

American Securities Opportunities Advisors, LLC

Part 2A of Form ADV The Brochure

299 Park Avenue, 33rd Floor
New York, New York 10171
1-212-476-8000

February 14, 2012

This brochure provides information about the qualifications and business practices of American Securities Opportunities Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 1-212-476-8000. 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. Registration with the SEC as an investment adviser does not imply any certain level of skill or training.

Additional information about American Securities Opportunities Advisors, LLC is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

American Securities Opportunities Advisors, LLC (“ASOF” or the “Company”) prepared this brochure in connection with its registration with the SEC as an investment adviser in February 2012. In future years this section will be used to highlight material changes to the Company’s operations.

Table of Contents

Material Changes	2
Table of Contents	2
Advisory Business.....	2
Fees and Compensation.....	3
Performance Based Fees and Side-by-Side Management.....	4
Types of Clients.....	4
Methods of Analysis, Investment Strategies and Risk of Loss	5
Disciplinary Information.....	9
Other Financial Industry Activities and Affiliations	9
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	10
Brokerage Practices.....	11
Review of Accounts	11
Client Referrals and Other Compensation	12
Custody	12
Investment Discretion	12
Voting Client Securities.....	12
Financial Information	13
Requirements for State-Registered Advisers.....	13

Advisory Business

ASOF, a Delaware limited liability company, serves as an investment manager to related private investment vehicles (the “ASOF Funds”) organized primarily to invest in a broad range of stressed and distressed securities, securities trading at stressed or distressed valuations and securities of companies which are distressed or undergoing operational, financial or other stress, which offer an attractive risk adjusted rate of return. The ASOF Funds may invest in debt or equity securities that ASOF believes are trading at significant discounts to their intrinsic values. As of December 31, 2011, the ASOF Funds had \$1,003,241,315 in aggregate capital commitments and assets managed on a discretionary basis by ASOF.¹

ASOF was founded in 2006 by Anthony Grillo and American Securities LLC (“American Securities”), an affiliated investment manager to private investment vehicles that specializes in private equity and equity-like investments. ASOF is majority-owned by Anthony Grillo, with a minority ownership interest held by American Securities. Michael G. Fisch is the principal owner of American Securities.

¹ Such amount has been calculated using the same methodology for computing “regulatory assets under management” required for Item 5.F in Part 1A of this Form ADV, and includes the current market value of the ASOF Funds’ assets and the amount of any uncalled commitments.

Investment advice is provided directly to each ASOF Fund and not individually to the limited partners or investors in the ASOF Funds. The Company has discretion to invest in a variety of investment instruments consistent with the respective investment programs of each ASOF Fund. ASOF provides, either directly or through its related entities, investment advice to the ASOF Funds regarding debt and equity securities and other assets with a range of liquidity profiles. The ASOF Funds may make controlling or non-controlling investments. For non-controlling investments ASOF's investment professionals may work with, or seek to influence, an issuer's management. The terms by which ASOF provides investment advice to the ASOF Funds are described in each ASOF Fund's governing documents, which may include a confidential offering memorandum, an investment management agreement, and a limited partnership agreement, among other things.

ASOF does not manage any assets on a non-discretionary basis. In addition, ASOF does not participate in any wrap fee programs.

Fees and Compensation

As described in each ASOF Fund's confidential offering materials, ASOF or an affiliate receives a management fee and may receive a performance-based carried interest. ASOF charges management fees which are paid semi-annually, partially in arrears and partially in advance. The management fees equal 1.5% of the invested capital for the life of the ASOF Fund; however, for American Securities Opportunities Fund II, L.P. and American Securities Opportunities Fund II(B), L.P., ASOF's management fees equal up to 1.5% of invested capital for aggregate capital commitments during a commitment period subject to certain limitations and adjustments as set forth in the limited partnership agreement for the applicable ASOF Fund, and 1.5% of invested capital after the commitment period for the remaining life of the ASOF Fund. The governing documents for the ASOF Funds do not provide for any refunds for pre-paid management fees. ASOF deducts management fees from the account of each ASOF Fund.

Carried interest generally equals a specified percentage of realized fund profits net of all expenses and is subject to preferred return and catch-up provisions described in each ASOF Fund's confidential offering materials.

The management fee and carried interest may be waived or reduced at the discretion of ASOF or its affiliates. As described in each of the ASOF Fund's governing documents, the general partner of each ASOF Fund, which is an affiliate of ASOF, may admit certain investors, including employees, advisors, friends of the general partner and other persons. These investors may receive terms that are more favorable than those offered to other investors, including, among other things, reduced carried interest and management fees.

