

Item 1- Cover Page

AIP, LLC

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This brochure provides information about the qualifications and business practices of AIP, LLC. If you have any questions about the contents of this brochure, please contact Stan Edme, our Chief Compliance Officer at (212) 627-2360 x211, or by email at stan@americanindustrial.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.

From time to time in this and other documents AIP, LLC may refer to itself as a “registered investment adviser” by virtue of its registration with the SEC. This title does not imply any level of training or skill.

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

Item 2 – Material Changes

This amendment to the brochure, dated March 30, 2015, contains no material changes from AIP, LLC's previous brochure, which was filed on March 27, 2014.

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Item 4 – Advisory Business

- A. AIP, LLC (“AIP” or the “Firm”), a Delaware limited liability company, is an investment adviser located in New York, NY, founded in 2006. AIP serves as the sole investment adviser to pooled investment vehicles (each a “Fund” or “Client”). The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Interests in the Funds are privately offered generally to qualified investors.

Currently, AIP has 23 employees, 21 of whom perform investment advisory functions.

John Becker, Kim Marvin and Dino Cusumano are the principal owners of the Firm.

- B. AIP generally provides discretionary investment advisory services to the Funds. In certain limited circumstances, the Firm provides non-discretionary investment advice. AIP’s investment objective is to provide its Clients with above average positive absolute returns. The Funds, or Clients, seek to acquire control positions in North American headquartered industrial companies with revenues greater than \$75 million that are underperforming their profit potential.

AIP is affiliated with entities that serve as the general partners to each of the Funds (each, a “General Partner” and, collectively, the “General Partners”) and each of the Funds is controlled by its respective General Partner.

The advisory services of AIP and each of the General Partners, as affiliated investment advisers, are described in this brochure. Each General Partner is deemed registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) pursuant to AIP’s registration in accordance with SEC guidance and the information set forth herein regarding the investment advisory services provided by AIP shall also apply in respect of the General Partners.

- C. AIP utilizes a similar strategy for all its Funds; however, some Funds may differ slightly in their particular investing approach, as specified in each Fund’s offering memoranda. AIP may also tailor the advisory services it provides to the Funds to the extent that certain investments cannot be held by certain Funds for legal and tax purposes.
- D. AIP does not participate in wrap fee programs.
- E. As of December 31, 2014, AIP managed approximately \$1.42billion in assets on a discretionary basis and \$55.69million in assets on a non-discretionary basis.

Item 5 – Fees and Compensation

- A. The Funds are generally offered only to “qualified purchasers” as defined in the Investment Company Act. AIP generally charges a management fee (the “Management Fee”) of 2% on committed capital during the investment period, and a Management Fee of 1.5% on remaining invested capital less write downs for the remaining life of the Funds.

AIP also generally charges a 20% performance-based fee (the “Carried Interest Distribution”) on realized gains net of expenses and write downs.

- B. AIP deducts Management Fees directly from the Clients’ assets on a quarterly basis. As a private equity firm, the Carried Interest Distributions are deducted as investments come to fruition and not on any set schedule.
- C. In addition to the Management Fees and Carried Interest Distributions described above, each Fund bears its own operating expenses, including, but not limited to, investment-related expenses, including custodial fees, interest expense, consulting and professional fees relating to particular investments or contemplated investments, investment-related travel and lodging expenses and research-related expenses; legal expenses; accounting; audit and tax preparation expenses; organizational expenses; expenses relating to the offer and sale of interests in the Funds; expenses related to the maintenance of the Funds’ registered office; extraordinary expenses and other similar expenses relating to the Funds.

AIP may receive certain fees from portfolio companies, such as “transaction” fees or “monitoring” fees, in connection with activities performed on behalf of clients, and in some instance such fees paid to AIP, net of expenses related to the activities leading to the receipt of such fees, will reduce the management fee paid by the Funds.

In the event that AIP uses a third party placement agent, the management fee to which AIP is entitled to is reduced by 100% of any placement agent fees, expenses or commissions paid by the Funds.

Please refer to the relevant Fund’s governing documents for a complete understanding of each Fund’s fees and expenses. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund’s offering memoranda.

Clients will incur brokerage costs. See Item 12 – Brokerage Practices.

- D. Management Fees are paid quarterly in advance. In the unlikely event AIP does not provide services for the full period, the Management Fee is typically required to be returned to investors in the applicable Fund. In general, the amount of fees returned is calculated based on the number of days remaining in the applicable period.

Carried Interest Distribution is not paid in advance.

- E. Neither AIP nor any of AIP's supervised persons accepts compensation for the sale of securities or other investment products.

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

AIP may be entitled to receive a Carried Interest Distribution, which is based on realized gains from investments above a performance threshold, as specified in each Fund’s offering memoranda.

