

Part 2A of Form ADV: Firm Brochure

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This brochure (“Brochure”) provides information about the qualifications and business practices of AQR Capital Management, LLC (“AQR” or the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this Brochure, please contact us at 203-742-3600 or info@agr.com. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

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

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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

Item 2 – Material Changes

The Adviser has made material changes to the following Items in this Brochure since its last annual update on March 31, 2017. Because this section of the Brochure addresses only those material changes that have been incorporated since its last annual update, and because other amendments were made to this Brochure that are not discussed in this summary, please read this Brochure in its entirety.

- The Adviser has updated the amount of assets under management and assets under advisement in Item 4.
- The Adviser has updated Item 8 to disclose information regarding its fixed income strategies and incorporate risk factors related to below investment grade securities, convertible securities and SPACs.
- The Adviser has updated Item 11 to include additional disclosure regarding the Adviser's approach to addressing any potential or actual conflicts of interest relating to employees' personal private investments.
- The Adviser has updated Items 12 and 14 to include disclosure regarding the Adviser's global unbundling approach and payment of external research and data from its own assets, in light of MIFID II.
- The Adviser has updated Item 14 to reflect updates to compensation arrangements with third parties for investor referrals.
- The Adviser has updated Item 17 to reflect updates to the Adviser's policies and procedures on voting client securities.

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Item 4 – Advisory Business

AQR is an investment adviser with its principal place of business in Greenwich, CT. The Adviser commenced operations as an investment adviser in January 1998 and has been registered with the SEC since May 13, 1998. AQR Capital Management Holdings LLC (“AQR Holdings”) is the sole member and owner of AQR. AQR Capital Management Group, L.P. (“AQR Group”) is the majority owner of AQR Holdings. AQR Capital Management Group GP, LLC is the general partner of AQR Group. Clifford S. Asness is the principal owner of AQR through such intermediate entities. Clifford S. Asness, David G. Kabiller and John M. Liew are founding principals of AQR.

Affiliated Managers Group, Inc. (“AMG”), a publicly traded holding company, holds a minority interest in AQR Holdings. AMG holds other equity and financial interests in certain other investment advisers unaffiliated with AQR. AMG does not have a controlling interest in AQR Holdings or any role with respect to the day-to-day business of AQR and as such is not a control person. Please see Item 14 – Client Referrals and Other Compensation for more information on AMG.

AQR has an ownership interest in CNH Partners, LLC (“CNH”), a Delaware limited liability company and SEC-registered investment adviser (SEC Number 801-60678). CNH serves as sub-adviser to certain AQR Clients. CNH provides discretionary investment management services, specializing in global merger arbitrage, global convertible arbitrage and other event driven strategies. For additional information regarding CNH, please see Item 10 – Other Financial Industry Activities and Affiliations below.

AQR specializes in quantitative investment analysis, which relies on proprietary models, utilizing a set of valuation, momentum, and other factors, to generate views on positions and applying them in a disciplined and systematic process. AQR provides investment advice to its Clients (as defined below) on a variety of securities and instruments in accordance with agreed upon investment objectives and strategies.

AQR provides investment management services to investment companies registered under the Investment Company Act of 1940, as amended (the “Company Act”) – commonly known as mutual funds (each a “Mutual Fund” and collectively, “Mutual Funds”) – sponsored by AQR (the “AQR Funds”), and Mutual Funds sponsored by advisers unaffiliated with AQR (“Sub-Advised Mutual Funds”). The AQR Funds, an open-end registered investment company, was organized as a Delaware statutory trust on September 4, 2008 and is comprised of multiple active series (each a “Series Fund”).

AQR also provides advisory or sub-advisory services to certain European collective investment schemes pursuant to the Undertakings for Collective Investment in Transferable Securities – commonly known as UCITS funds – sponsored by AQR (the AQR UCITS Funds and AQR UCITS Funds II, collectively, “AQR UCITS”), and UCITS

funds sponsored by management companies unaffiliated with AQR (“Sub-Advised UCITS”).

