income Securities
The Fund intends to invest substantially all of its capital in fixed-income instruments. These instruments may pay fixed, variable or floating rates of interest. Fixed-income instruments are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

General Economic Conditions; Highly Volatile Markets
Various sectors of the global financial markets have been experiencing an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. Recently, market uncertainty in the United States has increased dramatically, and adverse market conditions have expanded to other markets. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. These difficult global credit market conditions have adversely affected the market values of equity, fixed-income and other securities and these circumstances may continue or even deteriorate further. The short- and long-term impact of these events is uncertain, but could have a material effect on general economic conditions, consumer and business confidence and market liquidity. Investments made by the Fund are expected to be sensitive to the performance of the overall economy.

Debt-Oriented Real Estate Investment Risks Generally

Deterioration of real estate fundamentals may negatively impact the operating results or financial health of the issuers or portfolio entities underlying the non-agency RMBS pools and therefore may negatively impact the performance of the Fund's investments. Such changes in fundamentals could involve fluctuations as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in environmental and zoning laws, casualty or condemnation losses, environmental liability, regulatory limitations on rents, changes in neighborhood values, changes in the appeal of properties to tenants, the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, natural disasters, increase in interest rates and other factors that are beyond the control of the general partner of the Fund, Advisor and Sub-Advisor.

Fraud

Of paramount concern in purchasing debt securities is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying a debt security or may adversely affect the likelihood that a lien on such collateral has been properly created and perfected. The Fund will rely upon the accuracy and completeness of representations made by borrowers, but cannot guarantee such accuracy or completeness.

Concentration Risk

To the extent the Sub-Advisor concentrates the Fund's investments in a particular issuer, the Fund's portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting that particular issuer, or the loan servicers, trustee(s) or other counterparties associated therewith. To the extent any such entity defaults in respect of its obligations relating to the non-agency RMBS, the performance of the Fund may be adversely affected.

Difficulty in U.S. Residential Mortgage Market

Recently, the residential mortgage market in the United States has experienced a variety of difficulties and changed economic conditions that may materially and adversely affect the performance and market value of mortgage-related securities. Housing prices and appraisal values in many states have declined or stopped appreciating after extended periods of significant appreciation. This decline has resulted in increases in delinquencies and losses on residential mortgage loans. Many adjustable rate mortgage loans offered a low fixed rate for an initial period with the interest rate eventually adjusting to an index based on the prevailing market rate of interest. The interest rate on many such mortgages has recently started to adjust to such higher prevailing market rate. This increase in interest rates has resulted, and may continue to result, in higher delinquency rates as some homeowners have purchased homes that turn out to be too expensive for them.

Structural Risks of Mortgage-Related Securities

The Fund may invest a portion of its assets in mortgage-related securities that are subordinate in right of payment and rank junior to other securities that are secured by or represent an ownership interest in the same pool of assets. In addition, many of the related transactions have structural features that divert payments of interest and/or principal to more senior classes when the delinquency or loss experience of the pool exceeds certain levels.

JPMorgan Winton Managed Futures LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

Overall investment risk

Fund performance may be volatile and an investor could lose some or all of his investment. A Fund investment is very speculative and involves a high degree of risk and is not suitable for all investors. Further an investment in the Fund may be subject to limited withdrawal privileges, restrictions on transfer and lack of a secondary market. The investment strategy may include non US assets and may employ leverage and shorting strategies. The existence of the incentive fee may create incentive for Winton Capital Management Limited ("WCM") to take greater risks than it ordinarily would without such fees.

Futures trading

The Fund will invest primarily in futures and options thereon. Futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the trader.

Dependence on WCM

The success of the Fund depends upon the ability of WCM to develop and implement investment strategies that achieve the Fund's investment objectives. Note that there can be no assurance that the Fund will achieve its investment objectives and investment results may vary over time.

