

Firm Brochure

(Part 2A of Form ADV)

AETOS ALTERNATIVES MANAGEMENT, LLC

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This brochure provides information about the qualifications and business practices of Aetos Alternatives Management, LLC. If you have any questions about the contents of this brochure, please contact us at: 212-201-2500. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority. Registering with the United States Securities and Exchange Commission as an investment adviser does not imply a certain level of skill or training on the part of Aetos Alternatives Management, LLC.

Additional information about Aetos Alternatives Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov

This is the first firm brochure prepared by Aetos Alternatives Management, LLC, and therefore there are no material changes to report.

March 31, 2011

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Item 4 Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Aetos Alternatives Management, LLC ("AAM") is a Delaware limited liability company that provides investment advisory services to institutional and high net worth individuals with respect to hedge fund and other investments.

AAM was formed as a wholly-owned subsidiary of Aetos Capital, L.P. ("Aetos Capital") in October 2001 and began advising and managing hedge fund portfolios on behalf of clients in December 2001.

Aetos Capital has one partner that owns greater than 25% of its equity (a "principal owner"), which is The Allwin Family, LLC. The Allwin Family, LLC has one principal owner, which is the estate of James Allwin, the founder of Aetos Capital, who passed away in 2007.

B. Describe the types of advisory services you offer.

AAM primarily offers asset allocation advice and manager and fund selection with respect to absolute return portfolios. Our services consist of managing separate accounts and investment funds that are invested primarily in hedge funds and other types of alternative investment vehicles. We also provide similar services that invest across a broader range of asset classes. We offer these services on a discretionary and non-discretionary basis.

For clients with large accounts (generally in excess of \$100 million), AAM will provide a customized investment program for investment directly in alternative investments meeting the investment objectives and risk tolerance of the investor (a "Separate Account"). In constructing a Separate Account portfolio, AAM will assess a client's investment objectives, liquidity needs and risk tolerance and advise the client with respect to its investment policies, asset allocation and manager selection as well as provide ongoing oversight of managers and consolidated portfolio reporting.

For smaller clients, AAM will provide a customized investment program involving investment in one or more of the registered investment companies advised by AAM (the "Aetos Funds"). Each Aetos Fund is designed to provide exposure to a particular alternative investment strategy, including multi-strategy arbitrage, equity long/short and distressed investments. AAM will customize the investments of each client's account by selecting the mix of Aetos Funds that appropriately meets the investment objectives and risk tolerances of the client.

C. Explain how you tailor your advisory services to the individual needs of *clients*.

AAM tailors its advisory services for Separate Account and Aetos Fund investors to take into account specific investment criteria. Examples of such criteria include risk tolerance, liquidity, leverage, investment concentration, "sin stock" monitoring, and client regulatory requirements. For Separate Account clients, AAM adjusts client investment exposures through allocations to direct investments in hedge funds and for investors in the Aetos Funds, AAM adjusts such exposures through allocations among the different Aetos Funds.

D. Do you participate in *wrap fee programs*

AAM does not participate in wrap fee programs.

E. Disclose the amount of *client* assets you manage on a *discretionary basis* and the amount of *client* assets you manage on a *non-discretionary basis*. Disclose the date "as of" which you calculated the amounts.

As of January 31, 2011, AAM managed \$ 4,820,950,379 on a discretionary basis and \$ 233,542,314 on a non-discretionary basis.

Item 5 Fees and Compensation

- A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

Compensation for AAM's advisory services to clients investing in the Aetos Funds typically consists of two components: an annual management fee calculated as a percentage of assets under management, and an annual incentive fee, calculated as a percentage of the net return in a client's account over a benchmark. The standard base fee schedule is as follows:

<u>Annual Fee</u>	<u>Assets under Management</u>
125bp	\$10,000,000 or less
100bp	\$10,000,000 – 25,000,000
75bp	\$25,000,000 or greater

To the extent that a client's account is managed through investments in the Aetos Funds, the management fee charged to the client's account will be reduced by the amount of any fees paid to AAM by the Aetos Funds. The standard incentive fee is equal to 10% of the net return in the client's account for the calendar year above a hurdle rate equal to the three month Treasury Bill secondary market rate, calculated on a "high water mark" basis. Fees charged to clients investing in the Aetos Funds are negotiable under certain circumstances, particularly with respect to the combination of asset-based and performance-based fees.

