

Form ADV Part 2A

Firm Brochure

J.P. Morgan Alternative Asset Management, Inc.

File No. 801-38319

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This brochure provides information about the qualifications and business practices of J.P. Morgan Alternative Asset Management, Inc. ("JPMAAM"). If you have any questions about the contents of this brochure, please contact us at www.jpmorgan.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about JPMAAM, including a copy of our Form ADV Part I, is also available on the SEC's website at www.adviserinfo.sec.gov.

JPMAAM is registered as an investment adviser with the SEC. Such registration does not imply a certain level of skill or training.

ITEM 2
Material Changes

On July 21, 2010, the SEC adopted amendments to Form ADV Part 2 (commonly referred to as the "Brochure") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), which registered investment advisers are required to deliver to their clients. This Brochure, dated March 31, 2011, was prepared in accordance with the SEC's new requirements. As such, this Brochure is materially different in structure from, and may include additional disclosure that was not specifically required to be disclosed in, Brochures from previous years. However, there were no material changes to JPMAM's policies, practices or conflicts of interest since the March 31, 2010 update of JPMAM's Brochure.

In the future, Item 2 of the Brochure will include disclosure of the material changes that JPMAM made to the Brochure since its most recent annual update.

In the past, JPMAM has offered or delivered information about its advisory services and business practices to clients on at least an annual basis. Pursuant to the new SEC Rules, JPMAM will send clients a summary of any material changes to this and subsequent Brochures within 120 days following its fiscal year end. JPMAM may also provide clients with more frequent updates of any material changes to its Brochure, without charge.

Clients may request a copy of the JPMAM's current Brochure by contacting their client service representative or financial advisor.

ITEM 3
Table of Contents

<u>Item</u>	<u>Page</u>
1. Cover Page	-
2. Material Changes	1
3. Table of Contents	2
4. Advisory Business.....	3
5. Fees and Compensation.....	4
6. Performance-Based Fees and Side by Side Management.....	5
7. Type of Clients.....	5
8. Method of Analysis, Investment Strategies and Risk of Loss.....	6
9. Disciplinary Information.....	9
10. Other Financial Industry Activities and Affiliations.....	10
11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	11
12. Brokerage Practices.....	13
13. Review of Accounts.....	14
14. Client Referrals and Other Compensation.....	15
15. Custody.....	15
16. Investment Discretion.....	16
17. Voting Client Securities.....	16
18. Financial Information.....	17

ITEM 4
Advisory Business

A. General Description of Advisory Firm

J.P. Morgan Alternative Asset Management, Inc. ("JPMAAM" or the "Adviser") is part of J.P. Morgan Asset Management ("JPMAM"), which is the marketing name for the asset management businesses of JPMorgan Chase & Co. ("JPMC"), a publicly traded company, and its affiliates worldwide. JPMAAM is wholly-owned by JPMorgan Asset Management Holdings Inc. which is a subsidiary of JPMC. JPMAAM was incorporated in Delaware on July 2, 1987. The Adviser is registered with the SEC as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act").

B. Description of Advisory Services

JPMAAM provides discretionary and non-discretionary investment management services to institutional and individual investors. Set forth below are the primary entities for which JPMAAM provides investment management services.

1. JPMAAM acts as investment manager of the J.P. Morgan Multi-Strategy Fund, Ltd., J. P. Morgan Multi-Strategy Fund II, Ltd., J. P. Morgan Multi-Strategy Fund II, LP., the Springfield Fund, Ltd., JPMorgan Commodity Strategies, Ltd., J.P. Morgan Alternative Investment Strategies SPC, Ltd. and JPMorgan Hedge Fund SPC, each a Cayman Islands company established by JPMAAM for specific investment strategies and/or clients.
2. JPMAAM acts as Investment Manager to J.P. Morgan Alpha Fund, Ltd., a Cayman Islands company formed to be used in a portable alpha program.
3. JPMAAM acts as an adviser to JPMorgan Gestion, a management company authorized to administer and manage hedge fund-of-funds in Spain.
4. JPMAAM acts as sub-advisor to discretionary and non-discretionary customized hedge fund portfolios managed by its affiliates, J.P. Morgan (Suisse) SA and J.P. Morgan International Bank Limited.
5. JPMAAM serves as manager to certain private investment funds that no longer solicit investors or assets and are in the process of being dissolved. As a result, certain of the information contained in this Form ADV Part 2 may not be applicable to such funds.

