

**Part 2A of Form ADV
Firm Brochure**

American Infrastructure Funds, L.L.C.

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This Brochure provides information about the qualifications and business practices of American Infrastructure Funds, L.L.C. (“AIM”). If you have any questions about the contents of this Brochure, please contact Judy Bornstein at 650-854-6000 or by email at jbornstein@aimlp.com. 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.

References in this Brochure to AIM as a “registered investment adviser” are not intended to imply a certain level of skill or training.

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

ITEM 2 – MATERIAL CHANGES

There have been no material changes to AIM's investment advisory business since the last annual update to this Brochure was filed with the SEC on March 30, 2015. However, the current version of this Brochure, dated March 30, 2016, has been revised to include additional disclosures pertaining to AIM's pre-existing practices as they relate to: (i) Advisory Client expenses (including allocation of expenses amongst multiple Advisory Clients) (Item 5); and (ii) investment allocations and co-investments (Item 12). AIM has also made additional non-material revisions to the language in certain other sections of this Brochure.

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ITEM 4 – ADVISORY BUSINESS

AIM, which was organized in Delaware in 2006, provides discretionary investment advice and administrative and ministerial support to pooled private investment vehicles, typically organized as Delaware limited partnerships (the “Funds”) and pooled co-investment vehicles typically organized as Delaware limited liability companies or Delaware limited partnerships (the “Co-Investment Vehicles” and together with the Funds, the “Advisory Clients”). The Advisory Clients make primarily private equity investments in assets and businesses that AIM intends to restructure as master limited partnerships (“MLPs”) or other similar entities. At the present, the only investment advisory clients of AIM are the Advisory Clients.

Certain of the Funds have held initial and subsequent closings and are in their respective investment periods, during which investment opportunities are identified, acted upon, and exited. The Funds have limited terms, at the conclusion of which final distributions will be paid to investors. The Co-Investment Vehicles are generally open only to investors in the Funds (“Fund Investors”), though AIM (and its affiliates) have made (and may in the future make) exceptions.

Bob Hellman and Matt Carbone are the principal owners of AIM.

Affiliates of AIM serve as the respective general partners or managers of the Funds and Co-Investment Vehicles (as applicable) (collectively, the “GPs”). Each of the GPs is a related person of AIM and is under common control with AIM.

The current Funds are:

- (1) American Infrastructure MLP Private Equity Fund, L.P. (“PE Fund”), a Delaware limited partnership;
- (2) American Infrastructure MLP Associates Fund, L.P. (“Associates Fund”), a Delaware limited partnership;
- (3) American Infrastructure MLP Fund, L.P. (“Hybrid Fund”), a Delaware limited partnership;
- (4) American Infrastructure MLP Fund II, L.P. (“AIM Fund II”), a Delaware limited partnership;
- (5) American Infrastructure MLP Founders Fund II, L.P. (“Founders Fund II”), a Delaware limited partnership; and
- (6) AIM II Offshore, L.P. (“AIM II Offshore”), a Cayman Islands limited partnership, and its domestic and offshore feeder funds, AIM II Offshore US Feeder, L.P., a Delaware limited partnership (“U.S. Feeder”) and AIM II Offshore Feeder, L.P., a Cayman Islands limited partnership (“Offshore Feeder” and collectively with the U.S. Feeder, the “Feeder Funds”).

The PE Fund, the Associates Fund, and the Hybrid Fund are collectively referred to in this Brochure as the “Gen I Funds.” AIM Fund II, Founders Fund II, and AIM II Offshore are parallel funds and are collectively referred to in this Brochure as the “Gen II Funds.” The Gen II Funds will generally jointly participate in investments in accordance with the terms of their respective Governing Documents (as defined below).

The Advisory Clients are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and the securities of the Advisory Clients are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

Each Fund and Co-Investment Vehicle is governed by a limited partnership agreement or a limited liability company agreement, as applicable (the “Governing Documents”) that specify the investment guidelines and restrictions applicable to the Advisory Client. In addition, the private placement memoranda or similar offering documents prepared for the Investors of each Advisory Client also contain information regarding the intended investment program for such Advisory Client. AIM, together with the GPs, provides investment management and administrative services to the Advisory Clients in accordance with the applicable Governing Documents and private placement memoranda or other offering materials. Each of the GPs retains management authority over the business and affairs, including investment decisions, of the Advisory Clients for which it serves as general partner or manager.

The Investors in the Advisory Clients are “accredited investors” (as defined in Regulation D under the Securities Act) and “qualified purchasers” (as defined in the Investment Company Act), and may include, among others, high net worth individuals, trusts, estates, limited partnerships and limited liability companies.

It should be noted that each of the GPs has full and exclusive management authority over all investments, asset dispositions, distributions, and other affairs of its respective Fund or Co-Investment Vehicle. While the GPs maintain ultimate discretionary investment authority over the respective Advisory Client assets, AIM has been delegated the role of investment adviser to the Advisory Clients pursuant to certain Investment Management Agreements between AIM and the GPs (the “Management Agreements”).

The GPs and their members will be subject to the Investment Advisers Act of 1940 (the “Advisers Act”) and rules thereunder, and to all of AIM’s compliance policies and procedures, including but not limited to AIM’s code of ethics, conflict of interest, insider trading, personal securities transactions reporting and recordkeeping policies and procedures. Each of the members of the GPs will be deemed “persons associated with” AIM (as defined in section 202(a)(17) of the Advisers Act) and will be subject to SEC examination. As such, references to AIM in this Brochure should also be considered references to the GPs in the appropriate context.

AIM offers advice with respect to the investments made by the Advisory Clients, which primarily consist of private company securities, by identifying investment opportunities and participating in the acquisition, management, monitoring and disposition of investments for each Advisory Client. The following describes the nature of AIM’s advisory services with respect to the specific Advisory Clients:

PE Fund, Associates Fund, and Gen II Funds

PE Fund, Associates Fund, and Gen II Funds were established to make private investments in businesses that can be restructured as MLPs or other similar entities. MLPs are limited partnerships whose limited partner interests are typically

publicly-traded on securities exchanges (like shares of corporate stock). MLPs typically distribute cash flows to their investors quarterly and, as partnerships, are “pass-through” entities not subject to corporate-level taxation. To avoid being taxed as a corporation, publicly-traded MLPs must derive at least 90% of their gross income from “Qualifying Income,” a term defined in the Internal Revenue Code which includes income from interest, dividends, rents from real property, gain from the sale or disposition of real property, income and gain from commodities or commodity futures, and income and gains derived from the exploration, development, mining, production, processing, refining, transportation or marketing of any mineral or natural resource, including fertilizer, geothermal energy, and timber.

PE Fund, Associates Fund, and the Gen II Funds seek to acquire private businesses with stable, recurring cash flows that generate Qualifying Income and can be restructured and taken public as MLPs. PE Fund, Associates Fund, and the Gen II Funds seek to make (and/or have made) investments in conventional MLP industries such as midstream oil and gas infrastructure, and in a broader range of industries that generate Qualifying Income, including energy and non-energy mining, timber and wood products and processing, oilfield services and activities related to real property.