All Carried Interest Distributions are structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3 of the Advisers Act. Accordingly, AIP seeks to ensure that the Funds’ investors satisfy the qualifications of Rule 205-3, and have been advised of the terms of such performance-based fees and the associated risks.

Carried Interest Distributions may create an incentive for AIP to cause the Funds to make investments which may be riskier or more speculative than those which would be made under a different fee arrangement.

However, the Firm is committed to fulfilling its fiduciary duty to the Funds to act at all times in the best interests of the Funds. To this end, the Firm has implemented internal controls to address the potential conflicts associated with performance based fees, as more fully described in each Fund’s offering memoranda.

Item 7 – Types of Clients

AIP provides investment advice to the Funds, which are private investment vehicles that are exempt from registration under the Investment Company Act. These Funds are typically limited to individuals and entities that meet the criteria of “accredited investors”, “qualified clients” and “qualified purchasers.” The Funds are marketed exclusively to institutional investors and high net worth individuals.

Prospective investors should refer to the offering documents of each respective Fund for information on minimum investment requirements. Typically, AIP requires a minimum investment of \$10,000,000, although this is negotiable at the discretion of the Fund’s General Partner.

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

AIP's investment objective is to provide its Clients with above average positive absolute returns. The Firm seeks to acquire control positions in North American headquartered industrial companies ("Portfolio Companies") with revenues greater than \$75 million that are underperforming their profit potential and improve these companies through the implementation of a comprehensive operating agenda (the "Operating Agenda") developed in collaboration with Portfolio Company management.

AIP seeks Portfolio Companies where both the operating opportunities and risks are familiar to the Firm's investment professionals. In particular, AIP will pursue Portfolio Companies which enjoy favorable competitive positions, proprietary capabilities or leading market shares yet have the potential for significant value enhancement through operating improvements, add-on investments or other strategic initiatives. AIP seeks to restrict investments to Portfolio Companies with a high degree of predictability with respect to revenue growth, product life cycles and profit margins. AIP places special emphasis on companies with global marketing and sourcing opportunities and those with significant aftermarket sales opportunities.

AIP's investment program is speculative and entails substantial risks, including risk of loss of the entire investment. There can be no assurance that AIP's investment objectives will be achieved, and actual investment results may vary substantially from the investment objective. Investors should be prepared to bear these risks.

The risks inherent to the strategies employed by AIP, including those listed below, are described in further detail in the respective Funds' offering documents.

Risks in Effecting Operating Improvements. The activity of identifying and implementing potential operating improvements at Portfolio Companies entails a high degree of uncertainty. There can be no assurance that AIP will be able to successfully identify and implement such improvements.

Past Performance Not Indicative of Future Results. Performance of prior Funds managed by AIP and its affiliates is not necessarily indicative of future results. There can be no assurance that the future Funds will generate investment returns commensurate with AIP's past performance.

Use of Leverage. The Funds' investments may involve varying degrees of leverage, which will increase the exposure to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of a Portfolio Company or its industry (as well as particular risks associated with investing in the industries targeted by the Funds). Moreover, rising interest rates may significantly increase Portfolio Companies' interest expense, causing losses and/or the inability to service debt levels. In the event a Portfolio Company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of the Fund's equity investment in such company could be significantly impaired or even eliminated.

Unspecified Investments. Investors in the Funds must rely upon the ability of the General Partner and the Firm to identify structure and implement investments consistent with the Fund's investment objectives and policies. The Fund may be unable to find a sufficient number of attractive opportunities to meet its investment objectives.

Illiquid and Long-Term Investments. An investment in the Funds requires a long-term commitment with no certainty of return. There most likely will be little or no near-term cash flow available to investors. Many of the Funds' investments will be highly illiquid and there can be no assurance that the Fund will be able to realize returns on such investments in a timely manner. Consequently, dispositions of such investments may require a lengthy time period or may result in distributions in kind to investors. 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. The Funds will generally acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act of 1933, as amended ("Securities Act"), or in a private placement or other transaction exempt from registration under the Securities Act. In some cases, the Funds may be prohibited by contract from selling certain securities for a period of time. Even where the Funds hold freely tradable publicly traded securities, the Funds' positions may represent a significant portion of the outstanding public float of a particular company, creating a degree of illiquidity when a Fund wishes to dispose of or reduce its position in such company by selling shares into the market.

Highly Competitive Market for Investments. AIP expects to encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, strategic industry acquirers and other financial investors investing directly or through affiliates. Further, over the past several years, an ever-increasing number of private equity funds have been formed (and many such existing funds have grown in size). Additional funds with similar investment objectives may be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial resources and more personnel than the General Partner, AIP and their affiliates. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to the Funds and adversely affecting the terms upon which investments can be made. There can be no assurance that AIP will be able to identify or consummate investments satisfying its investment criteria. Likewise, there can be no assurance that the Funds will be able to realize upon the values of their investments or that it will be able to invest its committed capital. To the extent that the Funds encounter competition for investments, returns to investors may decrease.