AQR also provides investment management services to privately placed investment vehicles (“Private Funds”), collective investment trusts (“CITs”), and to Australian investment vehicles (“Australian Funds”, and collectively with CITs and Private Funds, “Sponsored Funds”), as well as to separately managed accounts (together with Sub-Advised Mutual Funds and Sub-Advised UCITS, “Managed Accounts”). AQR Funds, AQR UCITS, Sponsored Funds and Managed Accounts shall be collectively referred to herein as “Clients”¹.

AQR also provides non-discretionary model portfolio recommendations to certain Clients or their appointed overlay managers or other financial institutions that may offer to their clients exposure to, or instruments based on, AQR’s recommendations (collectively the “Overlay Manager”). Model portfolio recommendations may relate to the same strategy or strategies that are also offered or utilized through discretionary accounts, including AQR’s proprietary accounts. The Overlay Manager retains full investment discretion to utilize the model portfolio recommendations for investing their client accounts and may deviate from AQR’s recommendations. The Overlay Manager will determine the timing and the manner of executing a purchase or sale with respect to the model portfolio recommendations.

AQR provides advice to Clients based on specific investment objectives and strategies. Under certain circumstances, AQR may agree to tailor advisory services to the individual needs of a Client. For example, institutional investors may impose restrictions on their Managed Accounts, such as prohibiting certain securities or certain types of securities, or controlling sector and industry concentrations in their portfolios.

As of December 31, 2017, AQR had approximately \$223,928,400,000 in Client net assets under management² (“AUM”), all of which were managed on a discretionary basis. This AUM figure excludes non-discretionary assets under advisement (“AUA”) that are subject to fees associated with providing model portfolio recommendations to Overlay Managers. As of December 31, 2017, AQR had approximately \$853.8 million in AUA.

¹ AQR, from time to time and as permitted by applicable law, creates seed or incubator accounts in order to develop performance track records in new investment products and/or strategies before offering them to outside investors. AQR also advises certain other Clients whose assets are largely assets of persons affiliated with AQR.

² Includes assets advised by CNH.

Item 5 – Fees and Compensation

The Adviser's compensation depends on the manner through which it provides its advisory services. As adviser to its Clients, AQR is compensated by various methods, including asset-based fees and performance-based fees³. A performance fee represents an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. When calculating net profits, performance fees are based on absolute or benchmark-relative returns over an agreed upon time period and may be subject to high water marks or loss carryforwards. As more fully described below, AQR may bill or deduct fees in advance or in arrears, according to the terms of the pertinent investment management agreement or other governing documentation. Under certain circumstances, fees are negotiable.

AQR Funds

Advisory fees for the AQR Funds range from 0.25% to 1.80% of assets under management. Additional operating expenses apply. Detailed information concerning the AQR Funds is contained in each Series Fund's prospectus, which can be downloaded from <https://funds.aqr.com>. The AQR Funds are distributed by ALPS Distributors, Inc.

AQR UCITS

Advisory fees for the AQR UCITS range from 0.20% to 1.25% of assets under management. Additional operating expenses apply. Certain AQR UCITS may also include a performance fee of up to 10% of net profits. AQR and its affiliates reserve the right to enter into written agreements with investors ("Side Letters") in AQR UCITS sub-funds to waive or modify the standard fee terms of such sub-fund in respect to a particular investor. More information about the AQR UCITS can be found at www.aqrucits.com.

Sponsored Funds

The basic fee schedule for Sponsored Funds includes an annual fixed fee (or, in certain cases, a tiered fee schedule) ranging from 0.00% to 2.55% of assets under management (including, but not limited to, cash balances and cash invested in money market funds, closed end funds, and ETFs), typically payable either monthly or quarterly in advance. The fee schedule may also include a performance fee of up to 30% of net profits. Additional operating expenses apply. Investors in certain Sponsored Funds are subject to initial "lock-up" periods or gates with respect to withdrawals/redemptions and incur withdrawal/redemption fees, in accordance with the provisions of the applicable fund documentation.

³ Throughout this Form ADV, the term "performance fee" means performance fee or performance allocation, as applicable.