Fees charged to Separate Account clients are negotiable and will vary depending on the size of the investment and the nature and extent of the services to be provided.

- B. Describe whether you deduct fees from *clients'* assets or bill *clients* for fees incurred. If *clients* may select either method, disclose this fact. Explain how often you bill *clients* or deduct your fees.

Clients of AAM who invest in the Aetos Funds pay their investment advisory fees directly from their fund accounts. Management fees are paid quarterly in arrears, and incentive fees, if any, are paid annually in arrears. Separate Account clients of AAM may elect to have their fees deducted from their account or to be invoiced for their fees. In either case, management fees are paid either on a monthly or a quarterly basis and incentive fees, if any, are paid annually.

- C. Describe any other types of fees or expenses *clients* may pay in connection with your advisory services.

In addition to the fees payable to AAM outlined above, clients invested in the Aetos Funds indirectly bear their proportionate share of custody, administration, and legal and accounting expenses of the Aetos Funds, which are payable directly by the Aetos Funds and thereby reduce the value of a client's Aetos Funds investment. Separate Account clients typically contract and pay for such services directly.

Both Aetos Fund and Separate Account clients also bear, indirectly, their proportionate share of the expenses of the hedge funds in which they invest. These expenses typically include brokerage expenses, management and incentive fees, borrowing costs, administration expenses, custody expenses, and legal and accounting expenses.

- D. If your *clients* either may or must pay your fees in advance, disclose this fact.

AAM's investment advisory fees are paid in arrears.

- E. If you or any of your *supervised persons* accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.

There is no compensation payable to AAM or any supervised person of AAM other than as described in 5.A

Item 6 *Performance-Based Fees and Side-By-Side Management*

AAM receives both asset-based and performance-based fees from clients. Not all clients pay a performance-based fee. AAM is agnostic with respect to how clients wish to structure their fees, and regularly proposes fee arrangements that include an asset-based fee only option and an asset-based plus performance-based fee option.

There are potential conflicts of interest that exist when an investment manager advises clients with different fee structures. In particular, such a manager may appear to be incented to favor a performance fee paying client in its investment decisions. AAM is aware of this apparent conflict and has implemented the following procedures to insure that all clients regardless of fee structure are fairly and equitably allocated available investment opportunities:

1. All investment activity is reviewed by AAM's investment committee, which determines if the proposed investment will be made, and to which clients the proposed investment will be allocated. In the vast majority of circumstances, the investment opportunity is not capacity constrained and no conflict of interest exists;
2. For all capacity-constrained investment opportunities, AAM performs a rigorous trade allocation process. The trade allocation process considers factors including a client's investment objectives, investment guidelines, current portfolio exposures, liquidity constraints, and cash availability. Upon review of these factors, investments are allocated pro rata among those clients for whom the investment is appropriate; and
3. The results of the trade allocation process are documented in a trade allocation worksheet, which is reviewed and approved by the Chief Compliance Officer prior to execution of the investment decisions.

Item 7 *Types of Clients*

AAM provides investment advice to investment companies, public and corporate pension plans, endowments, foundations, trusts, other institutional clients and high net worth individuals. The minimum account size is typically \$100,000, but may be waived for certain clients.

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

- A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that *clients* should be prepared to bear.

AAM allocates client capital among a select group of hedge fund managers across a variety of strategies in attempting to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes. Portfolios developed by AAM are intended to be vehicles through which investors can access a selection of high quality absolute return investments, constructed and monitored using dedicated resources and disciplined methodologies. As diversified portfolios of alternative investments, the portfolios constructed by AAM are intended to benefit from reduced exposure to any individual manager and/or strategy, and have the ability to shift their allocations among managers and/or strategies as market conditions may dictate.

AAM formulates asset allocation advice intended to meet a client's long- term return objectives, taking into account the client's risk tolerance and other considerations, and recommends investments with specific managers and in specific funds in each asset class. AAM continuously monitors the performance of the managers and funds selected and will periodically recommend allocation changes, subject to client investment guidelines, to rebalance the portfolio, replace underperforming funds or managers or tactically adjust the portfolio's asset allocation.