Reliance on Portfolio Company Management. Although it is AIP's intent to invest in companies with strong and stable management, there can be no assurance that the existing management team of a Portfolio Company, or a new one, will be able to operate such company successfully. Furthermore, although the General Partner will monitor the performance of each Portfolio Company, company management will have primary responsibility for operating the business on a day-to-day basis.

Non-U.S. Investments. The Funds may invest outside of the United States. Non-U.S. securities involve certain factors not typically associated with investing in U.S. securities, including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which the Funds' foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and foreign securities markets, including potential price volatility in and relative liquidity of some foreign securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; (iii) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation or other

changes in law; (iv) foreign statutory and regulatory requirements; (v) differences between U.S. and foreign market contract terms; (vi) the possible imposition of foreign taxes on income and gains recognized with respect to such securities; and (vii) less developed corporate laws regarding fiduciary duties and the protection of investors.

Contingent Liabilities on Disposition of Portfolio Companies. In connection with the disposition of an investment, AIP may be required to make representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of any business and may be responsible for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchasers of such company if those representations or disclosures ultimately prove to be inaccurate. The General Partner expects to establish reserves as appropriate to provide for such contingent liabilities. In the event that the amount of such contingent liabilities exceeds the reserves and other assets of the Fund, the Fund's investors may be required to repay to the Fund all or a portion of distributions previously received by them in respect of such investment.

Troubled Companies. The Funds may invest in Portfolio Companies that are in various stages of correcting previous operational or regulatory problems. Some or all of these companies may operate at a loss or with substantial variation in operating profits and losses from period to period, and may have a need for substantial additional capital to support expansion or to achieve or maintain a stable operating position. If turnarounds are not achieved, these portfolio companies could experience failures or substantial declines in value, and the Funds may not be able to divest themselves of such unprofitable investments in a timely fashion or at all.

Investments in Restructurings. The Funds may make investments in restructurings that involve Portfolio Companies that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such Portfolio Companies to become subject to bankruptcy proceedings. Such investments could, in certain circumstances, subject the Funds to certain additional potential liabilities that may exceed the value of the Funds' original investments therein. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Funds and distribution by the Funds to the investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, investments in restructurings may be adversely affected by local statutes relating to, among other things, fraudulent conveyances voidable preferences lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims.

Follow-On Investments. The Funds may be presented with the opportunity, or may be required, to make additional, "follow-on" investments in its existing Portfolio Companies, either for regulatory reasons, because the company's performance and/or liquidity have been below expectations or because additional capital is required to fund growth. There can be no assurance that the Funds will desire to make follow-on investments or that it will have sufficient funds to do so. Any decision by AIP not to make follow-on investments or its inability to make them may have a substantial negative impact on a Portfolio Company in need of such an investment and may dilute the Funds' existing investment and/or may diminish AIP's ability to influence the Portfolio Company's future development.

Bridge Financings. From time to time, the Funds may lend to Portfolio Companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other refinancing or syndication. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always within the Funds' control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Funds.

Item 9 – Disciplinary Information

In the past ten years, there have been no legal or disciplinary events involving either AIP or any of its management persons that are material to AIP's advisory business.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Neither the Firm nor any management persons are registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither AIP nor any of its 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.
- C. AIP nor any of its management persons have affiliations with broker-dealers, municipal securities dealers, government securities dealers, investment companies or other pooled investment vehicles, other investment advisers or financial planners, futures commission merchants, registered commodity pool operators, registered commodity trading advisors, banking or thrift institutions, accountants or accounting firms, lawyers, law firms, insurance agencies or companies, pension consultants, real estate brokers or dealers or other sponsors or syndicators of limited partnerships.
- D. AIP does not recommend or select other investment advisers for its Clients.

Item 11 – Code of Ethics, Participation or Interests in Client Transactions and Personal Trading