ASOF or its affiliates may also earn monitoring fees and other compensation from issuers in which the ASOF Funds invest, transaction counterparties, and others. ASOF or its affiliates may also earn fees in connection with unconsummated transactions. ASOF or its employees may receive compensation for serving on an issuer's boards of directors. This compensation is shared with ASOF Funds through reductions or off-sets against management fees that would otherwise be applicable as set forth in the partnership agreement governing the ASOF Fund. The receipt of fees and other compensation described above may pose a conflict of interest between ASOF and its clients. ASOF seeks to address these potential conflicts of interest through disclosures regarding fee arrangements in each ASOF Fund's confidential offering materials.

In addition to management fees, carried interest payments and other fees described above, investors will bear indirectly the fees and expenses charged to each ASOF Fund. Those fees and expenses will vary, but typically will include organizational costs, fees paid to financial advisors of an ASOF Fund, legal, auditing, consulting and accounting expenses (including expenses associated with the preparation of partnership financial statements, tax returns and K-1s), expenses of the investment committee and the ASOF Fund's board of advisors and annual investor meetings, insurance and other expenses associated with the acquisition, holding and disposition of its investments, maintenance and/or management of the ASOF Fund, all third-party expenses in connection with transactions (whether consummated or not) and extraordinary expenses (such as indemnification and litigation expenses). Other expenses associated with the offering of the ASOF Funds and sale of their interests such as commissions and fees of placement agents or finders will be borne by ASOF or its related entities from its own resources, as further described in the governing documents of the respective ASOF Fund. More detailed information about the fees and expenses borne by the ASOF Funds are included in each ASOF Fund's confidential offering materials.

In some cases, expenses might be attributable to more than one ASOF Fund, or to ASOF or an affiliate and one or more ASOF Funds. In such cases, ASOF and its affiliates will apply an expense allocation methodology that is believed to be fair to all affected ASOF Funds. ASOF and its affiliates may experience a conflict of interest when determining and applying an allocation methodology.

Investors admitted to an ASOF Fund after an initial closing may be required to pay fees and expenses retroactively, as described in each ASOF Fund's confidential offering materials.

See "Brokerage Practices" for a discussion of the payment of brokerage fees.

Performance Based Fees and Side-by-Side Management

Carried interest distributions from the ASOF Funds may create an incentive for ASOF or an affiliate to make more speculative decisions regarding the purchase, management or sale of an ASOF Fund's assets. ASOF seeks to mitigate this potential conflict of interest through personal investments in the ASOF Funds by the Company's employees.

To the extent set forth in the limited partnership agreements governing each of the ASOF Funds, ASOF may establish one or more co-investment vehicles that may or may not bear carried interest to invest alongside an ASOF Fund in one or more investments.

Types of Clients

The Company provides investment advice to private investment vehicles, which are structured as U.S. limited partnerships or limited liability companies, all of which are pooled investment vehicles that are exempt from the requirement to register as an investment company under Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940.

In order to facilitate investment by foreign and certain other investors, the general partner of an ASOF Fund may create one or more parallel investment entities ("Parallel Investment Vehicles"). Such Parallel Investment Vehicles will invest and divest side-by-side with the respective parallel partnership vehicle at the same time and on effectively the same terms and conditions, will share in each portfolio investment pro rata in proportion to their commitments and similarly will share any related investment expenses.

Subject to the discretion of ASOF to accept less, the minimum investment threshold for investment in the ASOF Funds is typically \$5 million.

Methods of Analysis, Investment Strategies and Risk of Loss

The ASOF Funds tend to seek investments in issuers with \$100 million to \$1 billion in annual revenue, current or near-term profitability, positive free cash flow before interest expenses, experienced management, and a defensible position of market leadership. The ASOF Funds typically seek investments in such companies that have an over-leveraged capital structure and that may benefit from restructuring. Most investments are expected to be made in U.S. issuers, but some investments may be made in Canada and other countries.

ASOF seeks to achieve attractive risk-adjusted returns without the use of ASOF Fund-level leverage. The Company may source investment opportunities from professional relationships cultivated by employees of ASOF and/or American Securities, proprietary research and industry reviews conducted by ASOF, and third party research reports.

Due diligence processes vary depending on the type and size of each prospective investment, but may include fundamental analysis of the issuer's operations and performance, capital structure, investment price and terms, return projections, industry and competitive position, and restructuring plans and exit opportunities, among other things.