Hybrid Fund

Hybrid Fund was originally established to build a portfolio of securities issued by MLPs and their affiliates through (i) open-market and privately negotiated investments in MLPs and (ii) private control investments in businesses that can be restructured as publicly-traded MLPs.

Currently, AIM seeks for Hybrid Fund investments private businesses with stable fundamentals and recurring cash flows that can generate Qualifying Income and can be restructured and taken public as MLPs. During the early phase of its investment period, Hybrid Fund invested substantially all of its capital in a portfolio of securities issued by MLPs. This involved investing in equity securities of (i) publicly-traded partnerships and limited liability companies, including common and subordinated units and general partner interests and (ii) certain affiliates of such partnerships and limited liability companies. Hybrid Fund may also invest in debt securities of MLPs on an opportunistic basis. Hybrid Fund makes investments in conventional MLP industries such as energy infrastructure, as well as across a broader range of industries that could potentially generate Qualifying Income, such as mining, fertilizer, geothermal energy, wood products and real property related activities.

Co-Investment Vehicles

The Co-Investment Vehicles are pooled investment vehicles which co-invest with Funds in deals which have investment opportunities exceeding the capacity of the

Funds. The Co-Investment Vehicles are generally open only to Investors in the Funds, though AIM has permitted and may in the future permit certain other investors to invest in the Co-Investment Vehicles. Investors in Co-Investment Vehicles are referred to herein as “Co-Investors” and, together with Fund Investors, are referred to as the “Investors.” AIM and/or the GPs have sole discretion regarding when to create a Co-Investment Vehicle that will invest alongside a Fund. AIM organizes a Co-Investment Vehicle to co-invest with a Fund in a particular investment when AIM determines in good faith that the available investment opportunity exceeds the total amount that is in the Fund’s best interests to invest.

As noted above, the only clients of AIM are the Funds and Co-Investment Vehicles. AIM tailors its investment advice to each such Advisory Client in accordance with the Advisory Client’s investment objectives and strategy as set forth in the relevant Governing Documents and confidential private placement memorandum or other offering document. AIM does not tailor its advisory services to the individual needs of Investors in its Advisory Clients and Investors may not impose restrictions on investing in certain securities or types of securities.

The Investors in each Advisory Client are able to negotiate the terms of the applicable Governing Documents only in connection with their investments in such Advisory Client at the time of its organization. Once invested in an Advisory Client, Investors generally cannot impose additional investment guidelines or restrictions on such Advisory Client.

AIM does not participate in wrap fee programs.

As of December 31, 2015, AIM has regulatory assets under management (as defined by the SEC) of approximately \$1,490,149,626. All Advisory Client assets are managed solely on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

AIM is compensated through the payment of management fees and performance-based compensation by the Funds. The specific terms relating to the fees paid by each Fund, summarized below, are negotiated by the Investors in such Fund at the time of its formation and, as such, may vary from Fund to Fund. Following the formation of a Fund, fees are generally not negotiable.

Management Fee

AIM receives an annual management fee (“Management Fee”) from each Fund that is paid quarterly in advance, with fees for any period shorter than a full quarter being prorated for such quarter.

With respect to the Gen I Funds, the Management Fee is equal to a percentage (generally 2.0%) of the greater of: (i) the net fair market value of the Fund’s assets; and (ii) the total capital commitments to such Fund, calculated as of the first day of each calendar quarter.

With respect to the Gen II Funds, the quarterly Management Fee is generally equal to a percentage (0.5% for AIM Fund II and AIM II Offshore and 0.5625% for Founders Fund II) of the aggregate capital commitments of the Investors through the end of the Investment Period. Thereafter, the quarterly Management Fee applicable to the Gen II Funds decreases to an amount equal to approximately one-quarter of one percent (0.25%) of the net asset value of the respect Gen II Fund’s assets (measured as of the first day of the relevant fiscal quarter with respect to which the Management Fee is being paid). The terms of each Gen II Fund (including Management Fees) may differ from those applicable to other Gen II Funds and will be detailed in the Governing Documents of each Fund.

The Management Fee is deducted from each Fund’s assets, pursuant to the relevant Management Agreements and Governing Documents. Neither the Funds nor any of the Investors have the ability to choose to be billed directly for fees incurred.

Investors are generally not permitted to withdraw from a Fund prior to such Fund’s dissolution, and may not transfer any of their interest, rights or obligations under the Fund without the prior written consent of the respective GP. The Management Fee obligation of a Fund may be terminated only in connection with the dissolution of that Fund. Pursuant to the Management Agreements, in the event of an early termination of a Fund mid-quarter, a pro-rated portion of the Management Fee paid in advance of the fiscal quarter in which such termination occurs would be returned to the applicable Fund.

Carried Interest Allocation

In addition, as described in further detail in Item 6 below, the GPs receive a performance allocation (commonly referred to as “carried interest”) in the form of a portion of the Funds’ investment profits (generally 20%) once all capital contributions have been returned to the Investors (pursuant to the detailed terms as described in each Fund’s Governing Documents). The carried interest is generally paid to the relevant GP when earned. The carried interest allocations with respect to the

Gen II Funds are also subject to an 8% preferred return which each Investor must receive prior to the GP being eligible to receive any carried interest allocations, as more fully described in the relevant Governing Documents of the Gen II Funds).

Currently, none of the Co-Investment Vehicles pay management fees or performance fees to AIM or any of its affiliates. It is possible in the future that a Co-Investment Vehicle may pay management fees and/or performance-based fees.

Other Fees and Expenses

AIM, the GPs or their members, employees, or other affiliates may receive certain transaction fees, advisory fees, director's fees, break-up fees or other similar fees in connection with portfolio investments or proposed portfolio investments of the Funds as compensation for financial advisory and similar services provided to portfolio companies ("Fee Income").

In the case of advisory fees, the terms of the related agreements may in certain instances provide for an acceleration of fees paid to AIM or its affiliates upon termination of the agreement following certain milestones, such as an initial public offering or sale and where the lump-sum termination fee may be calculated as the present value of hypothetical foregone payments in the future.

A portion (typically 50% of net break-up fees and net transaction/advisory fees (in the case of the Gen I Funds) and typically 100% of net break-up fees and 80% of net transaction/advisory fees (in the case of the Gen II Funds)) of Fee Income may be used to offset and reduce the amount of the Management Fee otherwise payable by a Fund in accordance with the terms of the Governing Documents of such Fund. As noted above, the Co-Investment Vehicles do not pay management fees, and as a result, there is no Management Fee offset with respect to Fee Income attributable to portfolio investments held by Co-Investment Vehicles. These fees, and the associated conflicts of interest they present, are further described in Item 11 below.

AIM and its affiliates engage and retain certain senior executives, advisors, consultants, and other similar professionals who are not employees or affiliates of AIM but provide advice and assistance with respect to identifying, analyzing, and working with the companies in which the Funds invest and who may receive payments from the Funds and/or portfolio companies. These payments will not be subject to the Management Fee offset described above. Please refer to Item 10 for additional information relating to the conflicts of interest presented by such arrangements.