Specific information used in identifying and evaluating managers and funds includes:

- The pedigree of the key investment, financial and risk management professionals of the manager of an alternative investment. This includes an assessment of their professional and personal backgrounds as well as their experience in managing investments in the proposed strategies. References are checked and information is gathered from a wide range of sources, which may include existing and former investors, former colleagues, counterparties, competitors as well as other related parties.
- The manager's investment philosophy and discipline, risk management, financial and back-office operations and the overall alignment of interests. The manager's organizational design must be consistent with the chosen investment strategy's requirements, which in turn must be consistent with the opportunities present in the current or foreseeable investment environment.
- The manager's track record in the proposed strategy, with particular attention to its performance throughout a complete market cycle, if such track record is available.
- The manager's appreciation for the drivers of return and the inherent risk within its discipline, with a focus on how the manager varies the investment process in recognition of different investment climates (i.e., its ability and willingness to appropriately modify its strategies or the risk level in the portfolio in response to any significant opportunities and/or risks presented).
- The manager's culture, reputation for integrity, and its dependence on key investment professionals.
- The structure of a fund investment, including the specific terms and conditions under consideration. In addition, particular attention will be paid to a manager's capacity constraints as excessive assets under management (relative to strategy opportunity set and organizational design) will tend to degrade a manager's ability to generate attractive risk-adjusted returns.

While AAM's investment process is designed to identify managers who will provide attractive risk-adjusted returns over a complete market cycle, clients should bear in mind that an investment in a portfolio of hedge funds may be volatile, and there is a risk that investors in portfolios managed by AAM will lose money. Clients should consider this risk of a possible loss of capital when evaluating AAM.

- B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Please see item 8C below.

- C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

AAM primarily recommends investments in hedge funds. AAM believes that hedge funds can help diversify a client's investment portfolio, delivering attractive risk-adjusted returns that are relatively uncorrelated to traditional market indices. Investing in hedge funds does involve certain risks that are different from the risks involved in investing directly in traditional securities such as stocks and bonds. These risks are described below:

Liquidity: Investments in hedge funds are typically subject to an initial lock-up period during which time clients can not withdraw their investment. These lock-up periods typically are 1 year, but can be longer. After the expiration of the lock-up period, withdrawals are permitted on a periodic basis, generally ranging from monthly to annually. It is important that clients consider their cash flow needs when considering an investment in hedge funds.

Portfolio Transparency: Hedge funds typically do not provide investors with complete portfolio transparency, so an investor in hedge funds will not know exactly what underlying securities comprise its investment portfolio. AAM seeks to invest client assets with hedge fund managers who provide sufficient portfolio information to allow for effective portfolio monitoring. This information may include material

holdings, exposure reports by geography, sector, and strategy or such other category is appropriate for the investment strategy and leverage, among other factors, or some combination of the above.

Valuation: Hedge funds provide valuation information on a monthly basis. Because hedge funds typically do not provide position-level portfolio transparency, it is not possible for a hedge fund investor to independently verify a hedge fund's reported net asset value. To minimize the likelihood of encountering valuation concerns, AAM avoids investing client assets in hedge fund strategies that have excessive exposure to hard-to-price securities. AAM also conducts comprehensive due diligence on the back office control functions of hedge fund managers. This due diligence includes an assessment of the internal control environment inherent in the manager's processing of trades and reporting of returns. AAM also reviews the role of third party administrators and, to a lesser extent, valuation agents, in independently reporting and/or verifying fund returns for each underlying fund manager. This review includes an examination of SAS 70 or other due diligence documentation where available. AAM also receives and reviews annual audited statements of hedge fund investments.

In addition, AAM maintains a pricing committee that meets monthly to review the reported valuations received from hedge funds. At each monthly meeting of the Pricing Committee, AAM's Chief Investment Officer presents a pricing confirmation sheet for each hedge fund investment to the Pricing Committee. This pricing confirmation sheet contains three distinct "tests": a returns-based analysis, a regression analysis and a customized peer group analysis. The purpose of the Pricing Committee is to identify performance outliers, which must then be reconciled based on the exposure data and, where necessary, reviewed in discussions with the hedge fund managers.