All of the named funds listed above are herein referred to collectively as the "Funds" and individually as a "Fund".

C. Availability of Customized Services for Individual Clients

JPMAAM and/or certain of its investment management personnel may also provide investment advice as a manager or sub-manager to certain separately managed accounts ("Managed Accounts") for JPMC and

its affiliates, and third party institutional accounts seeking advice on customized hedge fund-of-fund portfolios. JPMAAM makes investments for Managed Accounts in accordance with mutually agreed upon written investment guidelines and provides continuous supervision of client portfolios. JPMAAM's investment services can be tailored for each client's needs and objectives and clients may impose restrictions on investing in certain securities or types of securities. JPMAAM has established procedures and controls to help ensure compliance with each account's investment guidelines and restrictions, including compliance monitoring and review.

D. Wrap Fee Programs

Not applicable

E. Assets Under Management

As of December 31, 2010, JPMAAM had assets under management in the amounts set forth below:

- | | |
|--|-----------------|
| • Assets managed on a discretionary basis | \$6,921,470,459 |
| • Assets managed on a non-discretionary basis | \$1,621,530,302 |

ITEM 5 Fees and Compensation

A. Advisory Fees and Compensation

JPMAAM generally charges its clients a fixed management fee ranging from 0.5% to 2.0% of assets under management calculated as a percentage of the market value of the assets under management. JPMAAM may also charge an annual incentive fee to align JPMAAM's interest with that of investors. Incentive fees are structured so that JPMAAM receives a portion of each Fund's portfolio rate of return after the Fund reaches a target level of return (and/or any "loss carryforward" has been made up). Fees are charged after services have been rendered at the end of each calendar quarter. At JPMAAM's discretion, the minimum account size and fees are negotiable and are subject to change. Consequently, such arrangements may trigger "most favored nations" clauses contained in certain investment advisory agreements JPMAAM may have with other clients.

Side Letter Agreements

The fee arrangements for the Funds are described in each Fund's offering documents. However, from time to time, a Fund may enter into "side letter" agreements with certain investors which provide for investment terms that are more favorable to such investors than the terms described in its offering documents. Such terms may include (i) waivers reducing or rebating management fees and/or incentive fees; and (ii) preferential transfer or liquidity rights including additional withdrawal dates and/or waived or reduced withdrawal notice periods, redemption fees and/or holdback periods for redemption proceeds. Other than with respect to supplemental information and reports, side letter agreements will not generally entitle other investors to the same preferential terms of investment and JPMAAM may not disclose to

other Fund investors the existence or terms of any such side letter agreements. A Fund will enter into side letters only if and to the extent they are consistent, and implemented in accordance, with the governing documents of such Fund and the fiduciary duties owed by the Fund to its investors.

B. Payment of Fees

For the Funds, JPMAAM's fees are paid by each Fund. For Managed Accounts, the investment management agreement includes provisions regarding the payment of fees.

C. Additional Fees and Expenses

In addition to JPMAAM's fees, Fund investors pay their pro rata share of the fees and expenses charged by the underlying funds in which the Fund invests.

D. Prepayment of Fees

Not applicable. – JPMAAM charges advisory fees in arrears and such fees are not paid in advance.

E. Additional Compensation and Conflicts of Interest

Not applicable.

ITEM 6
Performance-Based Fees and Side by Side Management

As discussed above, JPMAAM charges each Fund an incentive fee pursuant to which JPMAAM receives a portion of the portfolio rate of return after the Fund reaches a target level of return. Each Fund is charged both an asset-based management fee and an incentive fee. Any incentive fee arrangement will be consistent with the requirements of applicable rules and regulations under the Advisers Act.