In addition, the Advisory Clients pay a variety of expenses attributable to their ongoing activities and operations, including, but not limited to, the following costs and expenses related to the acquisition, ownership, and disposition of investments:

- brokerage fees and commissions;
- general research expenses and other expenses relating to the investigation and evaluation of investment opportunities (whether or not consummated);
- fees and charges incurred in connection with the maintenance of bank or custodian accounts;
- interest on margin accounts and other indebtedness;
- withholding and transfer fees;

- clearing and settlement charges;
- professional fees and expenses of consultants, experts and other persons engaged to provide advice relating to investments (including senior advisors and other consultants who are not employees or affiliates of AIM, as described above);
- out-of-pocket expenses of transactions not consummated;
- taxes, fees and other applicable governmental charges;
- travel expenses;
- legal, accounting, audit and tax preparation expenses (including services that are performed and/or equipment that is used by a designee or agent of the respective GP);
- reimbursements to the respective GP or its affiliates for insurance premiums relating to Advisory Client operations;
- private placement fees and finder's fees (except to the extent such fees are offset against the applicable Advisory Client's management fees or repaid by the applicable GP to such Advisory Client); and
- other similar expenses related to the Advisory Client or any extraordinary expenses as the GP or AIM determines in its sole discretion.

In accordance with the applicable Advisory Clients' governing documents, any investment-related expense that is eligible to be chargeable to Advisory Clients (as described above) will generally be allocated among the Advisory Clients (including parallel funds, as applicable) to which such expense relates on a pro rata basis relative to the amount of capital invested in such investment transaction or, if the investment transaction is not consummated, pro rata based on such Advisory Clients' committed capital.

Further, subject to the relevant provisions of the applicable Advisory Client's governing documents, the following costs and expenses attributable to the formation, organization and operations of an Advisory Client shall be borne by such Advisory Client:

- all organizational costs, fees, and expenses incurred by or on behalf of AIM or the applicable GP in connection with the formation and organization of the Advisory Client and the GP, including reasonable legal and accounting fees and expenses incident thereto;
- expenses incurred by the Advisory Client's GP in serving as the tax matters partner;
- expenses of the members of the Advisory Client's advisory board (including, without limitation, travel expenses) and an annual stipend in an amount determined by the respective GP;
- the fees of the independent certified public accountant incurred in connection with the annual audit of the Advisory Client's books and the preparation of the Advisory Client's annual tax return;
- the cost of directors and officers, professional and other insurance premiums;
- costs associated with Advisory Client meetings and mailings, including quarterly and annual financial and other reports;
- all routine legal and audit expenses of the Advisory Client, including legal fees and expenses incurred in connection with prosecuting or defending administrative or legal proceedings relating to the Advisory Client brought by or against the Advisory Client or the respective GP or its members;

- all costs and expenses arising out of the Advisory Client's indemnification obligations pursuant to the Advisory Client's governing documents;
- all other expenses that are not determined to be normal operating expenses by the Advisory Client's GP in its sole discretion;
- all expenses incurred in connection with the Advisory Client's compliance with: (i) the Securities Act of 1933, as amended, as it applies to the issuance of interests in the Advisory Client and (ii) any other applicable securities laws or regulations (except that the Advisory Client will not bear any costs associated with AIM's compliance with U.S. or non-U.S. securities laws and regulations that apply to AIM as a result of AIM being in the investment advisory or investment management business¹); and
- all liquidation costs, fees, and expenses incurred by the Advisory Client's GP (or its designee) in connection with the liquidation of the Advisory Client at the end of the Advisory Client's term, including, but not limited to, legal and accounting fees and expenses.

To the extent that any expenses borne by an Advisory Client also benefit any related parallel funds (or vice versa), such expenses shall be allocated among the Advisory Client and such parallel funds on a *pro rata* basis relative to committed capital, except to the extent that AIM or the Advisory Client's GP determines in good faith that a different method of allocation is more appropriate.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described in Item 5 above, the GPs receive performance-based compensation from the Fund for which each serves as general partner. Current Co-Investment Vehicles do not pay performance-based compensation, though future Co-Investment Vehicles may pay such compensation.

In general, the Funds allocate a portion of their investment profits (generally 20%) to their GPs, which are related persons of AIM, pursuant to the applicable Governing Documents of each Fund (such profit allocation is commonly referred to as a "carried interest").

The fact that the GPs will receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for AIM or the GPs to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. Fund Investors are provided with clear disclosure in the relevant Governing Documents and private placement memoranda as to how performance-based compensation is charged with respect to a particular Fund and the risks associated with such performance-based compensation prior to making an investment. In addition, the carried interest is applied only upon full return of capital, such that the economic interests of the GPs (and their personnel) are tied directly to the Investors' ability to achieve liquidity.

¹ For example, an Advisory Client shall not bear or pay for any costs associated with AIM's compliance with the Investment Advisers Act of 1940, as amended.

In addition, from time to time, more than one Fund may participate in a given portfolio investment, and frequently a Co-Investment Vehicle will participate in a portfolio investment of a Fund. Where the performance of one Fund has met the required performance threshold for its GP to receive amounts in respect of its carried interest while another Fund has not (or a Co-Investment Vehicle which pays no performance fee is co-investing), AIM may have an incentive to allocate particularly attractive investment opportunities to the Fund that is expected to generate carried interest or to permit that Fund to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund or Co-Investment Vehicle.

AIM and its Affiliated GPs seek to ensure that all investments made by Funds and Co-Investment Vehicles are fairly and equitably allocated. AIM does not take the potential for performance-based compensation into account when allocating investment opportunities among Funds. If AIM determines that it would be appropriate for more than one Fund to participate in an investment opportunity, AIM will seek to allocate the investment opportunity on a fair and equitable basis and in a manner that is permissible under the respective Funds' Governing Documents, and without regard to the performance-based compensation which may be payable by a particular Fund. Please refer to Item 12 of this Brochure for additional information regarding AIM's investment allocation policies and procedures.

ITEM 7 – TYPES OF CLIENTS

AIM provides investment advisory services solely to pooled investment vehicles operating as private equity investment funds and to co-investment vehicles, as described in Item 4 above.

The Advisory Clients invest capital contributed to them by one or more high net worth individuals, trusts, estates, limited partnerships, limited liability companies or other entities. Admission to the Funds and Co-Investment Vehicles will not be open to the general public. Interests are sold only to persons that are "accredited investors" (as defined in Regulation D under the Securities Act), "qualified clients" under Rule 205-3 of the Advisers Act, and "qualified purchasers" as defined in section 2(a)(51)(A) of the Investment Company Act.

The minimum capital commitment of a Fund Investor ranges from \$500,000 to \$2,000,000, subject to waiver by the respective GP. Co-Investors may be subject to minimum capital commitments, at the discretion of the respective GP or Manager.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

It is critical that Investors refer to the relevant offering memorandum, subscription agreement, and other Governing Documents for a complete understanding of the material risks involved in an investment in the Funds or the Co-Investment Vehicles (as applicable). The information contained herein is a summary only and is qualified in its entirety by such documents.