Operational Failures: Hedge fund investments are subject to the risk that a hedge fund manager may suffer a breakdown of operational controls that can lead to loss of capital, or in the case of severe breakdowns, can lead to the liquidation of the hedge fund. Such breakdowns may involve counterparty exposures, cash management controls, failure to properly match investment liquidity with investor liquidity and failures to adequately monitor portfolio exposures, leverage and investment correlations. Prior to initiating an investment in a hedge fund, AAM performs an operational review, including a separate on-site meeting and review of due diligence documentation. This operational review is documented for each manager in a detailed due diligence worksheet ("DDW") and summary scorecard, which are discussed in detail during investment committee meetings. An unsatisfactory DDW or scorecard will prohibit investment. The operational review is redone on an annual basis.

Counterparty Risk: Hedge fund investors face the risk of investment losses due to the counterparty risks faced by the hedge funds in which they invest. These counterparty risks include, but are not limited to (a) the risk that a fund's counterparty will default on a credit obligation; or (b) the risk that a counterparty may increase collateral terms, discontinue financing arrangements or take other actions against a fund that may lead to investment losses, declines in net asset value or operational disruptions for the fund. AAM's operational due diligence team assesses and monitors counterparty risks as part of its formal annual operational due diligence process. A description and assessment of counterparty risks is contained in the DDW and scorecard.

Compensation Arrangements and Other Expenses: Clients of AAM should be aware that they will bear, in addition to fees payable to AAM that are described in items 5 and 6, both asset-based fees and performance-based fees payable to the hedge funds in which they invest, as well their pro rata share of the hedge fund's other operating expenses.

Fraud: Hedge fund investments are subject to the risk that fraudulent actions on the part of the hedge fund manager or other service providers or transaction counterparties may lead to significant losses. While no due diligence process is guaranteed to uncover fraud, AAM conducts a comprehensive operational due diligence process that is designed to uncover factors that may increase the risk of manager fraud. This process, overseen by the operational due diligence specialist team, includes a comprehensive review of a hedge fund manager's business and operational infrastructure, including trade processing work flows, accounting and reconciliation procedures, portfolio valuation procedures (including third party oversight), cash controls, business continuity planning, compliance procedures, and overall segregation of duties. As part of this process, AAM conducts a manager background check through a third party investigative firm and reviews

key third party provider relationships. The operational due diligence process is undertaken prior to the initiation of a fund investment as well as on an ongoing basis for existing fund investments, and is summarized for each manager in a detailed report and summary scorecard.

Style Drift: Because hedge fund managers rarely provide position-level portfolio transparency, hedge fund investments are subject to the risk that investments held by a hedge fund may be different than AAM expects, leading to client exposures to unexpected securities or asset classes. During its monthly portfolio investment review and monthly pricing review process, members of the AAM investment team examine portfolio positions and exposures of hedge funds to determine if the manager is investing capital in ways that are consistent with expectations. In addition, regressions are run to determine if reported hedge fund performance is consistent with AAM's expectations based on AAM's understanding of the hedge fund's holdings. To the extent that actual performance differs significantly from predicted performance, AAM follows up with the hedge fund manager to obtain additional performance attribution information. AAM also meets regularly with hedge fund managers as part of its ongoing investment monitoring process. Hedge fund exposures are a topic of discussion at these meetings.

Item 9 Disciplinary Information

AAM does not have any disclosures to make relating to legal or disciplinary events.

Item 10 Other Financial Industry Activities and Affiliations

- A. If you or any of your *management persons* are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Not applicable

- B. If you or any of your *management persons* are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Not applicable

- C. Describe any relationship or arrangement that is material to your advisory business or to your *clients* that you or any of your *management persons* have with any *related person* listed below. Identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how you address it.

Not applicable except for item 2.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).

AAM serves as the investment adviser to three registered investment companies: Aetos Capital Long/Short Strategies Fund, LLC, Aetos Capital Distressed Investment Strategies Fund, LLC and Aetos Capital Multi-Strategy Arbitrage Fund, LLC and six Cayman Islands exempted companies that serve as feeder funds for the three registered investment companies: Aetos Capital Long/Short Strategies Cayman Fund, Aetos Capital Distressed Investment Strategies Cayman Fund, Aetos Capital Multi-Strategy Arbitrage Cayman Fund, Aetos Capital Long/Short Strategies Cayman Fund II, Aetos Capital Distressed Investment Strategies Cayman Fund II and Aetos Capital Multi-Strategy Arbitrage Cayman Fund II. Pursuant to investment management agreements in place between AAM and its clients, AAM may have investment discretion to allocate client assets to these funds. To the extent that client assets are allocated to these funds, any fees payable to AAM under the client's investment management agreement will be offset by the amount of any fees paid to AAM by the Funds in respect of a client's investment in these

funds.