After an investment has been made, ASOF seeks to maximize the recovery of its investment through ongoing assessments of achievable value. This involves determining the potential long term value of the investment, selling the investment at the appropriate time depending on market pricing, and/or participating in negotiations as circumstances evolve. As there are many parties in interest in any reorganization or other restructuring, the ability to effectively negotiate and affect the restructuring process often drives recovery rates. ASOF's senior executives may seek to play active roles in restructurings in which an ASOF Fund is involved, commensurate with the size of the ASOF Fund's investment position.

ASOF believes that it can build value after an issuer is reorganized by providing management assistance as appropriate. Post-reorganization, commensurate with an ASOF Fund's investment position in the issuer, ASOF's senior executives may work with the issuer's management team to refine strategies and improve operations. ASOF intends to leverage its relationship with American Securities and work with management teams to identify and implement financial, strategic, and operational improvements that are expected to enhance investment returns.

Acquiring an interest in an ASOF Fund involves a number of risks. An investment in an ASOF Fund may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk. No guarantee or representation is made that an ASOF Fund will achieve its investment objective or that investors will receive a return of their capital.

All investing involves a risk of loss and the investment strategy offered by ASOF could lose money over short or even long periods. The description contained below is a brief overview of different risks related to the ASOF Funds.

Risks Inherent in ASOF Fund Investments. ASOF's investment program will concentrate on investments in securities and assets that have significant risks as a result of business, financial, market or legal uncertainties. There can be no assurance that ASOF will correctly evaluate the nature and magnitude of the various factors that could affect the value of a return on ASOF Fund investments. Prices and market movements of investments may be volatile, and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Company's activities and the value of the ASOF Funds' investments. The debt securities in which the ASOF Funds will invest may be unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. In addition, these securities may not be protected by financial covenants or limitations upon additional indebtedness and may have limited liquidity. Finally, with respect to investments in troubled issuers, it frequently may be difficult to obtain information as to the conditions of such issuers.

Credit Risk and Interest Rate Risk. Debt securities are subject to credit and interest rate risks. "Credit risk" refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt security may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations, which are rated by rating agencies, are often reviewed and may be subject to downgrade. "Interest rate risk" refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt security indirectly (especially in the case of fixed rate debt securities) and directly (especially in the case of debt securities whose rates are adjustable). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

Risks Associated with Bankruptcy Cases. The ASOF Funds may purchase securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, reorganization or liquidation proceedings. Although distressed securities may result in significant returns to the ASOF Funds, they involve a substantial degree of risk and may not show any return for a considerable period of time, if ever. Such investments could, in certain circumstances, subject the ASOF Funds to certain additional potential liabilities that may exceed the value of the original investments therein. Such investments may involve reorganization proceedings that entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of the loan. In addition there are a significant number of risks inherent in the bankruptcy process. First, many events in a bankruptcy case are the product of contested matters and adversary proceedings determined by a court with equitable power and are beyond the control of specific creditors. While creditors are generally given an opportunity to object to significant actions, there can be no assurance that a bankruptcy court in the exercise of its broad powers would not approve actions that would be contrary to the interests of an ASOF Fund. Second, the effect of a bankruptcy filing on a company may adversely and permanently affect the company. The company may lose its market position and its key employees and otherwise become incapable of restoring itself as a viable entity. If for this, or for any other reason, a Chapter 11 reorganization is converted to or becomes a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment. Third, the duration of a bankruptcy case is difficult to predict. A creditor's return on investments can be adversely affected by delays while the plan of reorganization is being negotiated, approved by the parties in interest and

confirmed by the bankruptcy court (until it ultimately becomes effective). For example, in general, unsecured creditors' claims for interest accrued between the bankruptcy filing and a reorganization plan's consummation are not allowed. Fourth, the administrative costs to the debtor and official or unofficial committees in connection with a bankruptcy case are frequently high and will be paid out of the debtor's estate prior to any return to general unsecured creditors. If a bankruptcy case involves protracted or difficult litigation, or turns into a liquidation, substantial assets may be devoted to such administrative costs and, as a result, a creditor's costs in monitoring and enforcing of its claim may also substantially increase. Fifth, bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization. Because the standard for classification is vague, there exists the risk that the ASOF Fund's influence with respect to the class of securities it owns can be lost by increases in the number and amount of claims in that class or by different classification and treatment. Sixth, in the early stages of the bankruptcy process, it is often difficult to estimate the extent of, or even to identify, any contingent claims that might be made. In addition, an ASOF Fund may purchase participations in loans or other debt obligations. In such cases, the ASOF Fund will not be the holder of record of the debt obligation and may have limited rights with respect to voting the interest.