An investment in the Funds or Co-Investment Vehicles may be deemed speculative and is not intended as a complete investment program. Investing in the securities markets in general and in the Funds or Co-Investment Vehicles in particular involves significant risk. Investments in the Funds or Co-Investment Vehicles are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss or some or all of an investment, and have a limited need for liquidity.

Methods of Analysis and Investment Strategies

As described in Item 4 above, AIM's principal strategy involves "private-to-public" MLP investing: acquiring private businesses with stable fundamentals and significant recurring cash flows that generate Qualifying Income, which can be structured as MLPs (or other entities treated as "flow through" for federal income tax purposes) and taken public. AIM and the Affiliated GPs intend for the Advisory Clients to purchase these businesses in private transactions and subsequently to (i) refocus operations on maximizing both recurring free cash flow and Qualifying Income; (ii) restructure the businesses as tax-efficient partnerships; and (iii) take the restructured businesses public as MLPs as quickly as practicable. It is expected that the Funds will retain a significant limited partner interest in the businesses that they restructure and take public as MLPs.

The GPs evaluate each private-to-public investment based on four key elements:

- ability to generate Qualifying Income;
- stability of recurring cash flow;
- strength of management team; and
- growth potential, both organic and via acquisitions.

The private-to-public investment process includes five key components:

- (1) Transaction Sourcing. AIM's investment professionals (the "Principals") have built and maintained an extensive network of relationships from which to generate acquisition opportunities. These relationships include public and private companies and their management teams, business brokers, private equity and venture capital funds, investment bankers, attorneys, accountants, and industry consultants, with a focus on those that operate in or provide services to companies in the MLP space. The Principals intend to leverage these relationships in conjunction with their collective strategic, operating, and transaction experience to proactively source and evaluate potential target businesses and assets appropriate for the private-to-public MLP investment strategy.

The Principals seek to create investment opportunities by first identifying an attractive industry in which to pursue private-to-public MLP investment strategy. Next, the Principals actively search for the ideal platform company and management team from which to build an industry-leading enterprise.

From time to time, AIM may engage intermediaries that are particularly effective at identifying targets consistent with a Fund's investment strategy. Such engagements are expected to be structured primarily on a success fee basis.

The Principals also communicate with industry participants to ensure their understanding of the Fund's focused strategy. By raising awareness of the Fund's differentiated attributes, the Principals expect that industry participants will potentially see the Fund as a preferred buyer and may therefore approach the Principals.

- (2) Transaction Screening. Potential private investments are initially screened based on their ability to be restructured as MLPs in order to ensure the efficient use of time and maximize the resources of the Fund. In connection therewith, the Principals look to the following key evaluation criteria: a business' percentage of MLP qualifying assets, stability of recurring revenue and cash flow, strength of management team, and growth potential, both organic and via acquisition.
- (3) Due Diligence. AIM conducts thorough due diligence of a company prior to investment. Such due diligence generally includes detailed reviews of financial performance, management competency, accounting, strategic and operational planning and execution, and specific MLP structuring issues.
- (4) Structuring. Prior to closing a transaction, the Principals work closely with company management to identify current and potential sources of Qualifying Income and focus operations on maximizing free cash flow from qualifying sources. This process can involve overhauls of management incentive structures, sales and marketing procedures, and business development initiatives. The Principals, working with advisors, also will restructure the target business from a "C" corporation to an MLP-eligible partnership or limited liability company, which can include placing all assets that do not generate Qualifying Income into taxable corporate subsidiaries wholly-owned by the MLP.
- (5) Active Portfolio Monitoring and Realization. After making investments, the Principals remain actively involved with the portfolio companies in order to ensure and accelerate value creation for the Fund.

An investment in the Advisory Clients involves a significant degree of risk. There can be no assurance that the Advisory Clients' targeted rate of return will be achieved or that there will be any return of capital. The following are some of the additional material risks associated with an investment in the Advisory Clients:

Material Risks

Limited Investment Strategy and Concentration of Investments.

The Advisory Clients have limited investment strategies and, as a result, their investments may be concentrated in a relatively narrow sector of the economy. The investment strategy involves investing in private companies that can be converted into MLPs, many of which may be concentrated in the natural resource infrastructure and processing industries. Thus, the Advisory Clients' assets are likely to be concentrated in a relatively narrow sector of the economy. As a result, an investment in the Advisory Clients' investments may be subject to greater risk and market fluctuations than an investment in a fund that diversifies its investments more broadly.

Inability to Locate a Sufficient Number of Appropriate and Attractive Investment Opportunities.

Because the Advisory Clients will focus on investing in assets or businesses with stable, recurring cash flows that generate Qualifying Income and may be able to be taken public as MLPs, the number of qualified investment opportunities that are available may be significantly less than would be the case in a fund with a more general investment focus.

In the event that a sufficient number of appropriate and attractive investment opportunities are unable to be identified, the Funds may not be fully invested and may not be able to realize their investment objectives.

There is no trading market for private securities in portfolio company investments held by the Advisory Clients.

The Advisory Clients will have a substantial amount of their assets invested in illiquid securities. The term “illiquid securities” for this purpose means securities that cannot be disposed of in the public trading market through the ordinary course of business at approximately the price at which the Advisory Client has valued them. Illiquid securities include, among others, restricted securities issued in private placements other than securities eligible to be sold under Rule 144 of the Securities Act. Illiquid securities may be sold only in privately negotiated transactions that are exempt from the registration requirements of the Securities Act or in a public offering with respect to which a registration statement is in effect. Where registration is required, such as in an initial public offering of securities in an investment, the Advisory Client may be obligated to pay all or part of the registration expenses and a considerable period may elapse between the time of the decision to sell and the time the Advisory Client may be permitted to sell securities under an effective registration statement. If, during such a period, adverse market conditions were to develop, the Advisory Client might obtain a less favorable price than prevailed when it decided to commence the offering.

Although the investment strategy of the Advisory Clients involves making initial public offerings of securities in investments held by the Advisory Clients, there is no assurance that any investment will be successful or develop to the point where an initial public offering of its securities is feasible. The Advisory Clients will have a period of time within which to make a private investment and will have no obligation to make an initial public offering of securities acquired as part of any investments. Any initial public offering of an investment will be subject to numerous risks and uncertainties, including the risk that the Advisory Client may not be able to obtain an acceptable price for the securities offered. If the Advisory Client does not make an initial public offering of securities of any investment, the Advisory Client may have to sell the securities or assets of such investment in private, negotiated transactions. In that case, the Advisory Client may be unable to find suitable purchasers for such securities or assets or may be unable to sell such securities or assets at a price that the respective GP or Manager deems acceptable.

There are structural and operational risks related to holding investments in MLPs, many of which are unique to MLPs.