3. other investment adviser or financial planner
 4. futures commission merchant, commodity pool operator, or commodity trading advisor
 5. banking or thrift institution
 6. accountant or accounting firm
 7. lawyer or law firm
 8. insurance company or agency
 9. pension consultant
 10. real estate broker or dealer
 11. sponsor or syndicator of limited partnerships.
- D. If you recommend or select other investment advisers for your *clients* and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

AAM receives no compensation from any hedge fund manager it recommends or selects for client investments, and has no other business relationships with such managers or any other third parties that create a material conflict of interest with respect to its investment advisory services.

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

- A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any *client* or prospective *client* upon request.

AAM has adopted a Code of Ethics that includes the following provisions, among others, and is available for review by clients and prospective clients upon request:

- each employee of AAM is responsible for maintaining the very highest ethical standards, including a duty at all times to place the interests of clients first, a duty to ensure that all personal securities transactions are conducted in accordance with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest, and a duty not to take advantage of his or her position or engage in any fraudulent or manipulative practice with respect to a client's account;
 - each employee of AAM must comply at all times with applicable federal securities laws;
 - each employee of AAM must periodically report personal securities holdings and transactions to the Chief Compliance Officer;
 - each employee of AAM must obtain prior approval from the Chief Compliance Officer before he or she (or any related person) engages in any personal securities transaction, unless such transaction is specifically exempted under the Code of Ethics;
 - each employee of AAM must report violations of the Code of Ethics to the Chief Compliance Officer; and,
 - each employee of AAM must receive a copy of the Code (and any amendments) and must provide a written acknowledgment of his or her receipt and review of the Code (and any amendments).
- B. If you or a *related person* recommends to *clients*, or buys or sells for *client* accounts, securities in which you or a *related person* has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

See item 10(c)(2) above.

- C. If you or a *related person* invests in the same that you or a *related person* recommends to *clients*, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

Employees and principals of AAM may invest in the investment companies managed by AAM described in 10(c)(2) above. Such investments are made on the terms outlined in such investment company's prospectus or offering memorandum. Employees and principals of AAM are not permitted to invest in any hedge funds in which clients invest without the written consent of the Chief Compliance Officer.

- D. If you or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for your own (or the *related person's* own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Not applicable.

Item 12 Brokerage Practices

Not applicable

Item 13 Review of Accounts

- A. Indicate whether you periodically review *client* accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the *supervised persons* who conduct the review.

AAM reviews client accounts no less often than annually. The review generally includes a client discussion involving AAM's investor relations team, often with a member of the investment committee. As a result of these discussions a shift in the allocation of client assets may be considered and initiated by the investment committee. The members of the investment are Anne Casscells, Michael Klein and James Gibbons. Additional information about the investment committee members can be found in the brochure supplement attached to the end of this brochure.

- B. If you review *client* accounts on other than a periodic basis, describe the factors that trigger a review.

In addition to the reviews noted above, client accounts are reviewed at a client's request, or when market changes dictate that an off-cycle review would be appropriate.

- C. Describe the content and indicate the frequency of regular reports you provide to *clients* regarding their accounts. State whether these reports are written.

AAM provides client reports on a monthly, quarterly and annual basis. Reports include performance information, both on an absolute basis and relative to appropriate benchmarks, quantitative and qualitative attribution of returns, and allocations including exposure and manager changes. AAM also provides clients with quarterly and annual letters discussing the performance of Aetos' investment strategies and markets generally. Reports are available in written and electronic formats.

Item 14 *Client* Referrals and Other Compensation

- A. If someone who is not a *client* provides an economic benefit to you for providing investment advice or other advisory services to your *clients*, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Not applicable

- B. If you or a *related person* directly or indirectly compensates any *person* who is not your *supervised person* for *client* referrals, describe the arrangement and the compensation.

Not applicable

Item 15 *Custody*

AAM does not have custody of client assets.

Item 16 Investment Discretion

AAM manages client accounts on both a discretionary and a non-discretionary basis. For accounts where AAM has discretion, a client's investment management agreement with AAM will contain any restrictions placed on AAM's authority, which typically include permissible investment types and asset allocation ranges, which appear in guidelines that form part of the agreement.