AQR and its affiliates reserve the right to enter into Side Letters with investors in Sponsored Funds (“Subscribers”) to waive or modify the standard terms of such Sponsored Fund in respect of a particular investor. Certain investors in Sponsored Funds may not be charged any management fees or performance fees, may be charged fees in arrears rather than in advance, or may have a differing fee structure because of their overall relationship with AQR or its affiliates or their investment approach. Consequently, fees charged to individual investors in a Sponsored Fund may deviate from the standard fees disclosed in a Sponsored Fund’s offering documents.

For its Sponsored Funds, AQR has the absolute discretion to agree with Subscribers, particularly with respect to those Subscribers who may be large or strategic investors, to waive or modify the application of any provision of a Sponsored Fund agreement (including, but not limited to, those relating to liquidity, investment capacity, fees, and transparency) with respect to a Subscriber, subject to its fiduciary obligations, and in accordance with its duties under the Investment Advisers Act of 1940 (“Advisers Act”) and through Side Letters. In some instances, Side Letters may grant such Subscribers materially favorable terms relating to, among other things, liquidity, investment capacity, fees, and transparency. In addition, AQR reserves the right to waive or rebate all or a portion of its management fees and/or performance fees with respect to a Subscriber. Prospective Subscribers and existing Subscribers should consider these possible conflicts of interest in making their decision to invest or remain invested in a Sponsored Fund, as Side Letters may result in favoring certain Subscribers over others and may affect a Subscriber’s expectations as to future return and risk.

Managed Accounts

Generally, advisory fees for Managed Accounts are based upon a percentage of assets under management and vary depending upon the nature of the portfolio to be managed and the strategy employed (*e.g.*, international equity, multi-strategy). Fees are based upon the fee methodology agreed to with each Managed Account. Managed Account advisory fees generally range from 0.00% to 1.70% of assets under management (including, but not limited to, cash balances and cash invested in money market funds, closed end funds, and ETFs), payable at the end of either the month or the quarter. In addition, AQR and the Managed Account may agree upon a performance fee of up to 30% of net profits. Additional operating expenses apply.

Model Portfolio Recommendations

AQR receives fees for providing non-discretionary model portfolio recommendations to certain Clients. The fees are negotiated and paid for by the model portfolio Client and may vary in amount, and the frequency and timing of the payment.

Additional Information

The investment terms offered to different Clients pursuing similar investment objectives may differ, as may the investment terms offered to subscribers in investment vehicles pursuing the same or similar investment objectives. For example, Managed Accounts

and Sponsored Funds that are managed as dedicated funds may have information sharing terms that are more extensive and timely than other Clients and other subscribers and may not be subject to the same liquidity restrictions that otherwise might apply to other Clients.

Advisory fees may be negotiable for Clients or investors in certain circumstances and AQR may enter into individual agreements with particular Clients or investors with respect to the method of payment and timing of charging any management fee or performance fee. AQR may deduct the management fee and/or performance fee from a Sponsored Fund, Series Fund, or sub-fund of the AQR UCITS by instructing such fund's administrator and/or custodian. Managed Accounts and model portfolio Clients may be invoiced for advisory fees or they may self-remit payment for those fees.

As noted above, fee arrangements may provide for the payment of monthly or quarterly advisory fees in advance. Accordingly, if termination of an advisory contract by the Client occurs during a month or quarter in which a fee is charged in advance, generally, such circumstances will result in the refund of a *pro rata* portion of the fee to the investor or Client for the remaining portion of the monthly or quarterly period, as the case may be.