ITEM 7
Type of Clients

JPMAAM acts as investment manager to various multi-manager, multi-strategy hedge fund-of-funds (otherwise known as pooled investment vehicles) offered to investors. The Funds offer limited partner interests exclusively to persons who are (i) "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, (ii) "qualified purchasers" as defined in Section 2(a)(51) of the

Investment Company Act of 1940 and/or (iii) “qualified eligible persons” as defined in CFTC Regulation 4.7. JPMMAAM reserves the right to accept or reject any subscription to a Fund, in whole or in part, in its sole discretion. JPMMAAM also reserves the right to change the terms for investing in any of its Funds or Managed Accounts.

Each investor who wishes to invest in a Fund must meet a minimum investment amount which varies depending upon the Fund. JPMMAAM may, in its sole discretion, choose to accept contributions of amounts below the minimum investment.

JPMMAAM also provides investment advice to foreign, state and local governments. JPMMAAM also provides investment advisory services for the Private Banking (“PB”) division of JPMC, including high net worth individuals who are clients of PB.

ITEM 8

Method of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

The Funds and Managed Accounts. In its capacity as investment manager of the Funds and Managed Accounts, JPMMAAM’s principal services consist of investing the assets of each Fund and Managed Account in underlying investment vehicles (“UIVs”) managed by portfolio managers which are selected through a stringent due diligence process. After investing in a UIV, JPMMAAM continually monitors and reallocates a Fund’s or Managed Account’s assets among the UIVs while seeking to achieve the investment objective of the Fund or Managed Account. However, allocations to affiliated UIVs may not be on terms that are more favorable to JPMMAAM’s affiliates than could be obtained through arms’ length negotiation. JPMMAAM regularly evaluates the mix of UIVs, reallocates assets among them and adds new or replaces existing UIVs so as to focus the Funds and Managed Accounts on strategies which, in combination, appear to be best suited for prevailing market conditions.

The UIVs invest their assets in a wide range of instruments and markets across certain major strategies. Such instruments and markets may include, but are not limited to, U.S. and non-U.S. equities and equity-related instruments, fixed income and other debt-related instruments, currencies, commodities and derivative instruments. The UIVs investment strategies may include, but are not limited to, absolute value, relative value, opportunistic/macro, distressed securities, merger arbitrage/event driven, and emerging markets. The Confidential Offering Memorandum or Information Memorandum, as applicable, offering interests in each Fund sets forth the range of possible strategies, instruments and markets that may be employed by UIVs selected by JPMMAAM for the Fund. JPMMAAM makes recommendations for all accounts with respect to which it acts as adviser, sub-adviser, manager or sub-manager in accordance with the investment objectives and strategies agreed with each Fund and Managed Account.

JPMMAAM’s selection or recommendation of UIVs is based on a defined due diligence process that includes both qualitative and quantitative analysis of each UIV and at least one on-site visit. The qualitative evaluation includes an examination of the UIV’s investment strategy, philosophy, the background of the UIV’s key personnel, and many other investment and operational considerations. The quantitative evaluation includes a review of the rate of return, profit/loss, and volatility of the UIV’s assets under management and a statistical analysis of the UIV’s portfolio correlation with market indices and with portfolios of existing and other prospective UIVs. To this end, JPMMAAM has developed a proprietary

database, and proprietary analytical programs and asset allocation models to enhance its performance evaluation capabilities. JPMAAM subscribes to databases and evaluation services to supplement its proprietary programs. JPMAAM also makes use of trade publications, industry conferences, and its knowledge of the alternative asset management industry to identify and analyze new UIVs.

To a limited extent, JPMAAM, on behalf of certain Funds, may make direct investments in a broad range of securities and instruments, including, without limitation, U.S. and non-U.S. equities and equity-related instruments, restricted securities, special purpose acquisition companies, hybrid securities, currencies, commodities, and derivative instruments and other investments JPMAAM may make indirectly through UIVs. JPMAAM may also make such investments as a co-investor, alongside UIVs or their portfolio managers.

While a Fund's investment objective is to generate consistent capital appreciation, each Fund is equally concerned with preservation of capital. For this reason, JPMAAM seeks to allocate a Fund's holdings among broad categories of investment strategies. The strategies currently include the six broad categories that are described generally below. JPMAAM may add, delete or modify such categories of investment strategies at its discretion.