No operating history

The Fund is newly organized and thus has no operating history. There can be no assurance that the Fund will achieve its investment objective. The Fund's investment program should be evaluated on the basis that there can be no assurance that it will be successful. Investors may sustain a total loss of their investment.

Currency exchange risk

Certain of the investments of the Fund may be in currencies other than U.S. dollars. Accordingly, adverse exchange rate fluctuations may cause the value of the investments of the Fund to diminish.

Short sales

The Fund may engage in short selling. In selling short, the Fund bears the risk of an increase in the value of the instrument sold short above the price at which it was sold. Such an increase could lead to a substantial loss.

Illiquid markets

The success or failure of the Fund will depend upon the ability of WCM to trade profitably in the Markets. However, in some circumstances these Markets can be illiquid making it difficult to acquire or dispose of contracts at the prices quoted on the various exchanges or at normal bid/offer spreads quoted

off exchange. These and other factors mean that, as with other investments, there can be no assurance that trading in the Markets will be profitable.

Failure of clearing brokers
Because the clearing brokers may, at times, be the sole counterparties with respect to a significant portion of the Fund's assets, the Fund has credit risk to the clearing brokers. A clearing broker that is a futures commission merchant registered with the CFTC is required by CFTC regulations to segregate from its own assets, and for the sole benefit of its commodity customers (including the Fund), all assets held by it in respect of CFTC exchange traded futures and options contracts, including an amount equal to the net unrealized gain on all such open contracts.

Creditworthiness of counterparties
Over the counter markets ("OTC"), such as those in which the Fund may trade forward contracts, are principals markets where the counterparty to the Fund's trade is likely to be an international commercial business, bank, or brokerage company. OTC contracts are not transacted pursuant to exchange rules and, except in limited circumstances, do not have the benefits afforded by a clearing house which steps in to take the other side of each trade.

JPMorgan Access Balanced Fund
JPMorgan Access Growth Fund

Please refer to the Fund's prospectus for a more detailed discussion of risks.

International securities
The Funds invest in international securities, which involve a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns.

Bonds
The Funds also invest in bonds, which are subject to interest rate risks. Bond prices generally fall when interest rates rise.

Derivatives
The Funds may also use derivatives as a tool in the management of Fund assets. The use of derivatives for hedging, risk management or to increase income or gain may not be successful and could result in losses. Derivatives also expose the Funds to the credit risk of the derivative counterparty.

Real Estate
The Funds invest in real estate, which is subject to declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Structured Investments
The Funds may also invest in structured investments which may involve a high degree of risk, and may be appropriate investments only for sophisticated investors who are capable of understanding and assuming the risks involved.

Short Selling
The Funds may participate in short selling, which involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

High Yield
The Funds invest in high yield securities rated below investment grade. Although these securities tend to provide higher yields than higher rated securities, there is a greater risk that the Funds' share price will decline.

Portfolio Turnover
Portfolio turnover may vary greatly from year to year, as well as within a particular year. High rates of portfolio turnover may result in short-term capital gain that will generally be taxable to shareholders as ordinary income.

Additional Fees
There may be additional fees or expenses associated with investing in a Fund of Funds strategy.

J.P. Morgan Access Multi-Strategy Fund, LLC

Please refer to the Fund's offering memorandum for a more detailed discussion of risks.

General
The value of the Fund's total net assets may be expected to fluctuate in response to fluctuations in the value of the hedge funds (the "Investment Funds ") and other investments in which the Fund invests. Discussed below are the investments the Investment Manager and Sub-Advisor anticipate will generally be made by Investment Funds and the principal risks that the Investment Manager and Sub-Advisor believe are associated with those investments. To the extent the Fund makes such investment directly, the same risks would apply. These risks will, in turn, have an effect on the Fund.