Because the Advisory Clients' investment strategy consists of converting investments into publicly-traded MLPs, a substantial portion of the Advisory Clients' assets will consist of limited partner and general partner interests, which are substantially different than investments in the common stock of corporations. There are several structural and operational risks that are unique to MLPs.

To the extent that the Advisory Clients hold limited partner and general partner interests in MLPs, they will be subject to such risks, including but not limited to, the following:

- MLPs have historically grown primarily through the acquisition of assets divested by other companies. Consequently, an MLP may be subject to a greater risk that (1) it will encounter problems integrating and absorbing the assets that are acquired into the existing operations of the MLP, (2) an acquisition may be dilutive to earnings instead of being accretive to earnings, (3) an acquisition may reduce the cash flow generated by the MLP, and (4) an acquisition may cause the general partner of the MLP to divert from stated strategies into strategies or markets with which the general partner has little or no experience or otherwise increase the overall risk profile of the MLP.
- Because MLPs have historically grown through the acquisition of assets divested by other companies, an MLP may need to seek additional equity capital through the issuance of new or additional securities to new investors in order to support the MLP's acquisition growth, which may dilute the interests of the existing equity owners of the MLP.
- MLPs generally have leveraged capital structures. The borrowing costs incurred by MLPs to finance acquisitions and other capital expenditures can be significant and can reduce the amount of cash available for distribution. The incurrence of a significant amount of debt by an MLP can substantially change the overall risk profile of an MLP and make it more susceptible to adverse economic conditions and other adverse changes in the industry in which the MLP operates.
- MLPs that the Advisory Clients may own (such as oil and gas pipelines) may be regulated, which may mean that those MLPs are more prone to being adversely affected by unfavorable regulatory rulings.
- The amount of cash that an MLP has available for distribution to its limited partners and the tax character of such distributions are dependent upon the amount of cash generated by the MLP's operations. Cash available for distribution will vary from quarter to quarter and is largely dependent on factors affecting the MLP's operations and factors affecting the industry in which it operates in general. Those factors include, but are not limited to, supply and demand fluctuations, changes in government regulation and fluctuations in commodity prices. Other factors that may reduce the amount of cash that an MLP has available for distribution to its limited partners include increased operating costs, maintenance and expansion capital expenditures, acquisition costs and borrowing costs.
- The limited partners of an MLP have very limited control and voting rights on matters affecting the MLP, including a very limited ability to remove the general partner of the MLP. To the extent that a Fund's GP does not control the general partners of the MLPs in which the Fund invests, the Fund will be entirely reliant on the existing management and

the general partners of those MLPs. However, AIM and its affiliates anticipate that the Advisory Clients or their affiliates may control the general partner of certain of the MLPs that were originally acquired by the Advisory Clients as investments. In such cases, the Advisory Clients will continue to rely on the management of the Principals with respect to such MLPs.

- MLPs that the Advisory Clients own may have an incentive compensation structure under which such MLP's general partner is entitled to an increasing percentage of cash distributions made by the MLP. As a result of this compensation structure, a publicly-traded MLP's general partner may cause the MLP to make riskier or more speculative investments than would be the case in the absence of this compensation structure.
- There may be potential conflicts of interest between the limited partners of an MLP, on the one hand, and the general partner of the MLP and the owners of the general partner, on the other hand, that may not be resolved favorably to the limited partners of the MLP. The general partner of an MLP has limited fiduciary duties, which may permit the general partner to favor its own interests to the detriment of the limited partners of the MLP. In addition, the limited partners have limited recourse against the general partner of the MLP for actions taken by the general partner that might otherwise constitute breaches of fiduciary duties. To the extent that the general partner of a Fund does not control the general partners of the MLPs in which the Fund invests, the Fund may be adversely affected by such conflicts of interest. However, AIM and its affiliates anticipate that the Advisory Clients or their affiliates may control the general partner of certain of the MLPs that were originally acquired by the Advisory Clients as investments. In such cases, the foregoing concerns may be addressed to some extent.

The Advisory Clients will invest in enterprises with leveraged capital structures.

The Advisory Clients will invest in entities that have leveraged capital structures. While investments in leveraged enterprises offer the opportunity for capital appreciation, they also involve a higher degree of risk. As a result of such leveraged capital structures, operating problems and other general business and economic risks may have a more pronounced effect on the profitability or survival of such enterprises. Moreover, rising interest rates may increase interest expense for such enterprises. If an enterprise in which the Advisory Clients has invested cannot generate adequate cash flow to meet debt service, the enterprise, and ultimately the Advisory Client, may suffer a partial or total loss of invested capital. Shortfalls in cash flow or increased interest rates may impair the ability of any enterprise in which the Advisory Clients have invested to meet its debt obligations.

Portfolio companies may not be able to obtain financing.

In order to achieve the investment objectives, the Advisory Clients may invest in companies that will at times rely on the availability of financing, principally debt, from third party sources such as banks, investment banks and private mezzanine funds. Should such external financing not be available, an Advisory Client may not be able to achieve the investment objectives.

ITEM 9 – DISCIPLINARY INFORMATION

AIM is required to disclose all material facts regarding any legal or disciplinary events that would be material to an Investor's evaluation of AIM or the integrity of AIM's management. AIM has no legal or disciplinary information to disclose at this time.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AIM serves as investment adviser to the Funds and Co-Investment Vehicles, which are pooled investment vehicles controlled by AIM or its affiliates. As described in Item 4 above, the Affiliated GPs are related persons of AIM that serve as the respective general partners and managers of the Funds and the Co-Investment Vehicles and in connection therewith maintain investments in such Advisory Clients and provide investment management and administrative services to such Advisory Clients. As described in Items 5 and 6, certain of the Affiliated GPs are entitled to receive management and performance fees from the Funds, which may in certain circumstances create a conflict of interest, as described in Item 6 above.

As noted above, AIM and its affiliates are entitled to receive certain fees from portfolio companies for financial advisory and other services and in connection with consummated or unconsummated transactions (e.g., director's fees, transaction fees, broken deal fees, advisory fees, or other similar fees). Although a portion of these fees will be used to offset the Management Fees otherwise payable by Investors, the receipt of such fees creates a potential conflict of interest because it could create an incentive for AIM or the GPs to cause a Fund to invest in a particular company based on the amount of such fees payable to AIM or its affiliates rather than the best interests of the Fund.

Employees of AIM serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders. In certain circumstances, actions that may be in the best interests of the portfolio company may not be in the best interests of the Fund, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an employee of AIM and such individual's duties as a director or officer of such portfolio company.

In addition, as discussed in Item 5 above, AIM and its affiliates engage and retain certain senior executives, advisors, consultants, and other similar professionals who are not employees or affiliates of AIM but who may receive payments from the Funds and/or portfolio companies in exchange for providing advice and/or assistance with respect to due diligence of potential investments (among other areas) as well as being actively involved in various stages of the monitoring and value creation process for portfolio companies. Amounts paid to such persons will not be subject to the Management Fee offset (as described in Item 5 above).