Trade and Other General Unsecured Claims. The ASOF Funds may acquire interests in claims of trade creditors and other general unsecured claim holders of a debtor ("Trade Claims"). Trade Claims generally include, but are not limited to, claims of suppliers for goods delivered and not paid, claims for unpaid services rendered, claims for contract rejections and claims related to litigation. Trade Claims are typically unsecured and may, in unusual circumstances, be subordinated to other unsecured obligations of the debtor. The repayment of Trade Claims is subject to significant uncertainties, including potential set-off by the debtor as well as the other uncertainties described herein with respect to other distressed securities. A Trade Claim may be transferred or assigned before or after a petition in bankruptcy is filed, including after a proof of claim has been filed. An ASOF Fund's investments in Trade Claims and high risk receivables may also entail special risks including, but not limited to, fraud on the part of the assignor of the trade claim as well as logistical issues which may affect the ability of the ASOF Fund or its agent to collect the claim in whole or in part.

Equity Investments. The ASOF Funds may acquire, either directly or through conversion of its debt investments, equity securities. Equity securities generally involve a high degree of risk and will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Prices of equity securities generally fluctuate more than prices of debt securities and are more likely to be affected by poor economic or market conditions. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, markets or financial resources.

Leveraged Nature of Investments. The companies in which the ASOF Funds will invest may employ considerable leverage, a significant portion of which may be subject to floating interest rates. The leveraged capital structure of issuers will increase the exposure of the ASOF Funds' investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates. The ASOF Funds investments may be among the most junior financing in an issuer's capital structure, potentially including equity. If an issuer is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the ASOF Fund may suffer a partial or total loss of capital invested in respect of the issuer, which could adversely affect the return of the ASOF Fund.

Role of Investment Professionals. The success of any ASOF Fund will depend in substantial part upon the skill and expertise of ASOF's professionals. There can be no assurance that such professionals will continue to be associated with ASOF. The loss of key personnel could have a material adverse effect on an ASOF Fund.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty. The ASOF Funds face competition from numerous competitors in all fields of activity. The ASOF Funds will be competing for investments with a variety of other investment vehicles, as well as individuals, financial institutions and other institutional investors. There can be no assurance that the ASOF Funds will be able to locate and complete investments that satisfy their investment objectives or permit the full investment of all available capital.

Valuation of Assets. Securities owned by the ASOF Funds may not be publicly traded and may be required to be fair valued. When estimating fair value, the Company will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. To the extent there is any public market for the securities held by an ASOF Fund, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies.

Illiquid and Long-Term Investments. Although ASOF's investments may generate current income from time to time, a substantial portion of the return of capital and the realization of gains, if any, from an investment will often occur upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. In the case of certain investments, there may not be a public market for the securities held by an ASOF Fund at the time of their acquisition and such ASOF Fund will not be able to sell its securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases an ASOF Fund may be prohibited by contract from selling certain securities for a period of time.

No Market for Interests in ASOF Funds. Interests in the ASOF Funds have not been registered under the Securities Act of 1933, the securities laws of any state or the securities laws of any other jurisdiction and, therefore, cannot be resold unless they are subsequently registered, or an exemption from registration is available. It is not contemplated that registration of the interests will ever be effected. There is no public market for interests in the ASOF Funds, and one is not expected to develop. An investor will not be permitted to assign, sell, transfer, pledge or otherwise dispose of its interests in the ASOF Funds, except by operation of law, without the prior written consent of the ASOF Fund's general partner, which may be given or withheld in such general partner's sole and absolute discretion. Except in extremely limited circumstances, voluntary withdrawals from an ASOF Fund will not be permitted. Investors must be prepared to bear the risks of owning interests for an extended period of time.

Prospective investors in an ASOF Fund should review the confidential offering documents and other governing documents for a more extensive discussion of the risks and potential conflicts of interest. However, such documents are not intended to serve as an exhaustive list or a comprehensive

description of all risks and conflicts that may arise in connection with the management and operation of the ASOF Funds.

Disciplinary Information

ASOF and its employees have not been involved in any legal or disciplinary events since its inception that would be material to a client's or prospective client's evaluation of the Company or its personnel.