Long/Short Equities: Portfolio Managers utilizing this strategy make long and short investments in equity securities that are deemed by the Portfolio Managers to be under or overvalued. The Portfolio Managers typically do not attempt to neutralize the amount of long and short positions¹ (i.e., they will be net long or net short). The Portfolio Managers may specialize in a particular industry or may allocate holdings across industries. Although the strategy is more commonly focused on U.S. markets, a growing number of Portfolio Managers invest globally. Portfolio Managers in this strategy usually employ a low to moderate degree of leverage.

Relative Value: Portfolio Managers utilizing this strategy make simultaneous purchases and sales of similar securities to exploit pricing differentials. The Portfolio Managers attempt to neutralize long and short positions to minimize the impact of general market movements. Different relative value strategies include convertible bond arbitrage, statistical arbitrage, pairs trading, yield curve arbitrage and basis trading. The types of instruments traded vary considerably depending on the Portfolio Manager's relative value strategy. Because the strategy attempts to capture relatively small mispricings between two related securities, moderate to substantial leverage is often employed to produce attractive rates of return.

Opportunistic/Macro: Portfolio Managers utilizing this strategy invest in a wide variety of instruments using a broad range of strategies, often assuming an aggressive risk posture. Most Portfolio Managers utilizing this strategy rely on a combination of macro-economic models and fundamental research to invest across countries, markets, sectors and companies, and have the flexibility to invest in numerous financial instruments. Futures and options are often used for hedging and speculation in order to quickly position a portfolio to profit from changing markets. The use of leverage varies considerably.

Distressed Securities: Portfolio Managers utilizing this strategy invest in debt and equity securities of companies in financial difficulty, reorganization or bankruptcy, nonperforming and sub-performing bank loans, and emerging market debt. Portfolios are usually concentrated in debt instruments. The Portfolio Managers differ in their preference for actively participating in the workout and restructuring process and the extent to which they use leverage.

Merger Arbitrage/Event Driven: Portfolio Managers utilizing this strategy invest in securities of companies involved in mergers, acquisitions, restructurings, liquidations, spin-offs, or other special

situations that alter a company's financial structure or operating strategy. Risk management and hedging techniques are typically employed by the Portfolio Managers to protect the portfolio from deals that fail to materialize. In addition, accurately forecasting the timing of a transaction is an important element affecting the realized return. The use of leverage varies.

Short Selling: Portfolio Managers utilizing this strategy invest in short positions in companies with unfavorable prospects in order to profit from declining security prices. Short sellers perform best in declining markets and therefore can be useful in a multi-manager fund to help reduce the fund's total exposure to general stock market movements. The Portfolio Managers use a range of fundamental and technical investment methodologies to identify short candidates, may or may not remain fully invested, and use varying degrees of leverage. Some Portfolio Managers utilizing this strategy assume long positions while remaining net short.

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

JPMAM uses a variety of investment strategies depending on the requirements of the client and the investment guidelines associated with the client's account. All strategies are subject to management risk and a Fund or Managed Account may not achieve its objective if JPMAM's expectations regarding particular securities or markets are not met. JPMAM discloses the risk factors associated with each Fund's investment strategy in the prospectus, offering memorandum or other materials of the Fund and discloses the risk factors for particular strategies of a Managed Account to the client.

Risk is defined as the likelihood of loss. JPMAM's risk management approach is focused on identifying, monitoring and managing both operational and investment risk. JPMAM's investment risk management framework is coordinated across the platform and supported by rigorous but flexible risk management tools and fluid communication. Information flowing through the risk monitoring processes is compiled in a timely manner. The insights that are formulated based on the information facilitate informed decisions in manager selection, portfolio construction and on-going risk management across JPMAM's portfolios. At the portfolio level, JPMAM's risk management policy is focused on understanding and managing liquidity, exposures and leverage; and monitoring value risk of JPMAM's portfolios during both normal and stressed market environments. The strategies and sub-strategies of the UIVs are analyzed to ensure that JPMAM is comfortable with the embedded risks across the portfolios. A multi-manager, multi-strategy framework overlay the investment process and helps to further mitigate risk.