AIM believes transparency is an important element of a strong relationship with its Investors. AIM generally discloses the potential conflicts of interest described above to Investors within the relevant offering memorandum and other Governing Documents of the Funds and in this Brochure.

Additional information about applicable fees and expenses are included within the periodic statements provided to Investors. AIM also maintains policies and practices that are designed to address these potential conflicts of interest.

All investment decisions are made by AIM's investment team on the basis of what is believed to be in the best interests of the Funds and in accordance with the guidelines and restrictions set forth the Governing Documents of each Fund. AIM conducts detailed due diligence on investment opportunities and maintains documentation of the rationale for each investment. In addition, the calculation of all fees and expenses allocated to the Funds are carefully reviewed for accuracy and consistency with the applicable Governing Documents of the Funds.

StoneMor Partners, L.P. ("StoneMor") is a portfolio company of the AIM Funds and Robert Hellman serves as a director of StoneMor. Cornerstone Trust Management Services LLC ("Cornerstone"), a SEC-registered investment adviser, is a wholly-owned indirect subsidiary of StoneMor and Robert Hellman services as a director of Cornerstone. The purpose of Cornerstone's investment advisory business is to provide investment advisory and other services to the banking financial institution trustees and escrow agents of certain trusts and escrow accounts. AIM does not deem the foregoing relationship with Cornerstone as posing a material conflict of interest in relation to AIM's investment advisory business or AIM's Investors.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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

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

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide AIM's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, AIM's Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.

In addition, the Code seeks to ensure the protection of nonpublic information about the activities of the Advisory Clients. Investors or prospective Investors may obtain a copy of the Code by contacting AIM.

As explained in Item 10 above, affiliates of AIM serve as the general partners of the Funds and also commit capital to the Funds. As a result, every investment made by a Fund involves a purchase of securities whereby certain related persons of AIM acquire an indirect interest in such securities. AIM's principals and employees and other Access Persons may also invest in the Advisory Clients directly or indirectly through investments in the GPs. The fact that the GPs and other related persons have financial ownership interests in the Advisory Clients creates a potential conflict in that it could cause AIM and its affiliates to make different investment decisions than if such parties did not have such financial ownership interests. However, AIM believes that these financial interests align AIM's and the GPs' incentives with the other Investors of the Funds.

As discussed further below, the Code places restrictions on the ability of AIM personnel to hold interests in Advisory Client portfolio companies outside of their indirect interests through GPs or through their investments directly in Advisory Clients. In general, such investments are not permitted, and in all events require approval of AIM's Chief Compliance Officer, which approval would only be granted once any associated conflicts of interest are appropriately addressed and remedied.

As described in Item 5 above, AIM or its related persons may receive certain transaction fees, advisory fees, director's fees, break-up fees or other similar fees in connection with portfolio investments of the Advisory Clients as compensation for financial advisory and similar services provided by them to the Advisory Clients' portfolio companies. Payment of such fees may create a conflict of interest because it could create an incentive for AIM or the GPs to cause an Advisory Client to invest its capital in a company that will pay such a fee to AIM or its affiliates.

While such fees may be used to offset by a portion of the management fees payable by the Funds, AIM further mitigates this conflict of interest by negotiating such fees at arm's length with such portfolio company and generally seeking to ensure that such fees are, in the good faith opinion of AIM, in accordance with prevailing market rates in the relevant industry.

In addition, as noted in Item 5 above, because the Co-Investment Vehicles do not pay management fees, AIM may have an incentive to allocate more Fee Income to Co-Investment Vehicles since such amounts will not be subject to the Management Fee offset applicable to the Funds (as described above). AIM has procedures in place regarding the proper use of Co-Investment Vehicles and has adopted allocation policies and procedures that seek to ensure that investments (and any fees and expenses related to such investments) are allocated among Advisory Clients in a fair and equitable manner. The opportunity to invest in a Co-Investment Vehicle is generally offered to all Investors in the relevant Funds. Please refer to Item 12 for additional information regarding AIM's allocation policies and procedures.

As described in Items 5 and 6 above, AIM or its affiliates receive management and performance-based compensation from the Funds. The management fees are payable without regard to the

overall success or income earned by the Funds and therefore may create an incentive on the part of AIM or its affiliates to raise or otherwise increase assets under management to a higher level than would be the case if AIM or its affiliates were receiving a lower or no management fee. The receipt of performance-based compensation may create an incentive for AIM or its affiliates to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. Please refer to Item 12 for additional information relating to AIM's policies and procedures for allocating investment opportunities among Advisory Clients.

In addition to the foregoing, AIM addresses these and other potential conflicts through regular monitoring of the Advisory Client portfolios for consistency with their applicable objectives, strategies, and target capacity. The Code provides guidelines for identifying and addressing conflicts of interest and requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of AIM, and all Access Persons are required to provide written acknowledgement of their receipt of the Code.

In addition, each of the Funds has an advisory board (the "Advisory Board"). As set forth in the relevant Governing Documents, each Fund's Advisory Board is comprised of certain Fund Investors (or their representatives) appointed by the GP. The Advisory Board of each Fund advises the GPs on issues relating to conflicts of interest, including but not limited to those described in this Item 11.

The Code places restrictions on the ability of AIM personnel to invest directly in portfolio companies outside of their indirect interests through GPs or through their direct investments in Advisory Clients. Such investments could create a conflict of interest because they could give AIM or the GPs an incentive to cause an Advisory Client to invest its capital in a company in which it would not otherwise invest, or to dispose of its investment in a company at a time or for a price which it would not otherwise recommend absent such related person's ownership of such securities.

In general, such investments are not permitted, and in all events require approval of AIM's Chief Compliance Officer, which approval would only be granted once any associated conflicts of interest are adequately addressed and remedied. In particular, the related person would be required to demonstrate to the Chief Compliance Officer that such person's investment in the portfolio company could in no way influence AIM's decision to acquire or dispose of the securities of such investment, nor the price or timing with which such acquisition or disposition takes place. AIM believes that these restrictions are sufficient to mitigate any conflicts of interest associated with a related person's investment in an Advisory Client portfolio company.

AIM enforces the foregoing policy and manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. AIM requires that Access Persons pre-clear certain transactions with the Chief Compliance Officer (as describe in the Code), and pre-clearance decisions are based on a number of factors, including whether any of the Advisory Clients hold or are contemplating an investment in the given security. Access Persons are

prohibited from making personal account transactions in publicly-traded master limited partnerships absent prior approval of AIM's Chief Compliance Officer pursuant to the Code.

AIM maintains a "Restricted List" with the names of issuers of securities about which AIM (or its Access Persons) or an Advisory Client holds an interest or otherwise has learned material, non-public information. Access Persons are strictly prohibited from trading securities on the Restricted List (or any other securities to which the material non-public information relates) without prior written approval of the Chief Compliance Officer. Investment personnel are required to notify the Chief Compliance Officer immediately upon commencing research of an issuer and upon terminating research of an issuer. AIM may set up an "Ethical Screen" when Access Persons receive material non-public information relating to an MLP. Access Persons must pre-clear any purchases or sales of an interest in an Advisory Client portfolio company so that the Chief Compliance Officer may confirm that the proposed transaction meets the requirements of the applicable Fund Agreements and the Code.