Concentration of Investments; Non-diversified Portfolios
Investment Funds may target or concentrate their investments in particular markets, sectors, or industries. Investment Funds also may be considered to be non-diversified and invest without limit in a single issuer. As a result of any such concentration of investments or non-diversified portfolios, the portfolios of such Investment Funds are subject to greater volatility than if they had non-concentrated and diversified portfolios. Those Investment Funds that concentrate their investments in a specific industry or sector may be subject to additional risks with respect to those investments, which risks may include, but not be limited to, rapid obsolescence of technology, sensitivity to regulatory changes, minimal barriers to entry, and sensitivity to overall market swings.

Risks of Fund of Hedge Funds Structure
The Investment Funds will not be registered as investment companies under the 1940 Act. The Fund, as an investor in these Investment Funds, will not have the benefit of the protections afforded by the 1940 Act to investors in registered investment companies. Although the Investment Manager and/or Sub-Advisor will receive information from each Investment Fund regarding its investment performance and investment strategy, the Investment Manager or Sub-Advisor may have little or no means of independently verifying this information. An Investment Fund may use proprietary investment strategies that are not fully disclosed to the Investment Manager or Sub-Advisor, which may involve risks under some market conditions that are not anticipated by the Investment Manager or Sub-Advisor.

Valuation
As the Investment Manager, Sub-Advisor and the Board of Directors anticipate that market prices will not be readily available for most Investment Funds in which the Fund invests, the Fund's valuation procedures provide that the fair value of the Fund's investments in Investment Funds ordinarily will be the value determined for each Investment Fund in accordance with the Investment Fund's valuation policies and provided to the Fund by the Investment Fund's Portfolio Manager or administrator. Although the Investment Manager and/or Sub-Advisor will review the valuation procedures used by the Portfolio Managers, the Investment Manager, Sub-Advisor and the Board of Directors will have little or no means of independently verifying valuations of the Investment Funds provided to the Fund.

Fees and Expenses of Investment Funds
By investing in the Investment Funds indirectly through the Fund, an investor bears a portion of the Management Fee, the Administration Fee, the Special Member's Performance Allocation and other expenses of the Fund, and also indirectly bears a portion of the asset-based fees, performance allocations and other expenses borne by the Fund as an investor in the Investment Funds. An investor in the Fund meeting the eligibility conditions imposed by the Investment Funds, including minimum initial investment requirements that may be substantially higher than those imposed by the Fund, could invest directly in the Investment Funds.

Control over Portfolio Managers
The Investment Manager and/or Sub-Advisor will invest in Investment Funds that the Investment Manager and/or Sub-Advisor believe will generally, and in the aggregate, be managed consistent with the Fund's investment objective and strategy. The Investment Manager and Sub-Advisor do not control the Portfolio Managers of these Investment Funds, however, and there can be no assurances that a Portfolio Manager will manage its Investment Funds in a manner consistent with the Fund's investment objective and strategy.

Investments in Non-Voting Securities
Investment Funds may, consistent with applicable law, elect not to disclose the contents of their portfolios. This lack of transparency may make it difficult for the Investment Manager and/or Sub-Advisor to monitor whether holdings of the Investment Funds cause the Fund to be above specified levels of ownership in certain asset classes. To avoid adverse regulatory consequences in such a case, the Fund may need to hold its interest in an Investment Fund in non-voting form. Additionally, for regulatory reasons, the Fund may need to limit the amount of voting securities it holds in any particular Investment Fund, and may as a result hold substantial amounts of non-voting securities in a particular Investment Fund.

Potential Significant Effect of the Performance of a Limited Number of Investments
The Investment Manager and Sub-Advisor expect that the Fund will participate in multiple investments. The Fund may, however, make investments in a limited number of Investment Funds and Investment Funds may make investments in a limited number of portfolio companies. In either instance, these limited number of investments may have a significant effect on the performance of the Fund.

C. Risks Associated With Particular Types of Securities

Please see response to question to Item 8 b.