A key risk in hedge fund investing is manager risk. JPMAM endeavors to mitigate manager risk through comprehensive qualitative and quantitative due diligence. As part of this effort, JPMAM examines the following to identify, quantify and manage critical risk: capital at risk and position sizing, exposure, leverage, liquidity quantitative flags and high water marks. JPMAM also utilizes a proprietary hedge fund scoring model to compare the underlying funds against each other. This information allows JPMAM to discern when investment practices of an underlying manager are inappropriate for the scope and risk profile of JPMAM's portfolios. It also permits JPMAM to minimize and control the portfolio impact of any one underlying fund.

Set forth below are certain material risk factors that are often associated with the investment strategies and types of investments relevant to most of the JPMAM's clients. The information included in this brochure does not include every potential risk associated with each investment strategy or applicable to a particular client account. Clients are urged to ask questions regarding risk factors applicable to a

particular strategy or investment product, read all product-specific risk disclosures and determine whether a particular investment strategy or type of security is suitable for their account in light of their circumstances, investment objectives and financial situation.

Foreign Securities and Emerging Markets Risks. Strategies that invest in foreign currencies and foreign issuers are subject to additional risks including political and economic risks, greater volatility, civil conflicts and war, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, expropriation and nationalization risks, liquidity risks, and less stringent investor protection and disclosure standards of foreign markets. These risks are magnified in countries in “emerging markets.”

Short Strategy Risk. A primary risk of some strategies is to invest in common stock considered to be attractive and to sell short securities considered to be unattractive. This strategy involves complex securities transactions that require the investment portfolio to borrow securities. The investment portfolio may not be able to borrow a security it wishes to sell short or may have to purchase a borrowed security in the market to return it to the lender at a disadvantageous time or price. Losses on short sales are potentially unlimited because there is no upward limit on the price a borrowed security could attain.

Commodity Risk. Certain strategies have exposure to commodities. Exposure to commodities, commodity-related securities and derivatives may subject an investment portfolio to greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity linked investments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity.

Derivatives Risk. Certain strategies may use derivatives. Derivatives may be riskier than other investments because they may be more sensitive to changes in economic and market conditions and could result in losses that significantly exceed the original investment. Many derivatives create leverage thereby causing the investment portfolio to be more volatile than it would be if it had not used derivatives. Derivatives also expose an investment portfolio to counterparty risk (the risk that the derivative counterparty will not fulfill its contractual obligation), including credit risk of the derivative counterparty.

C. Risks Associated With Particular Types of Securities

See Item 8.B for a summary of the risks associated with certain types of securities and asset classes.

ITEM 9 Disciplinary Information

A. Criminal or Civil Proceedings

JPMAAM has no material civil or criminal actions to report.

B. Administrative Proceedings Before Regulatory Authorities

JPMAAM has no material administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority to report.

C. Self-Regulatory Organization (SRO) Proceedings

JPMAAM has no material SRO disciplinary proceedings to report.

ITEM 10

Other Financial Industry Activities and Affiliations

A. Broker-Dealer Registration Status

Certain JPMAAM personnel are registered representatives of J.P. Morgan Institutional Investments Inc. ("JPMI").

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

JPMAAM has been registered with the Commodity Futures Trading Commission ("CFTC") as a Commodity Pool Operator since May 1990 and as a Commodity Trading Adviser since March 1992. It has been a member of the National Futures Association since May 1990. In accordance with CFTC Rule 4.7, JPMAAM must prominently display the following CFTC-specified disclosure statement in this brochure.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE IS NOT REQUIRED TO BE , AND HAS NOT BEEN, FILED WITH THE COMOMDITY FUTURES TRADING COMMSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE.CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS TRADING PROGRAM OR BROCHURE.

C. Material Relationships or Arrangements with Industry Participants.

JPMAAM is part of a large financial services firm. In connection with providing investment advisory services to its clients, JPMAAM may use the products or services of its affiliates or other related persons, as described below.

JPMAAM uses JPMI, an affiliated broker-dealer registered with the Financial Industry Regulatory Authority, to facilitate the distribution of interests in the Funds to prospective, eligible U.S. investors in private placements. JPMAAM has an arrangement with J.P. Morgan Securities LLC to act as Placement Agent for the sale of interests in the Funds.