AQR's fees are in addition to brokerage commissions, transaction fees, service provider fees, distribution fees, as applicable, and other related costs and expenses which will be incurred by Clients. Execution of Client transactions typically requires payment of brokerage commissions by Clients. Please see Item 12 – Brokerage Practices below for a description of the factors that AQR considers in selecting counterparties for the execution of transactions and determining the reasonableness of their compensation. Investment activity may also involve other transaction fees and taxes payable by Clients, including but not limited to, sales charges, odd-lot differentials, transfer taxes, financial transaction taxes, wire transfer and electronic fund fees, overdraft fees and other fees and taxes on brokerage accounts and securities transactions. In addition, Clients may incur certain charges imposed by custodians, prime brokers, counterparties, banks, governmental authorities, third-party investment consultants, attorneys and other third parties, such as custodial fees, consulting fees, administrative fees, auditing fees, legal fees, insurance fees, and transfer agency fees. Clients may also pay certain fees and/or expenses relating to governmental, regulatory, licensing, filing, or registration filings and their preparation, incurred in compliance with the applicable rules of any self-regulatory organization or any foreign, U.S. federal, state or local laws; to the extent permitted by applicable law, and subject to applicable client documentation, legal fees and costs arising in connection with litigation or a regulatory investigation; and extraordinary expenses or costs that the Client may incur.

When permitted by a Client's agreement, and in accordance with applicable law, AQR may invest such Clients' assets in investment vehicles managed by AQR or affiliated investment managers. AQR will waive or rebate to a Client its portion of any fees AQR or an affiliated investment manager would earn from the management of a Client's assets in such an investment vehicle unless otherwise disclosed. AQR may also invest a Client's assets in other funds managed by AQR or its affiliates to facilitate a Client's investment in certain trading strategies pursued by AQR. Please see Item 10 – Other

Financial Industry Activities and Affiliations below for more information on fees related to investments in affiliated funds.

Certain of AQR's employees receive compensation directly in connection with the sale of shares of a Series Fund. Please see Item 10 – Other Financial Industry Activities and Affiliations below for a more detailed discussion of these AQR employees' role as registered representatives of ALPS Distributors, Inc.

These employees only offer AQR Fund products and AQR services, and therefore have a financial incentive to recommend AQR products and services over those sponsored by other asset managers.

In addition, certain of AQR's investment professionals are compensated based, in part, upon the revenue generated by specific AQR products. These compensation arrangements may create incentives for these investment professionals to take risks in managing assets that they would not otherwise take in the absence of such arrangements and to favor these products with investment opportunities, at the expense of other products not subject to this compensation arrangement. Please see Item 6 – Performance-Based Fees and Side-By-Side Management below for a description of AQR's procedures for addressing these potential conflicts.

AQR may agree to provide certain Subscribers enhanced disclosure with respect to specific security positions, risk information and/or portfolio characteristics of Sponsored Funds. Accordingly, not all Subscribers will have the same degree of access to the type and/or frequency of individual position listings in connection with Sponsored Funds in which they invest and transparency of portfolio characteristics may differ based on Side Letters with Subscribers.

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

Performance-Based Fees

As noted above, a performance fee represents an asset manager's compensation for managing a client account which is based upon a percentage of the net profits of the account being managed. When calculating net profits, performance fees may be based on absolute or benchmark-relative returns over an agreed upon time period and may be subject to high water marks or loss carryforwards. For some Clients, a performance fee represents all or a portion of AQR's standard fee arrangement. For other Clients, AQR is compensated solely through an asset-based fee (*i.e.*, AQR is paid a percentage of the amount of assets under management in the account). AQR reserves the right to negotiate the rate of any applicable performance fees or asset-based fees with individual Clients.

With respect to AQR's management of Client assets, performance fees may give rise to certain conflicts of interest. Specifically, AQR's entitlement to performance fees in managing one or more accounts may create an incentive to take risks in managing those accounts that AQR would not otherwise take in the absence of such fee arrangements. Additionally, since performance fees reward for performance in accounts which are subject to such fees, AQR may have an incentive to favor these accounts over those that have only asset-based fees with respect to trading opportunities, trade allocation, and allocation of new investment opportunities. Generally, AQR addresses these conflicts by utilizing an investment allocation policy designed to treat all Clients fairly and equitably. Please see below and Item 12 – Brokerage Practices for more information.

Side-by-Side Management

Side-by-side management of various types of accounts raises the possibility of favorable or preferential treatment of a Client account or a group of accounts arising from differences in fee arrangements. As a registered investment adviser and a fiduciary, AQR seeks to exercise due care to ensure that investment opportunities are allocated equitably among all Clients, regardless of their corresponding fee structure. AQR has procedures designed and implemented in furtherance of its efforts to treat all Clients fairly and equitably over time. By utilizing these procedures, AQR believes that Clients that are subject to side-by-side management alongside other accounts are receiving fair and equitable treatment over time.