ITEM 9
Disciplinary Information

A. Criminal or Civil Proceedings

None

B. Administrative Proceedings Before Regulatory Authorities

None

C. Self Regulatory Organization (SRO) Proceedings

None

ITEM 10
Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration Status

JPMPI has management persons who are registered with FINRA as representatives of an affiliated broker-dealer.

B. Futures Commission Merchant, commodity Pool Operator, or Commodity Trading Adviser Registration Status

JPMPI is registered as a commodity pool operator with the United States Commodities Futures Trading Commission ("CFTC") and relies on CFTC Rule 4.14, exemption from registration as a commodity trading advisor. Further, JPMPI operates its commodity pools under two separate exemptions; CFTC Rules 4.7, exemption from certain part 4 requirements and 4.13, exemption from registration as a commodity pool operator.

C. Material Relationships or Arrangement with Industry Participants

(1) broker-dealer, municipal securities dealer, or government securities dealer or broker

JPMorgan Distribution Services, Inc. is the distributor for the JPMorgan Access Balanced Fund, and JPMorgan Access Growth Fund.

JPMS may serve as a placement agent for the Private Funds and Registered Investment Companies. Additionally, JPMS may serve as placement agent for securities purchased by one or more of the Private Funds and/or its Registered Investment Companies. Certain directors and officers of JPMPI are also officers of JPMS.

(2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)

JPMPI serves as sub-advisor to three registered investment companies sponsored by affiliated registered investment advisers.

(i) JPMIM is under common control with JPMPI and has a separate investment advisory agreement to provide advisory services to certain Advisory Clients and (ii) JPMPI has separate agreement(s) with affiliated or unaffiliated managers to provide investment advisory services to the certain Hedge Funds or Private Equity Funds.

(3) other investment adviser or financial planner

JPMPI is under common control with JPMIM and Highbridge Capital Management ("HCM"). JPMPI has separate investment advisory agreements to provide advisory and sub-advisory services to certain private funds and registered investment companies, respectively. Additionally, JPMPI maintains separate agreements with HCM and unaffiliated managers to provide investment advisory services to certain Hedge Funds or Private Equity Funds.

For Hedge Funds and Private Equity Funds, JPMPI identifies certain investment strategies and retains either affiliated or unaffiliated sub-advisers to implement such investment strategies through direct investments or investments in other funds. Several of the affiliated and unaffiliated sub-advisers, including but not limited to, JPMIM and Winton Capital Management Limited ("Winton Capital"), are registered with the CFTC as a Commodities Trading Adviser and Commodity Pool Operator. JPMPI relies on the services of those affiliated and unaffiliated sub-advisers to trade futures for a portion of certain Hedge Fund's accounts.

From time to time, JPMPI or its related persons may act as a general partner of a limited partnership, or managing member of a limited liability company to which JPMPI serves as an advisor. JPMPI and related persons may solicit JPMPI's clients to invest in such limited partnerships or limited liability companies, for which JPMPI or a related person may receive compensation.

(5) banking or thrift institution

JPMPI is a wholly-owned subsidiary of JPMorgan Chase & Co. In addition, certain of the directors and officers of JPMPI are also officers of JPMorgan Chase Bank, N.A.

D. Material Conflicts of Interest Relating to Other Investment Advisers

Not Applicable

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

A. Code of Ethics

JPMPI has adopted a Code of Ethics and has implemented policies and procedures to detect certain violations thereof. The JPMPI Code of Ethics sets forth standards of conduct, requires compliance with federal securities laws and addresses personal trading by advisory personnel. JPMPI has determined that the procedures, reporting and recordkeeping requirements set forth in the Code of Ethics are reasonably necessary to prevent supervised persons from violating the provisions of the Code of Ethics. All JPMC personnel (including JPMPI supervised personnel) are also required to comply with the provisions of the JPMC Code of Conduct.

A copy of the Code of Ethics will be provided to any client or prospective client upon request.