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

ITEM 12 – BROKERAGE PRACTICES

As described in Item 4 above, AIM is the investment adviser to private equity funds and co-investment vehicles. The private company securities which are the primary investments by the Advisory Clients are generally purchased in private transactions, without the assistance of a broker-dealer and without the payment of brokerage commissions or dealer mark-ups. Due to the nature of the Advisory Clients' investment programs, AIM and its affiliates generally do not select or recommend broker-dealers for Advisory Client transactions. In the event that AIM's business were to evolve such that the Advisory Clients were to execute transactions through a broker-dealer, then AIM would adopt policies and procedures reflective of its duty to execute trades in publicly-traded securities in a manner designed to seek best price and execution.

AIM and its affiliates do not utilize "soft dollars."

Upon determination to buy or sell the same portfolio company security on behalf of more than one Advisory Client (based upon the investment mandates of such Advisory Clients), AIM will generally aggregate investments. The private company securities which are the primary investments by the Advisory Clients are generally purchased in private placement transactions, and thus a purchase or sale transaction by multiple Advisory Clients will generally be consummated simultaneously. However, there could be circumstances in which the liquidity needs, partnership terms or other considerations require the purchase or sale of portfolio company securities by Advisory Clients at different times. In such cases, AIM will seek to act in a fair and equitable manner with regard to all participating Advisory Clients and to take into account the investment objectives and results of each Advisory Client. Notwithstanding the foregoing, the purchase or sale of portfolio company securities by different Advisory Clients at different times

could result in increased transaction costs and different investment results for such Advisory Clients and their Investors.

Investment Allocations

AIM recognizes that, as a fiduciary, it has a duty to allocate investment opportunities among its Advisory Clients in a fair and equitable manner. Due to the fact that certain Funds have overlapping investment programs, AIM may determine that it would be appropriate for more than one Fund to participate in an investment opportunity. In such situations, investment opportunities will generally be allocated pro rata based on each participating Fund's total committed capital; provided, however, that AIM may, in its sole discretion, depart from the foregoing policy in particular circumstances if AIM determines that for good reason it would be appropriate to do so, and that such a departure would nonetheless be consistent with AIM's fiduciary obligations to its Funds. The factors that AIM will consider in making a determination to allocate an investment opportunity to participating Funds on a non-pro rata basis may include, among others: (i) differences with respect to available capital (e.g., current or anticipated capital available for investment, including anticipated follow-on investments, if applicable), size, and remaining life of each Fund; (ii) the nature of the investment opportunity (including the size and anticipated follow-on investment requirements); (iii) the relevant allocation of investment opportunity provisions and restrictions in each participating Fund's governing or other relevant documents; (iv) tax, legal or regulatory considerations; (v) current and anticipated market conditions; and (vi) such other factors as AIM may reasonably deem relevant.

Where deemed appropriate in the discretion of AIM or the relevant Fund GP(s), questions regarding the proper allocation of limited investment opportunities will be presented to the respective Advisory Board of the relevant Fund(s).

In certain circumstances, AIM may not be able to allocate an investment opportunity (or portion thereof) to a Fund because of minimum investment restrictions or excessive costs. In these situations, AIM will determine which Funds will participate. Funds without sufficient investment capital will not participate. AIM may give added weight to certain Funds based upon investment strategy, as permissible under the applicable Governing Documents. It should be specifically noted that opportunities may be disproportionately allocated to a certain Fund during its initial investment period, notwithstanding that other Funds may have funds available for investment. In addition, opportunities may be disproportionately allocated when one Fund does not have capital commitments invested to a certain threshold. Such disproportionate allocations may have a detrimental effect on the other Funds.

Co-Investments

In situations where AIM determines in good faith that an available investment opportunity is in excess of the total amount that is in a Fund's best interests to invest (for example, where a Fund has reached a relevant investment limit or has limited liquidity), AIM may allocate any surplus portion of the investment opportunity to Co-Investors within the terms of the applicable Fund's governing documents. As such, investment opportunities are allocated first to the Funds to the extent such opportunities are within the Funds' investment strategies and the Funds have available

capital, and secondarily to any Co-Investors. Co-Investors may include Investors in the Fund(s) to which such co-investment opportunity relates, as well as other private investors, groups, partnerships, or corporations (including, without limitation, the GP or any of its members and any other existing or successor investment partnerships organized by AIM or its affiliates).

Such co-investment opportunities are intended to enable interested Investors to increase their exposure to a given portfolio investment and/or sector and will typically be offered through Co-Investment Vehicles formed and/or managed by AIM or an affiliate to co-invest in a particular investment alongside one or more Funds. The Co-Investment Vehicles are generally open only to Investors in the Funds, though AIM has permitted and may in the future permit certain other investors to invest in the Co-Investment Vehicles.

To ensure that all Investors are treated fairly and equitably and to prevent the appearance of favoritism, limited partners will generally be offered the opportunity to participate in any co-investment opportunity on a pro rata basis in proportion to their relative capital commitments to the relevant Funds. In accordance with the governing documents of the relevant Funds, Investors in certain of the Funds are permitted to increase their allocated share of a particular co-investment opportunity. Co-investments are offered to members of the General Partners of the Funds at the same time as such opportunities are offered the limited partners. Co-investments may also be offered to third parties unaffiliated with AIM.

In addition, in exercising AIM's discretion to decide how to allocate co-investment opportunities, AIM may consider some or all of a wide range of factors, including those specific to the investment opportunity. These factors may include, but are not limited to:

- strategic value of a prospective co-investor to the underlying investment opportunity;
- how quickly a prospective co-investor is able to conduct its own due diligence and provide a commitment with respect to an investment opportunity;
- whether the prospective co-investor has the financial and other resources to make the investment;
- whether the prospective co-investor has indicated a desire to make investments of the type offered by the investment opportunity;
- any requirements or restrictions relating to co-investment opportunities in the Fund's governing documents, other relevant documents and/or "side letters";
- tax, legal or regulatory considerations; and
- any other factor determined by AIM, in consultation with the Chief Compliance Officer, to be relevant to the relationship of a particular investment opportunity to a given prospective co-investor.

Subject to any restrictions contained in the offering and/or organizational documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general, (i) AIM is not obligated to offer a co-investment opportunity to any Investors, (ii) decisions regarding whether and to whom to offer co-investment opportunities are made in the sole discretion of AIM

or its related persons, (iii) co-investment opportunities may be offered to some and not other Investors in Funds, in the sole discretion of AIM or its related persons, and (iv) certain persons other than Investors in the Funds (e.g., third parties) may be offered co-investment opportunities, in the sole discretion of AIM or its related persons.