AQR simultaneously manages multiple types of investment vehicles, including the AQR Funds, the AQR UCITS, Sponsored Funds, and Managed Accounts, in many instances according to the same or a similar investment strategy (*i.e.*, side-by-side management). The simultaneous management of these different investment vehicles gives rise to the types of conflicts described above, as the fees for the management of certain types of investment vehicles may be higher than for others. Nevertheless, when managing the

assets of such investment vehicles, AQR has a duty to treat all Clients fairly and equitably over time.

Although AQR has a duty to treat all Clients fairly and equitably over time, each Client will not necessarily be managed the same at all times. Specifically, there is no requirement that AQR use the same investment practices consistently or at the same time across all Clients. In general, investment decisions for each Client will be made independently from those of other Clients, and will be made based on the individual needs and objectives of each Client. In addition, different account guidelines, applicable laws and regulations, and/or differences within particular investment strategies may lead to the use of different investment practices for accounts with a similar investment strategy or investing in the same securities. AQR will not necessarily purchase or sell the same securities at the same time, in the same direction, or in the same proportionate amounts for all eligible accounts, particularly if different accounts have different amounts of investable cash available, different existing exposures, different liquidity requirements, different strategies, or different risk tolerances. In addition, some accounts may purchase long positions in certain securities while other accounts simultaneously sell short or sell to reduce exposure to those same, similar or related securities. As a result, although AQR manages numerous accounts with similar or identical investment objectives, or may manage accounts with different objectives or strategies that trade in the same, similar or related securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account and, accordingly, Client to Client. Changes to, or modifications in, the investment strategies employed by the Adviser may be implemented incrementally, rather than simultaneously, across Clients pursuing similar or identical investment objectives.

Side-by-side management may also affect instances where AQR provides model portfolio recommendations to an Overlay Manager. In these circumstances, AQR may have already commenced trading before the Overlay Manager has received or had the opportunity to evaluate or act on AQR's recommendations. As such, trades ultimately placed by the Overlay Manager for its clients may be subject to price movements, particularly with large orders or where the securities are thinly traded, that may result in the Overlay Manager's clients receiving prices that are less favorable than the prices obtained by AQR for its Clients. Because AQR does not control the Overlay Manager's execution of transactions for the Overlay Manager's clients, AQR cannot attempt to control the market impact of such transactions to the same extent that it would for its discretionary Clients.

Please see Item 12 – Brokerage Practices below for a more detailed discussion of AQR's trade allocation and aggregation policy and procedures.

Item 7 – Types of Clients

AQR provides investment management services to institutional clients through Managed Accounts. Such investors may include, but are not limited to, investment companies, pooled investment vehicles, pension and profit sharing plans, charitable organizations, state or municipal government entities, other investment advisers, insurance companies, sovereign wealth funds and foreign official institutions, corporations or other businesses entities. Additionally, AQR provides investment management services to Sponsored Funds, AQR Funds and AQR UCITS, whose participants may include, but are not limited to, institutional investors as described above, as well as individuals and other investors.

AQR's investment minimums may vary according to investment strategy and vehicle (*i.e.*, Managed Account versus investment in a Sponsored Fund), and AQR maintains the ability to waive such minimums at its discretion. Generally, AQR's Managed Account minimums range from \$50 million to \$100 million depending on the investment strategy. The standard minimum investment required to invest in a Sponsored Fund is described in each Sponsored Fund's offering memorandum. The minimum investment required to invest in a Series Fund of the AQR Funds or in an AQR UCITS is described in each fund's prospectus. In addition, AQR reserves the right to waive investment minimums for particular Clients or Subscribers.

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

Methods of Analysis and Investment Strategies

As noted in Item 4 – Advisory Business, AQR specializes in quantitative investment analysis, which relies on proprietary models, utilizing a set of valuation, momentum, and other factors, to generate views on securities and applying them in a disciplined and systematic process.