B. Securities That You or a Related Person Has a Material Financial Interest

Not Applicable

C. Investing in Securities That You or a Related Person Recommends to Clients

Not Applicable

D. Conflicts of Interest Created by Contemporaneous Trading

Not Applicable

ITEM 12
Brokerage Practices

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

Broker Selection

In connection with portfolio transactions, the overriding objective is to obtain the best execution of purchase and sales orders. In making this determination, JPMPI and its advisory affiliate, JPMIM considers a number of factors including, but not limited to: the price per unit of the security, the broker's execution capabilities, the commissions charged, the broker's reliability for prompt, accurate confirmations and on-time delivery of securities, the broker-dealer firm's financial condition, the broker's ability to provide access to public offerings, as well as the quality of research services provided. As permitted by Section 28(e) of the Securities Exchange Act, JPMPI and its advisory affiliate, JPMIM may cause the Funds to pay a broker-dealer which provides brokerage and research services to JPMPI and its advisory affiliate, JPMIM, or the Funds and/or other accounts for which JPMPI and its advisory affiliate, JPMIM exercises investment discretion an amount of commission for effecting a securities transaction for a Fund in excess of the amount other broker-dealers would have charged for the transaction if JPMPI and its advisory affiliate, JPMIM determines in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided by the executing broker-dealer viewed in terms of either a particular transaction or JPMPI and its advisory affiliate, JPMIM's overall responsibilities to accounts over which it exercises investment discretion. Not all such services are useful or of value in advising the Funds. JPMPI and its advisory affiliate, JPMIM reports to the Board of Trustees regarding overall commissions paid by the Funds and their reasonableness in relation to the benefits to the Funds. In accordance with Section 28(e) of the Securities Exchange Act and consistent with applicable SEC guidance and interpretation, the term "brokerage and research services" includes (i) advice as to the value of securities; (ii) the advisability of investing in, purchasing or selling securities; (iii) the availability of securities or of purchasers or sellers of securities; (iv) furnishing analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy and the performance of accounts; and (v) effecting securities transactions and performing functions incidental thereto (such as clearance, settlement, and custody) or required by rule or regulation in connection with such transactions.

Brokerage Activities - Advisory Affiliate

Global Counterparty Review Process

One part of obtaining best execution is minimizing counterparty risk. JPMPI and its affiliate, JPMIM's Risk Management & Control Group is responsible for:

(1) setting risk policies and procedures worldwide;

(2) monitoring implementation of these policies and procedures;

(3) reviewing and approving all proposed trading counterparties;.

(4) setting credit limits for certain activities with an approved counterparty; and

(5) monitoring credit exposures to counterparties.

The Risk Management & Control Group communicates the list of approved counterparties to the trading desks globally.

To make its counterparty assessments, the Risk Management & Control Group relies heavily on proprietary research performed by JPMPI and its affiliates, JPMIM's global team of credit and research analysts. Monitoring credit exposures is an ongoing responsibility. Limits are adjusted as counterparty circumstances change.

1. **Research and Other Soft Dollar Benefits.**

JPMPI does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions.

2. **Brokerage for Client Referrals.**

JPMPI may compensate, and may continue to compensate, affiliated and non-affiliated persons for client referrals in accordance with Rule 206(4)-3 under the Advisers Act. The compensation to be paid will generally consist of a cash payment computed as a percentage of JPMPI's advisory fee, although other methods of computation may be used.

3. **Directed Brokerage.**

JPMPI does not participate in directed brokerage.

B. Order Aggregation

It is JPMPI's policy that no client for whom JPMPI has investment decision responsibility shall receive preferential treatment over any other client. In allocating securities among clients, it is JPMPI's policy that all clients should be treated fairly and that, to the extent possible, all clients should receive equivalent treatment. **For the avoidance of doubt, orders made on behalf of privately offered funds must never be aggregated with an order made on behalf of a fund that is registered under the Investment Company Act of 1940, as amended.**

Aggregation of Orders

From time to time, if permitted to do so, it may be appropriate for JPMPI to aggregate client orders for the purchase or sale of securities. JPMPI will generally follow the guidelines set forth below in aggregating client orders for securities, including any orders placed for private investment vehicles:

- no investment advisory client will be favored over any other investment advisory client;
- each client that participates in an aggregated order will participate at the execution price of that order and transaction costs will be shared pro rata based on each client's participation in the transaction, to the extent they can not be allocated directly.