JPMAAM may provide investment management services to affiliated investment advisers. It may also recommend investments in securities in which an affiliate or affiliates have a position or interest.

ITEM 11

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

A. Code of Ethics

The JPMC Code of Conduct (the “Code of Conduct”) is a collection of rules and policy statements intended to assist JPMC employees and directors in making decisions about their conduct in relation to the firm's business. The Code of Conduct applies to all JPMC employees (including employees of JPMAAM) and all employees are required to comply with its terms as a condition of continued employment. In addition, JPMAAM employees must adhere to the JPMAM Code of Ethics (the “Code of Ethics”), which establishes more stringent standards than the Code of Conduct and reflects the fiduciary obligations of JPMAAM and its supervised persons. JPMAAM and its registered investment advisory affiliates have adopted the Code of Ethics pursuant to Rule 204A-1 under the Advisers Act. A copy of the Code of Ethics is available free of charge upon request by contacting your client service representative or financial advisor.

The Code of Ethics requires JPMAM's employees and other supervised persons to place the interests of JPMAM clients before their own personal interests at all times and to avoid any actual or potential conflict of interest. All real or potential conflicts of interest must be disclosed to the Compliance Department, including those resulting from an employee's business or personal relationships with customers, suppliers, business associates, or competitors of JPMC, or with other JPMC employees. Certain transactions or activities may be restricted by the Code of Conduct, the Code of Ethics or Compliance policies. The Code of Ethics contains policies and procedures relating to:

- Personal trading policies, including reporting and pre-clearance requirements for certain personnel of JPMAAM.
- Confidentiality obligations with respect to clients and compliance with policies, procedures and training requirements regarding securities laws, privacy, the Bank Secrecy Act, anti-money laundering and related matters.
- Conflicts of interest, including policies relating to restrictions on trading in securities of clients and suppliers, gifts and entertainment, political and charitable contributions and outside business activities.

In general, the personal trading rules under the Code of Ethics require that accounts of employees and associated persons be maintained with a designated broker and that all trades in reportable securities for such accounts are pre-cleared and monitored by compliance personnel. The Code of Ethics also prohibits certain types of trading activity, such as short-term and speculative trades. JPMAAM employees generally must obtain approval prior to engaging in all security transactions, including those issued in private placements. In addition, certain employees of JPMAAM may not be permitted to buy or sell securities issued by JPMC in certain periods throughout the year prior to and following announcement of quarterly earnings. Certain “Access Persons” (generally defined as, persons with access to non-public information regarding JPMAAM's recommendations to clients or purchases or sales of securities for client

accounts and advised funds) are prohibited from executing personal trades in a security or similar instrument five business days (typically seven calendar days) before and after a client or fund managed by that Access Person transacts in that security or similar instrument.

JPMC is a global financial services firm that provides a variety of services for, and advice to, many types of clients. While providing such services, some divisions of JPMC, such as investment banking and JPMAAM's private equity business, routinely have access to confidential information, some or all of which may be material, non-public information, (i.e., "inside information"). In order to prevent the flow of inside information from a so-called "insider" area to a "public" area of JPMC, JPMC has established informational barriers that seek to prohibit anyone in an insider area from communicating any non-public information, to anyone in a public area. In order to prevent the inadvertent flow of such information, employees in insider areas are generally physically segregated from employees in public areas.

From time to time, JPMAAM and its employees may acquire inside information from non-JPMC sources. However the inside information may be obtained, in compliance with JPMC's information sharing policies and insider trading policy, JPMAAM and its employees are prohibited from using such information to buy or sell securities until such information has been disclosed to the public or is no longer material.

B. Securities in Which the Adviser or a Related Person Have a Material Financial Interest

JPMAAM may purchase or sell for client accounts securities in which it, or related persons, has a financial interest. JPMAAM's related persons may issue recommendations on securities held by JPMAAM's client portfolios that may be contrary to investment activities of JPMAAM or its related persons. Additionally, JPMAAM or its related persons, may hold the same or similar securities as client portfolios, and from time to time may recommend such securities for purchase or sale in clients' portfolios in the normal course of business. JPMAAM has established informational barriers and has adopted various policies and safeguards in order to address conflicts of interest that may arise from such activities. For additional information regarding such informational barriers, policies and safeguards, please see Item 11.A.