Quantitative investment analysis is a method of evaluating securities and other assets by analyzing a large amount of data through the use of algorithms – or models – to generate investment decisions. AQR’s models may consider a wide breadth of factors – from traditional valuation measures, momentum indicators, and price signals, to textual analysis of financial reporting and terms of trade information. These diverse sets of inputs, combined with AQR’s proprietary signal construction methodology, optimization process, and trading technology, are the foundation of AQR’s investment process.

AQR performs research internally. Once an investment approach is identified, AQR begins the process of building a model to test the strategy’s viability. The model building process generally consists of two steps: (1) designing an investing strategy to implement the given approach; and (2) producing testable implications. AQR performs ongoing research to monitor and maintain the effectiveness of its models over time. External data (*i.e.*, Reuters, Bloomberg and other data services) is used by AQR in developing its quantitative forecasting computer models.

In addition to quantitative investment analysis, AQR may also utilize discretionary and/or hybrid strategies through a combination of quantitative and fundamental techniques. There are certain risks specific to firms specializing in quantitative investment analysis. Please see below under “Investment Risks” for a summary of some of the risks specific to quantitative investment analysis.

The Adviser utilizes several investment strategies, including, but not limited to, arbitrage strategies, equity strategies, global macro strategies, fixed income strategies, and risk parity. An explanation of a selection of these strategies and certain sub-strategies is included below. Each of these investment strategies is managed by a team of portfolio managers in a manner consistent with our approach to investing.

Arbitrage Strategies: AQR’s arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, in different markets or in different forms. The majority of these strategies are managed by CNH. CNH, in cooperation with AQR, manages convertible arbitrage and merger arbitrage strategies through a blend of fundamental and quantitative analysis.

- Convertible Arbitrage: AQR, through its affiliate CNH, may pursue a convertible arbitrage strategy for certain Clients by typically investing in convertible securities trading at discounts or shorting convertible securities selling at premiums to their fundamental values. A convertible security is a debenture or a preferred security that the holder may exchange into the common stock of a company at a pre-specified rate of conversion under certain circumstances. CNH may attempt to mitigate the various risks associated with investing in convertible securities through the implementation of certain hedges.
- Merger Arbitrage: AQR, through its affiliate CNH, may pursue a merger arbitrage strategy for certain Clients by typically investing in shares of a “target” company in a proposed or potential merger, takeover, or other reorganization between two companies. If the transaction is for the stock of the acquirer, CNH may seek to hedge the exposure to the acquirer by shorting the stock of the acquiring company in an amount determined with reference to the exchange ratio specified in the agreement between the acquirer and the target company.

Equity Strategies: AQR’s equity strategies attempt to take advantage of market inefficiencies that cause specific stocks to be underpriced or overpriced. Investment opportunities are identified using proprietary stock selection models, which may analyze multiple valuation, momentum, and other factors to generate views on stocks. Equity strategies focus on a broad range of equity investment styles, including growth, core, and value, as well as strategies designed to be “style-neutral.” Some strategies focus on specific ranges on the market capitalization scale, from small-cap through large-cap, while other strategies focus on investment opportunities across multiple capitalization levels. Equity strategies may take long and short positions, and may be global, multi-national, or focused on particular geographic regions or specific countries. These strategies are broadly diversified and aim to achieve their investment objectives over multiple time horizons. AQR’s equity strategies include Global Stock Selection.

- Global Stock Selection: AQR’s stock selection strategy relies on AQR’s proprietary quantitative models, which may utilize a set of valuation, momentum, and other signals to generate a diversified portfolio of stocks. This strategy may be employed regionally or globally; is broadly diversified across industries; may invest in specific segments of the capitalization scale, or across multiple segments or the entire capitalization spectrum; and forecasts price movements over multiple time horizons. The global stock selection strategy invests primarily in global equities, but also may invest in a broad range of instruments, including securities, currencies, futures, and other derivative products.