ITEM 13
Review of Accounts

A. Frequency and Nature of Review of Client Accounts or Financial Plans

Review of Accounts

JPMPI's portfolio managers (Executive Directors or Managing Directors) are responsible for the continuous review of the accounts under their supervision. Working with the global strategic asset allocation and the policy guidelines set by product heads reflecting the recommendations of the strategy groups and addressing the client's objectives, the portfolio managers decide which securities to buy and sell and the timing of these transactions.

JPMPI's investment groups conduct account/peer reviews of its portfolio managers' accounts. Such a review is directed at examining compliance with guidelines, clients' investment objectives and account guidelines, and JPMPI and its affiliate's current investment processes and practices. An account/peer review is formal in nature and is conducted by a committee which consists of portfolio managers and senior employees from other appropriate business areas. Each account is reviewed at least once per calendar year.

As an additional tool to aid in portfolio compliance monitoring in North America, Europe and Singapore, JPMPI and its affiliates maintain a portfolio compliance monitoring system which is used in conjunction with its proprietary investment management systems. This portfolio compliance monitoring system assesses the underlying positions for accounts after the nightly system processing is completed and provides independent post-facto daily review of positions data against various rules-based compliance tests, covering client specific guidelines and restrictions, as well as product and regulatory requirements.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review

Portfolio Managers may review a client account based on market conditions and their outlook. Legal and Compliance may review an account on more than a periodic basis to review it against certain investment restrictions or regulatory developments.

C. Content and Frequency of Account Reports to Clients

JPMPI provides annual reports to investors containing the Advisory Client's (i) audited balance sheet for the most recent fiscal year, (ii) audited income statement for such fiscal year and (iii) a statement of capital for such fiscal year. JPMPI's obligations in these respects are more fully specified in each of the limited partnership and limited liability company agreements.

All clients receive, at least quarterly, a statement of the assets held in their account(s) that contains a complete description of each asset together with cost and current market values. Many clients receive these statements monthly. Also, all clients receive a monthly statement of transactions, detailing all activity within their accounts. Upon request, performance reports are sent quarterly to clients on their

account(s). JPMPI and its affiliates generally meet with each client on an annual basis to review investment strategy, performance and administrative matters.

ITEM 14
Client Referrals and Other Compensation

A. Economic Benefits for Providing Services to Clients

Not Applicable

B. Compensation to Non-Supervised Persons for Client Referrals

Not Applicable

ITEM 15
Custody

Custody of Client Assets

1. General Rule

If JPMPI has custody over advisory clients' assets (*i.e.*, funds or securities), Rule 206(4)-2 under the Advisers Act requires that such clients' assets be maintained with a qualified custodian. The qualified custodian must hold the funds or securities in an account either under the client's name or under JPMPI's name, as agent or trustee for its clients. If the interests in a Fund are not certificated, but are recorded only on the books of the Fund, JPMPI may satisfy this requirement by keeping the originally signed subscription agreement for such Fund interest with a qualified custodian.

"Qualified custodians" include banks and savings associations and registered broker-dealers and, for advisers who offer advice regarding futures, registered futures commission merchants. JPMCB and JPMS are both qualified custodians.

JPMPI will be deemed to have "custody" of client assets, and therefore must comply with the custody rule, when it holds, directly or indirectly, client funds or securities or has any authority to obtain possession of them. This includes the ability to deduct fees from or otherwise manage the money in the Fund's accounts. JPMPI will likely be deemed to have custody of the assets of all of its advisory clients.