- A. AIP has adopted a Code of Ethics (the “Code”), which describes the Firm’s fiduciary duties and responsibilities to its Clients, requires that the Firm’s employees act in the best interests of Clients to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with Clients to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. AIP’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by AIP or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of AIP’s employees. The Code prohibits personal securities transactions of issuers who have been placed on the Firm’s restricted list, requires pre-clearance for all initial-public offerings and private placements, requires employees to report all securities transactions on at least a quarterly basis and provide a summary of securities holdings on at least an annual basis. The Code also addresses outside activities of employees, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and the pre-clearance and reporting of political contributions. AIP will provide a complete copy of its Code to any Client, investor or prospective investor upon request to Stan Edme at Stan@americanindustrial.com.
- B. Although unlikely, from time to time, consistent with a Fund’s investment objectives and subject to satisfaction of the policies and procedures set forth in the Code, the Fund’s governing documents and applicable law, AIP may recommend that a Fund acquire or sell an investment which an AIP employee has a pre-existing direct or indirect interest. A potential conflict of interest could arise in that the interested AIP employee could benefit from such a purchase or sale of the applicable investment by a Fund. However, the Code is designed to identify and manage conflicts of interest to the extent they arise in connection with such transactions, and to ensure that the Firm fulfills its role as a fiduciary to the Funds. In particular, the Code requires that AIP and its employees act in the best interests of the Funds, in good faith and in an ethical manner. Certain terms of the Funds’ governing documents and the equity participation of AIP related persons in the Funds further mitigate such conflicts.
- C. Neither AIP nor any of its related persons invests in the same securities that are recommended to AIP’s Clients, other than through the Clients’ General Partners and the Funds.
- D. (See Item 11 B.) In the unlikely event that AIP recommends to a Client an investment in which an AIP employee has a preexisting or direct interest, the Fund and the employee may sell their interest simultaneously. Due to the nature of the Firm’s investments this would be unlikely to affect the sale price for the Fund. However, if such simultaneous sale could adversely impact the sale price received by the Fund, such employee would be required to wait till the Fund completed its transaction before selling his or her interest. Additionally, as disclosed in each Fund’s offering memoranda, the Firm’s partners are permitted to invest their own capital, up to a maximum of 5% cumulatively, in any investment acquired by a Fund.

Item 12 – Brokerage Practices

- A. Due to the nature of the Firm's investment strategy, AIP does not generally utilize broker-dealers. However, from time to time, the Firm may use a broker-dealer to facilitate the sale of a Portfolio Company. Due to the unique and highly fact-specific nature of such transactions, the Firm will select a broker-dealer for such transaction based on relevant factors to the specific situation.
1. AIP does not engage in soft dollar arrangements by which it receives research or services other than execution in exchange for commissions.
 2. AIP does not consider Client referrals when selecting or recommending a broker-dealer.
 3. AIP does not engage in directed brokerage at this time.

Item 13 – Review of Accounts

The Clients' Portfolio Companies are continuously monitored and reviewed by AIP's managing partners and other investment professionals. AIP's managing partners, John Becker, Kim Marvin and Dino Cusumano will be primarily responsible for portfolio and risk management. Portfolio Companies are reviewed in the context of each Client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as a Client's individual circumstances, or the market, political or economic environment.

Within 30 days after the completion of each year's audit of the Funds' books and records, or as soon as reasonably practicable thereafter (and within 120 days of the Funds' fiscal year end), audited financial statements will be distributed to investors in the Clients. AIP may also provide periodic unaudited performance information for the Funds, no less frequently than quarterly, to their respective investors.

Item 14 – Client Referrals and Other Compensation

- A. No one other than AIP's Clients provide an economic benefit to AIP for providing investment advice or other advisory services to the Clients.
- B. Neither AIP nor any related person directly or indirectly compensates any person who is not a supervised person for Client referrals. However, AIP may use an unaffiliated third-party placement agent for investor referrals.

Item 15 – Custody

AIP is deemed to have custody of Client assets by virtue of it having affiliates serve as general partners of its Clients. Therefore, AIP is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule").

In accordance with the Custody Rule, AIP's Chief Financial Officer ("CFO") is responsible for ensuring that the Funds' securities, other than cash and "privately offered securities," are held only with a qualified custodian. AIP's CFO is also responsible for arranging for annual independent audits of the Funds by a major accounting firm within 120 days of the Funds' fiscal year end and for obtaining audited financial statements prepared in accordance with GAAP. AIP arranges for the delivery of such audited financial statements to investors of the Clients within 120 days of the Funds' fiscal year end.

Item 16 – Investment Discretion

AIP generally accepts discretionary authority to manage assets and securities on behalf of its Clients. In such instances, AIP accepts discretion through the investment management agreements with such Clients subject to the limitations as described in the partnership agreements.

Item 17 – Voting Client Securities

- A. AIP's investment strategy does not generally involve the acquisition of publicly traded securities, and as such, it is unlikely that any Funds will be placed in a position of proxy voting authority. If any Funds do come into possession of securities with proxy voting rights, the Firm will have the authority to vote proxies and will do so in the best interests of its Clients.

Clients may obtain information about how proxies were voted or a copy of the Firm's proxy voting policies by contacting Stan Edme at Stan@americanindustrial.com.

- B. Not applicable.

Item 18 – Financial Information

- A. AIP does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance and therefore has not included a balance sheet.
- B. AIP does not believe that there are any conditions that are reasonably likely to impair its ability to meet contractual commitments to Clients.
- C. AIP has never been the subject of a bankruptcy petition.