Global Macro Strategies: AQR’s macro strategies attempt to profit from dislocations in global equity, bond, currency, and commodity markets, including those driven by

investors' behavioral biases. Investment opportunities are identified using our proprietary quantitative forecasting models. AQR's macro strategies may take long and short positions and are primarily derivatives-based, global in nature, and diversified across multiple asset classes. AQR's macro strategies include, but are not limited to, Global Asset Allocation and Managed Futures.

- Global Asset Allocation: AQR's global asset allocation strategy attempts to anticipate global macroeconomic events through the use of proprietary quantitative models to generate views on various asset classes such as equities, fixed income, currencies, commodities, and others. This strategy provides long and short exposure to these asset classes as well as employs leverage.
- Managed Futures: AQR's managed futures strategy uses proprietary quantitative models to identify price trends in equity, fixed income, currency, and commodity instruments. Once a trend is determined, the strategy will take either a long or short position in the given instrument, implementing its view through exchange traded futures, futures related instruments, swaps, forwards, and options contracts across the four major asset classes identified above. Generally, the strategy will have exposure in long and short positions across all four major asset classes, but at any one time may emphasize one or two of the asset classes or a limited number of exposures within an asset class.

Fixed Income Strategy: AQR's fixed income strategies attempt to take long positions in, or overweights, bond instruments that AQR forecasts to be attractive relative to a given bond index (the "benchmark"), and may take short positions in, or underweight, bond instruments that AQR forecasts to be unattractive relative to the benchmark. In evaluating whether bond instruments are attractive or unattractive relative to the benchmark, AQR uses a set of value, momentum, carry, defensive and other indicators to generate an investment portfolio based on AQR's proprietary quantitative security selection and asset allocation models.

Risk Parity Strategy: AQR's risk parity strategy attempts to achieve excess returns through investments in a variety of different asset classes and a wide range of geographic regions throughout the world. Excess return is the difference between an actual return and that of a riskless security, such as a U.S. government bond. This strategy provides long exposure to different risk premiums broadly covering equities, government bonds, commodities, and credit. These include exposures to global developed and emerging stocks, developed and emerging government bonds and emerging currencies, global inflation protected bonds, high yield and investment grade credit, and commodities, among other exposures. AQR implements its risk parity strategy through the use of securities, derivatives, and currencies, and employs leverage to scale exposures.

AQR offers the foregoing strategies through four broad product-types: long-only, relaxed constraint, risk parity, and absolute return.

Long-Only: Long-only products generally prohibit taking net short exposure in any individual security and are measured against a benchmark.⁴ AQR's long-only products generally focus on a broad range of equity investment styles, including growth (involving the purchase of securities of corporations that have exhibited faster-than-average gains in earnings over the last few years and are expected to show high levels of profit growth), value (involving the purchase of securities whose shares appear underpriced by some form(s) of fundamental analysis) and core (a method of portfolio construction designed to minimize transaction costs, tax liability, and volatility while attempting to outperform a pre-determined benchmark); specific ranges on the market capitalization scale, including small-cap, mid-cap, large-cap, or a blend of those three; and/or specific geographic areas, including international equity (equity markets outside the United States), global equity (equity markets around the world including the United States), and emerging markets.

Relaxed Constraint: In relaxed constraint products the long-only constraint is relaxed, and limited net shorting of individual stocks is permitted. These products provide long exposure and limited short exposure, focusing on the styles, ranges, and geographic areas described above, while maintaining approximately 100% net market exposure. As an example, a relaxed constraint 130/30 product will typically be long approximately 130% of the net asset value of the portfolio and short 30% of the net asset value of the portfolio for a net market exposure of approximately 100%. These strategies may employ exchange traded securities as well as over-the-counter ("OTC") derivatives.

Risk Parity: Risk parity products offer strategies where AQR pursues excess returns through investments in a variety of different asset classes and a wide range of geographic regions throughout the world. Excess return is the difference between an actual return and that of a riskless security, such as a U.S. government bond. These products provide long exposure to different risk premiums through the use of securities and OTC derivatives and employ leverage to scale exposures.

Absolute Return: Absolute return products invest long and short, utilizing exchange traded securities and OTC derivatives. These products may take long and short positions and employ leverage.