Other Financial Industry Activities and Affiliations

ASOF and its employees are not registered, nor do they have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. ASOF and its employees are also not registered, nor do they have any application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities.

ASOF serves as the investment adviser to the following private funds:

- American Securities Opportunities Fund, LP
- American Securities Opportunities Fund (B), LP
- American Securities Opportunities Fund II, LP
- American Securities Opportunities Fund II(B), LP

ASOF is under common control with each of the general partners to the private funds listed above. These general partners include:

- American Securities Opportunities Associates, LLC
- ASOF Associates II, LLC

The affiliations between ASOF, the private funds for which it provides investment advice, and the general partners to the private funds are disclosed in the ASOF Funds' confidential offering materials. ASOF believes that the structure of these entities reflects common industry practice and does not pose a material conflict of interest.

Certain ASOF personnel and related persons are involved in the investment committees, management, and/or operations of the following investment advisers that are material to the firm's advisory business or to its clients:

- American Securities
- ICV Capital Partners, LLC ("ICV"), a private fund adviser that specializes in the acquisition of majority ownership interests in middle-market private companies
- Sterling American Property, Inc. ("SAP"), an adviser to real estate focused private funds

ASOF is under common control with American Securities and ICV (the “Related Firms”). Possession of material non-public information about a company by a Related Firm may, in certain circumstances, prevent the Company and the ASOF Funds from trading in the securities of such company. ASOF, American Securities, ICV and SAP typically invest in distinct asset classes, so the investment opportunities of ASOF are generally not limited by the activities of the other investment advisers listed above. To the extent that ASOF and another adviser listed above both believe that an investment is suitable for their respective funds, an ASOF Fund may invest alongside the other adviser’s fund. Such co-investments will be reviewed by ASOF’s Chief Compliance Officer for fairness to the affected ASOF Fund.

Certain ASOF personnel and related persons are also involved in American Securities Advisors, LLC (“ASA”), a company formed for the purpose of providing financial advice for parties involved in financial and operational restructurings, advising companies, owners or investors, and creditor groups (secured or unsecured; banks, bondholders, trade creditors, etc.), negotiating on clients’ behalf to obtain results acceptable to all parties in interest, assisting parties in interest in sourcing capital and structuring transactions and actively participating in the reorganization process.

Note that ASOF personnel devote portions of their time and professional energies to the activities of ASA and the advisers listed above, which could pose a conflict of interest between ASOF, ASA and the other advisers. However, the governing documents of each ASOF Fund may provide the limited partners with certain rights if certain principals of ASOF fail to devote the amount of time specified in the relevant governing documents, partially mitigating this risk.

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

ASOF’s employees are subject to a Code of Ethics (the “Code”) in accordance with Rule 204A-1 under the Investment Advisers Act of 1940. The Code is available upon written request of ASOF Funds and their current or prospective investors.

The Code reflects the fiduciary duty owed by ASOF to its clients and sets out standards of business and personal conduct for each employee. Guidelines and reporting requirements for personal trading in the Code are intended to mitigate and monitor potential conflicts of interest. A related Insider Trading policy prohibits employees from trading securities personally or on behalf of an ASOF Fund while in possession of material non-public information.

ASOF, its employees, and others may invest in the ASOF Funds, Parallel Investment Vehicles, or, subject to limitations contained in an ASOF Fund’s governing documents, directly in issuers alongside an ASOF Fund. Such investments may be on the same or different terms as those obtained by the ASOF Funds, but are generally structured with the intention of achieving an alignment of interests that is believed to be in the ASOF Funds’ best interests. ASOF’s Chief Compliance Officer monitors any such investment structures for potential conflicts of interest. Material conflicts of interest may be disclosed to an ASOF Fund’s board of advisors or to all investors depending on the nature and severity of the conflict.

Brokerage Practices

ASOF invests in assets which may include market traded securities, including debt instruments and equity, for which there may be a broker-dealer or counterparty involved in the transaction to affect a trade. The Company has the sole authority to select the brokers or dealers used for this purpose. ASOF or its related entities have the authority to determine the financial intermediaries to be used in connection with such transactions and to negotiate the amount of commission or other compensation to be paid to such intermediaries in connection with such transactions. ASOF generally seeks to trade with counterparties offering the most favorable net price available, but other factors may influence the selection of trading counterparties including maintaining its ability to trade with certain counterparties who have access to specific debt securities. In many cases, ASOF may seek to transact assets where there are few active counterparties, so the willingness to transact in the relevant asset is a key consideration. Other relevant factors can include:

- Reputation and financial strength;
- Specialization in particular geographic markets or asset classes;
- The ability to transact quickly in volume;
- Responsiveness, speed of settlement, and the absence of errors; and
- The value of market color and research provided.