AIM will, in its sole discretion, determine the relative allocation amongst Co-Investors of the portion of an investment opportunity that is available for co-investment. Absent contractual, legal or regulatory restrictions to the contrary, it is generally expected, but not always the case, that participating Fund Investors will receive a pro-rata allocation, based on the size of their respective capital commitments to the applicable Fund(s). As noted above, in accordance with the governing documents of the relevant Funds, Investors in certain of the Funds are permitted to increase their allocated share of a particular co-investment opportunity.

ITEM 13 – REVIEW OF ACCOUNTS

The Advisory Client portfolios are under regular review by the Principals. After investments are made, the Principals remain actively involved with the portfolio companies in an effort to ensure and accelerate value creation for the Advisory Clients. The Principals have developed what they believe is a best-practice monitoring program designed to focus the management team on key operating levers in order to meet the objectives of the business plan drafted prior to the investment. This program is based on a variety of inputs and parameters that are used to assess portfolio companies' performance over time. The process includes board meetings to evaluate performance and strategy, detailed monthly reviews of financial performance and key operating metrics, and weekly investment team meetings to ensure execution against pre-determined benchmarks. As needed, the Principals and a team of operating affiliates (which is comprised of senior executives with substantial knowledge in relevant industries) spend time with company management on-site to help achieve performance goals.

Fund Investors receive (i) audited annual financial statements of the Fund; (ii) tax information regarding the Fund necessary for the completion of each Fund Investor's tax returns; (iii) quarterly unaudited financial reports reflecting the performance of the investments and the Fund; and (iv) an annual report providing, subject to applicable securities laws and other limitations on disclosure, financial information and information as to the estimated fair market value of each investment as of the end of the immediately preceding fiscal year and the estimated fair market value of the Fund. In addition, the GPs conduct an annual information meeting for Fund Investors.

Co-Investors receive a quarterly report summarizing the respective Co-Investment Vehicle's investments.

ITEM 14 – CLIENT REFERRALS AND COMPENSATION

AIM or its affiliates may compensate certain placement agents or other third parties for referring prospective Investors. Pursuant to agreements with such placement agents, the respective GP (or the relevant Fund, in certain cases) pays the placement agents fees based upon one or more percentages of the purchase price of the securities placed by the placement agent, and in certain

cases placed by all placement agents. All required disclosures related to such referral activities are provided at the time the referral is made.

As noted under Item 5 above, AIM or the GPs may charge the Funds for any placement fees paid to third parties for referring prospective Investors, although such fees are typically applied to reduce the Management Fee otherwise payable in accordance with the terms of the Funds' Governing Documents.

ITEM 15 – CUSTODY

AIM is deemed to have custody of the Advisory Clients' assets by virtue of the fact that affiliates of AIM serve as the General Partners or managers to the Advisory Clients. Accordingly, AIM and its affiliates comply with the custody requirements applicable to registered investment advisers pursuant to Advisers Act Rule 206(4)-2 (the "Custody Rule"). All of the Advisory Clients' assets, except for certain uncertificated securities purchased in private transactions (as further described below), are held with one or more "qualified custodians" as defined in the Custody Rule (i.e. banks or broker-dealers) that are unaffiliated with AIM.

AIM is exempt from the quarterly account statement delivery obligations and surprise audit requirement of the Custody Rule because each of the Advisory Clients are audited annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB"), in accordance with its rules. Additionally, the audited financial statements of each Advisory Client are prepared in accordance with generally accepted accounting principles and are distributed to each Investor within 120 days of the end of the relevant Advisory Client's fiscal year.

With respect to the portion of AIM's investment program that involves investments in certain private companies, AIM generally will be exempt from the requirement to maintain with a qualified custodian certain "privately offered securities," defined in paragraph (b)(2) of the Custody Rule as securities that are: (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer. Partnership agreements, subscription agreements, and LLC agreements are not considered "certificates" for these purposes and the securities represented by these documents are "privately offered securities" provided they meet the other elements of paragraph (b)(2) of the Custody Rule (as set forth above).

Pursuant to a Guidance Update issued by the SEC's Division of Investment Management in August 2013, advisers to audited pooled investment vehicles are not required to maintain with a qualified custodian certain non-transferable stock certificates or certificated LLC interests that were obtained in a private placement ("private stock certificates") even though such securities do not technically meet the definition of "privately offered securities" under paragraph (b)(2) of the Custody Rule because of the existence of a "certificate." In accordance with the Guidance Statement, AIM will not be required to maintain such certificated securities owned by the Funds

with a qualified custodian, provided that: (a) ownership of the securities is recorded on the books of the issuer or its transfer agent in the name of the Fund; (b) the certificate contains a legend restricting transfer and cannot be used to effect a change in beneficial ownership of the securities without the prior consent of the issuer or holders of the outstanding securities of the issuer; and (c) the certificates are appropriately safeguarded by AIM and can be replaced upon loss or destruction.

ITEM 16 – INVESTMENT DISCRETION

Pursuant to the Governing Documents and Management Agreements, AIM and the GPs have discretionary authority to manage the investment operations and activities on behalf of the Advisory Clients in accordance with the terms and conditions of the relevant offering memorandum and other Governing Documents. Investors do not have the ability to impose limitations on such discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Investors must execute a limited partnership agreement (or similar document) that contains a power of attorney.

ITEM 17 – VOTING CLIENT SECURITIES

AIM or its affiliated GP has authority to vote Advisory Client securities. AIM has adopted proxy voting and procedures that are designed to ensure that in cases where AIM (or its affiliate) votes proxies with respect to securities held on behalf of Advisory Clients, such proxies are voted in the Advisory Clients' best interests, in the judgment of AIM to the extent reasonably practicable. The procedures also require that AIM identify and address conflicts of interest between AIM, its related persons and its Advisory Clients and their portfolio companies and related persons. AIM and/or its personnel may occasionally have business or personal relationships with the proponents of proxy voting proposals, participants in proxy voting contests, corporate directors and officers, or candidates for directorships. If a material conflict of interest is identified, AIM will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of its Advisory Clients or whether taking some other action may be more appropriate.

Given AIM's business as a private equity fund manager, it is anticipated that it will be extremely rare that AIM will receive proxies with respect to securities held on behalf of Advisory Clients. However, there are situations where the Advisory Clients could own master limited partnership units of a publicly-traded company and in such situations there is the potential that AIM would receive proxies. In addition, there could be situations in which private companies could have proxy issues (e.g. a private company needs approval of investors to make changes to its board of directors, auditors, etc.). In such situations, AIM or its affiliate which serves as the relevant Advisory Client general partner or manager would have authority to vote proxies on behalf of Advisory Clients. In such cases, each proxy voting proposal received by an Advisory Client is thoroughly reviewed in order to ensure that each such vote is voted in the best interests of the Advisory Client holding the applicable securities.

Investors do not have the ability to direct proxy votes. Investors may obtain additional information regarding how AIM voted proxies and may obtain a copy of AIM's proxy voting policies and procedures by contacting the Chief Compliance Officer at 650-854-6000.

ITEM 18 – FINANCIAL INFORMATION

AIM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet for its most recent fiscal year. AIM is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.