Item 17 Voting *Client* Securities

While AAM accepts authority to vote client securities, and accordingly maintains a proxy voting policy as required by Rule 206(4)-6, AAM is rarely involved in proxy voting because client assets are invested in hedge funds rather than in publicly traded securities. Occasionally, a hedge fund will solicit the vote or consent of its investors with respect to a matter relating to the operation of the hedge fund or its constituent documents, and AAM will take such action in response to such solicitation as it believes to be in its clients' best interests. A copy of the proxy voting policy is available upon request.

Item 18 Financial Information

- A. If you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, include a balance sheet for your most recent fiscal year.

Not applicable

- B. If you have *discretionary authority* or *custody* of *client* funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to *clients*.

Not applicable

- C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

Not applicable

Part 2B of Form ADV
Brochure Supplement for:

Anne Casscells, Co-President and Chief Investment Officer
Aetos Alternatives Management, LLC
2180 Sand Hill Road, Suite 410
Menlo Park, CA 94025

This brochure supplement provides information about Anne Casscells that supplements the Aetos Alternatives Management, LLC brochure. You should have received a copy of that brochure. Please contact the Chief Compliance Officer at 212-201-2500 if you did not receive Aetos Alternatives Management, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2 Educational Background and Business Experience

Ms. Casscells was born in 1958. She earned her Masters of Business Administration from the Stanford Graduate School of Business, and her Bachelor of Arts in British Studies, from Yale University. Ms. Casscells has been with AAM in the same capacity since prior to 2006.

Item 3 Disciplinary Information

Ms. Casscells has no disciplinary information to disclose.

Item 4 Other Business Activities

Ms. Casscells has no other business activities to disclose.

Item 5 Additional Compensation

Ms. Casscells has no additional compensation to disclose.

Item 6 Supervision

Ms. Casscells and Michael Klein, as Co-Presidents of AAM, supervise all aspects of AAM's business.

Part 2B of Form ADV
Brochure Supplement for:

Michael Klein, Co-President and Chief Risk Officer
Aetos Alternatives Management, LLC
875 Third Avenue
New York, NY 10022

This brochure supplement provides information about Michael Klein that supplements the Aetos Alternatives Management, LLC brochure. You should have received a copy of that brochure. Please contact the Chief Compliance Officer at 212-201-2500 if you did not receive Aetos Alternatives Management, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2 Educational Background and Business Experience

Mr. Klein was born in 1958. Mr. Klein is a graduate of Colgate University and received his Juris Doctor degree from Boston College Law School. Mr. Klein has been with AAM in the same capacity since prior to 2006.

Item 3 Disciplinary Information

Mr. Klein has no disciplinary information to disclose.

Item 4 Other Business Activities

Mr. Klein has no other business activities to disclose.

Item 5 Additional Compensation

Mr. Klein has no additional compensation to disclose.

Item 6 Supervision

Mr. Klein and Anne Casscells, as Co-Presidents of AAM, supervise all aspects of AAM's business.

Part 2B of Form ADV
Brochure Supplement for:

James Gibbons, Managing Director and Senior Portfolio Manager
Aetos Alternatives Management, LLC
875 Third Avenue
New York, NY 10022

This brochure supplement provides information about Anne Casscells, Michael Klein and James Gibbons that supplements the Aetos Alternatives Management, LLC brochure. You should have received a copy of that brochure. Please contact the Chief Compliance Officer at 212-201-2500 if you did not receive Aetos Alternatives Management, LLC's brochure or if you have any questions about the contents of this supplement.

Item 2 Educational Background and Business Experience

Mr. Gibbons was born in 1960. Mr. Gibbons earned his Bachelor of Science degree in Finance from Georgetown University. Mr. Gibbons has been with AAM in the same capacity since prior to 2006.

Item 3 Disciplinary Information

Mr. Gibbons has no disciplinary information to disclose.

Item 4 Other Business Activities

Mr. Gibbons has no other business activities to disclose.

Item 5 Additional Compensation

Mr. Gibbons has no additional compensation to disclose.

Item 6 Supervision

Anne Casscells and Michael Klein, as Co-Presidents of AAM, supervise all aspects of AAM's business.