To the extent that JPMPI has custody of advisory client assets, JPMCB currently serves as JPMPI's qualified custodian. The Chief Financial Officer will review and approve the status of any proposed new custodian and its arrangements before client funds or securities are transferred thereto.

JPMPI has elected to provide audited financials to its fund investors within 180 days of its fiscal year end.

2. Account Statements

Subject to certain exceptions, Rule 206(4)-2 under the Advisers Act generally provides that advisory clients must receive quarterly account statements if JPMPI maintains custody over their assets. If JPMPI does not provide these quarterly statements to such clients, then it must have a reasonable belief that JPMCB, as qualified custodian, so provides them. If such clients do not receive account statements directly from JPMCB, as qualified custodian, then JPMPI must send them to such clients and also undergo an annual surprise examination by an independent public accountant to verify the assets of such clients.

The foregoing account statement delivery requirement does not apply to clients that are pooled investment vehicles if they (i) are audited at least annually; and (ii) distribute their audited financial statements prepared in accordance with generally accepted accounting principles to all investors in the Fund within 120 days of the end of its fiscal year (180 days for funds of funds). JPMPI may also have JPMCB, as qualified custodian, send the quarterly account statements directly to advisory clients. The Chief Financial Officer will confirm that audits will be performed in a timely manner and will require any custodians who send quarterly account statements to also send copies thereof to JPMPI.

ITEM 16
Investment Discretion

JPMPI accepts discretionary authority to manage securities accounts on behalf of clients. Clients place limits on this discretionary authority via the investment advisory agreement between JPMPI and the client, as well as the prospectus/offering memorandum which sets forth the investment parameters for JPMPI.

The investment advisory agreement grants JPMPI the authority to manage securities accounts on behalf of clients. The prospectus/offering memorandum details, and places limits, on the investment strategies that JPMPI will pursue for the client. Before JPMPI assumes this authority, the investment advisory agreement must be executed by JPMPI and the client, and the prospectus/offering memorandum must be distributed to the client.

ITEM 17
Voting Client Securities

A. Policies and Procedures Relating to Voting Client Securities

JPMPI seeks to have each investment management agreement set forth whether JPMPI or the client are responsible for voting proxies. If JPMPI is responsible, it is JPMPI's obligation to vote proxies in the best interests of the client. Investment personnel are principally responsible for determining how to vote individual proxies in accordance with the JPMorgan Asset Management Proxy Voting Procedures and Guidelines. Clients may obtain a copy of the proxy voting policies and procedures upon request.

In general, JPMPI will handle all proxies and other corporate actions in a timely manner as part of its authority. JPMPI's President is ultimately responsible for ensuring that all proxies received by JPMPI, on behalf of Private Funds, are voted in a timely manner and in a manner consistent with the Private Fund's best interests. JPMPI's fiduciary obligation to manage accounts in the best interests of the Private Funds extends to proxy voting. When voting proxies or acting with respect to corporate actions for Private Funds, JPMPI will act in a prudent and diligent manner solely with the goal of maximizing the economic value of the assets of the Private Fund's account and thereby providing the greatest possible return to investors' investments consistent with governing laws and the investment policies of the Private Fund.

As the management of a company is responsible for its day to day operations, JPMPI believes that management, subject to the oversight of its board of directors, is often in the best position to make decisions that serve the interest of investors. However, JPMPI generally votes against management on proposals where it perceives a conflict may exist between management and client interests, such as those that may insulate management or diminish investor rights. JPMPI also generally votes against management in other cases where the facts and circumstances indicate that the proposal is not in its client's best interests.

Clients cannot direct their vote in a particular solicitation.

B. Policies and Procedures Relating to Voting Client Securities

Not Applicable

ITEM 18
Financial Information

A. Balance Sheet

Not Applicable

B. Financial Conditions Likely to Impair Ability to Meet Contractual Commitments to Clients

None

C. Bankruptcy Filings

None