The Company does not participate in any soft dollar arrangements. However, the Company, in the ordinary course of its business, receives from brokers and dealers research available to other institutional investors. Research services received from brokers and dealers are supplemental to the Company's own research efforts. To the best of ASOF's knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. The Company does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services.

ASOF may pay for referral or lead databases that provide information about accredited investors who are interested in private fund investments similar to the ones advised by ASOF. Such databases may be obtained from financial institutions that provide services to the ASOF Funds.

In order to minimize execution costs and obtain best execution for all clients, ASOF may aggregate orders for multiple ASOF Funds, its related Parallel Investment Vehicles or with affiliated funds. Orders will only be aggregated if they are in the best interests of each participating entity.

Review of Accounts

ASOF's investment professionals monitor investments on an ongoing basis. The Company's investment committee is responsible for conducting periodic reviews of each investment. Focused reviews, which may include input from numerous investment professionals, may be triggered by issuer-specific performance metrics, economic developments, changes in staffing, and changes in the competitive environment, among other things.

ASOF and the ASOF Funds will furnish audited financial statements and Schedule K-1 statements annually to all investors. On a quarterly basis, each investor will be furnished with unaudited financial statements and a capital account analysis. Investors also will receive descriptive investment information for each of their respective ASOF Fund's investments on a quarterly basis. ASOF may furnish additional information from time to time as any investor may reasonably request.

Client Referrals and Other Compensation

ASOF and its affiliates do not directly or indirectly compensate any person who is not a supervised person of the Company for client referrals. However, ASOF has in the past and may in the future enter into placement agent or solicitation agreements pursuant to which it or an ASOF Fund will compensate third-party intermediaries for investor referrals. Such compensation may take the form of a retainer and/or a percentage of introduced capital.

Custody

In order to comply with SEC requirements and ensure that the ASOF Funds' assets are appropriately protected, ASOF and its affiliates have arranged for annual audits of the ASOF Funds' financial statements by a nationally recognized independent public accounting firm. The limited partnership agreement of each ASOF Fund states that these audits are to be distributed to investors by ASOF within 120 days of each ASOF Fund's fiscal year-end. ASOF and its affiliates have also arranged for all of the ASOF Funds' cash and any certificated securities to be held with qualified custodians.

Investment Discretion

ASOF serves as the ASOF Funds' investment adviser with discretionary authority to implement investment decisions for each ASOF Fund. This authority is described in advisory agreements with each ASOF Fund, as well as the ASOF Funds' other governing documents. The Company will make investments that are consistent with the mandates described in the ASOF Funds' governing documents, but otherwise has broad authority to select investments on a discretionary basis.

Voting Client Securities

ASOF or its representatives may have the opportunity to vote on a variety of corporate actions on behalf of the ASOF Funds. The Company has adopted written policies and procedures in an effort to ensure that any such voting opportunity is exercised with diligence, care, and loyalty. For corporate actions that do not pose a conflict of interest, the Managing Director with primary responsibility for overseeing the asset in question will determine how ASOF should direct the ASOF Funds to vote. For corporate actions that pose an actual or apparent conflict of interest, ASOF's Chief Compliance Officer will determine if another Managing Director is able to make an independent determination, and if not, the matter will be presented to the applicable ASOF Fund's limited partner advisory board in accordance with the applicable ASOF Fund's governing documents. Investors cannot direct the way in which the Company will vote on behalf of the ASOF Funds.

Current and prospective investors in the ASOF Funds may request a copy of ASOF's written policies and procedures governing the voting of corporate actions. Current investors may also request information about the way in which ASOF voted in connection with assets held by their respective ASOF Funds.

The ASOF Funds sometimes approve one or more ASOF employees to act as representatives on the board of directors of an issuer. In situations where ASOF votes the proxy for an issuer in which an employee or employees serve on the board of directors, ASOF has determined that this does not inherently present a conflict of interest as the employee is on the board of directors as a representative of the ASOF Fund. ASOF believes that the ASOF Funds' and the representative's role are aligned with respect to voting opportunities.

Financial Information

ASOF has never filed for bankruptcy and is not aware of any financial condition that is reasonably likely to impair its ability to manage or meet its contractual obligations to the ASOF Funds.

Requirements for State-Registered Advisers

Not applicable.