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

JPMAAM or one of its related persons may, for its own account, buy or sell securities or other instruments that JPMAAM has recommended to clients or purchased or sold for its clients. JPMAAM has established informational barriers and has adopted various policies and safeguards in order to address conflicts of interest that may arise from such activities. For additional information regarding such informational barriers, policies and safeguards, please see Item 11.A.

D. Conflicts of Interest Created by Contemporaneous Trading

JPMAAM and its related persons may recommend securities to clients that JPMAAM and its related persons may also purchase or sell. In order to address potential conflicts of interest arising from such activities, JPMAAM restricts employees with access to nonpublic information regarding such securities from executing personal trades in a security or similar instrument five business days (typically seven calendar days) before and after a client or fund managed by that employee transacts in that security or similar instrument. In addition, JPMAAM has implemented monitoring systems to ensure compliance with this restriction.

ITEM 12

Brokerage Practices

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

In general, JPMMAAM's investment management agreements with the Funds and other clients with respect to which it acts as investment manager give JPMMAAM the authority to open brokerage accounts in the name of the Funds or other clients (in the case of certain Funds, subject to the approval of the board of directors of the relevant fund). However, since JPMMAAM is primarily in the business of selecting UIVs, the managers of the UIVs, rather than JPMMAAM, generally select the brokers and arrange for the execution of transactions. JPMMAAM may consider the broker selection process employed by a UIV manager as a factor in determining whether to invest in that UIV.

However, on limited occasions, JPMMAAM is responsible for selecting a broker who executes transactions. In such occasions, JPMMAAM will seek best price and execution on a competitive basis for both purchases and sales of securities. In selecting a broker, JPMMAAM's primary objective in broker-dealer selection is to be consistent with its duty of best execution of orders for its clients. In selecting a broker-dealer, JPMMAAM 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; and
- the quality of research services provided.

Because JPMMAAM relies on its own research, the value of any research provided by brokers is not a factor in selecting a broker.

JPMMAAM may pay a broker a commission in excess of that which another broker might have charged for effecting the same transaction, in recognition of the value of the brokerage services provided by the broker. Since commission rates in the United States and in many other jurisdictions are negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be attainable.

1 Research and Other Soft Dollar Benefits.

JPMMAAM does not enter into soft dollar arrangements whereby a broker pays for third party research services such as Bloomberg, Reuters or Factset.

2 Brokerage for Client Referrals

JPMAAM does not select broker-dealers in order to receive client referrals. The factors used by JPMAAM in selecting broker-dealers in order to executed trades are described in Section 12.A.

3 Directed Brokerage

JPMAAM does not recommend, request or require that clients direct transactions through a specified broker-dealer.

B. Order Aggregation

Not Applicable – JPMAAM does not aggregate trades.

ITEM 13 Review of Accounts

A. Frequency and Nature of Review of Client Accounts

JPMAAM's portfolio managers are responsible for the continuous review of the accounts under their supervision. Working with the strategic asset allocation and the policy guidelines set by the JPMAAM Investment Committee reflecting its recommendations and addressing the client's objectives, the portfolio managers recommend which securities to buy and sell. The Investment Committee makes the final decisions with respect to all investment decisions, including strategy allocations, manager allocations and terminations as well as any changes in investment processes. It provides process oversight while integrating functional expertise and ensuring consistency of decision making. With respect to all Funds and Managed Accounts, JPMAAM personnel regularly communicate with the managers of the UIVs via meetings and phone conversations to discuss the execution of their stated investment strategy, risk controls, major positions, and investment outlook. In addition, JPMAAM reviews each UIV's performance figures on a monthly basis as well as other financial and qualitative investment reports. JPMAAM reviews each UIV's performance against its peers and also reviews for management stability, asset growth and/or shrinkage, style drift, employee turnover and changes in strategy, approach, or administrative procedures. JPMAAM also monitors the UIV's major holdings or themes, as well as any new item related to such holdings. Based on this due diligence, JPMAAM may increase or decrease its investment with the UIV. In addition, JPMAAM reviews trading positions of UIVs to ensure effective risk management is taking place. JPMAAM will also perform "stress tests" on the various portfolios as part of its account review. All reviews are carried out under the auspices of JPMAAM's Chief Investment Officer.

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

Industry factors, market developments, statutory and regulatory changes and any issues that may have been identified with respect to a client account trigger reviews of the effected client accounts. Events that trigger reviews of client accounts are generally directed to the attention of JPMAAM's Chief Investment Officer.

C. Content and Frequency of Account Reports to Clients

The Administrator for each Fund provides each investor in the Fund with at a minimum, quarterly statement showing the Fund's performance (except for certain UIVs which have not undertaken to provide monthly reports). On a monthly basis, JPMAAM supplies unaudited performance updates to investors. In addition, JPMAAM prepares quarterly reports that generally highlight a Fund's performance, investment strategy and the impact of major positions on a Funds' return. Audited financials are provided annually to Fund investors.

Reports on customized hedge fund portfolios are provided to Managed Account clients as agreed with each client.

ITEM 14

Client Referrals and Other Compensation

A. Economic Benefits for Providing Services to Clients

In connection with providing investment advisory services to its clients, JPMAAM does not receive sales awards, prizes or other economic benefits from someone who is not a client.

B. Compensation to Non-Supervised Persons for Client Referrals

From time to time, JPMAAM or its related persons may compensate affiliated and non-affiliated entities/persons for investor referrals in accordance with Rule 206(4)-3 under the Advisers Act. The compensation paid generally consists of a cash payment computed as a percentage of JPMAAM's investment management fee, although other methods of computation or payment may be used.

JPMAAM does not enter into any arrangements whereby it or any of its employees pays referral fees, finders' fees or other similar considerations or benefits to consultants or any third parties.

ITEM 15

Custody

Generally, JPMAAM does not have custody of client assets. However, for certain accounts, the JPMAAM is deemed to have custody of the client's assets because it, or a related party, holds client funds or securities either directly or indirectly. Clients will receive account statements at least quarterly directly from their broker-dealer, bank or other qualified custodian. Upon receipt, clients should carefully review the statements. Clients are urged to compare these statements with those received from their qualified custodian. If there is a significant difference in the information provided, clients should contact their Client Service Manager immediately.

ITEM 16
Investment Discretion

As described in Item 4.B, JPMAAM provides both discretionary and non-discretionary investment management services. When JPMAAM accepts discretionary authority to manage the securities and other assets of client accounts, JPMAAM's authority is set forth in an investment advisory, investment management or other written agreement with the client. JPMAAM's discretionary authority is subject to the provisions of the agreement with the client, including the objectives and investment guidelines the client establishes for the account.

ITEM 17
Voting Client Securities

JPMAAM has adopted Proxy Voting Policies and Procedures (the "Procedures") that are designed to ensure that JPMAAM votes proxies with respect to client securities in the best interests of its clients. These procedures apply to consents and other solicitations that may be made by various private investment funds and other "alternative investments" in which JPMAAM's clients may be invested. The Procedures also apply to proxies relating to securities directly held by clients that are not under the management of a sub-adviser. Because solicited votes with respect to alternative investments most often raise unique questions, such solicitations will generally be analyzed and voted by JPMAAM on a case-by-case basis. Where consent or other solicited vote or a proxy relates to a routine matter, JPMAAM will generally vote in accordance with specific guidelines developed with the objective of encouraging action that enhances investor value.

The Procedures also require JPMAAM to identify and address conflicts of interest between JPMAAM and its clients. If a material conflict of interest exists, JPMAAM will determine whether any additional steps must be taken to ensure that the proxies are voted, and that the consents and other solicitations are acted on, in the best interests of its clients.

Clients may obtain a copy of JPMAAM's Procedures and information about how JPMAAM voted a client's proxies by contacting Kareen Major by telephone at (212) 648-2646.

ITEM 18
Financial Information

A. Balance Sheet

Pursuant to SEC instructions, JPMAM is not required to include its balance sheet as part of this brochure.

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

JPMAM is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

C. Bankruptcy Filings

JPMAM has not been the subject of a bankruptcy petition at any time during the past ten years.