Depending on the Client agreement or Sponsored Fund documentation, AQR may implement its investment strategies primarily through the use of one or more of the following investment techniques and investment tools.

Hedging: Certain of AQR's strategies utilize a variety of financial instruments, including equities, options, swaps, and futures and forward contracts for risk management purposes.

⁴ "Net short exposure" is generally a situation where a manager has more short positions than long positions in a security or derivative. To give an example, if one buys nine shares of a stock, and then sells short 10 shares of the same stock, one has a "net short" position with respect to such stock.

Leverage: Certain of AQR's strategies utilize varying amounts of leverage, which may involve the borrowing of funds from brokerage firms, banks, and other institutions in order to be able to increase the amount of capital available for securities investments. Leverage may also be embedded in financial instruments, including futures and short sales, as well as OTC derivatives like options, swaps, and forwards, which enable investors to gain exposure to assets whose value exceeds the amount of capital necessary to obtain such exposure.

Options Trading: Options are investments whose ultimate value is determined from the value of the underlying investment. Certain of AQR's strategies include purchasing or selling exchange-traded or privately negotiated call and put options, either on a single asset or a basket of assets. AQR may also direct Clients to purchase or sell options on futures contracts and options on forward contracts.

Repurchase Agreements: Certain of AQR's strategies utilize repurchase transactions. In a repurchase transaction, a Client acquires a security from an approved counterparty and simultaneously agrees to resell it to the approved counterparty, at a price exceeding the purchase price by an amount that reflects an agreed-upon interest rate effective for the period during which the repurchase agreement is in effect.

Reverse Repurchase Agreements: Certain of AQR's strategies utilize reverse repurchase transactions. In a reverse repurchase transaction, a Client sells a security to an approved counterparty and simultaneously agrees to repurchase it from the counterparty, at a price less than the sale price by an amount that reflects an agreed-upon interest rate effective for the period during which the reverse repurchase agreement is in effect.

Securities Lending: Some of AQR's Clients may lend their portfolio securities to certain types of eligible borrowers in an attempt to increase income and/or total return. Each loan will be secured continuously by collateral in the form of cash, high quality money market instruments, or securities issued by the U.S. government or its agencies or instrumentalities. Securities lending may be conducted by a securities lending agent, who maintains a list of broker-dealers, banks, or other institutions that it has determined to be creditworthy. AQR has the ability to request that a borrower be removed from the securities lending agent's "approved list." A Client will only enter into loan arrangements with borrowers on the approved list.

Short Selling: Certain of AQR's investment strategies utilize short selling. Certain strategies utilize short selling in anticipation that the market price of that security will decline. Other strategies utilize short sales as a form of hedging to offset potential declines in long positions in similar securities, or to attempt to earn a profit.

There can be no assurance that the objectives associated with any strategies described above will be met. At any time, AQR may add, remove, or modify any of the strategies it employs, and this includes any of the strategies discussed above. These methods, strategies, and investments involve risk of loss to Clients and Clients must be prepared to bear the loss of their entire investment.

Investment Risks

Some of the risks associated with AQR's investment strategies, and the securities and other assets utilized to implement those strategies, include, but are not limited to, those listed below.

Arbitrage Transaction Risks: If the requisite elements of an arbitrage strategy are not properly analyzed or unexpected events or price movements intervene, losses can occur which can be magnified to the extent AQR is employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads," which can also be identified, reduced, or eliminated by other market participants.

Below Investment Grade Securities Risk: Although bonds rated below investment grade (also known as "junk" securities) generally pay higher rates of interest than investment grade bonds, bonds rated below investment grade are high risk, speculative investments that may cause income and principal losses to Clients.

Borrowing and Embedded Leverage: Some Clients allow secured and unsecured borrowing to the maximum extent allowable under applicable credit regulations. Like other forms of leverage, the use of borrowing can enhance the risk of capital loss in the event of adverse changes in the level of market prices of the assets being financed with the borrowings. Leverage may also take the form of financial instruments, including OTC derivative instruments which are inherently leveraged, and products with embedded leverage such as futures, options, short sales, swaps, and forwards, in which an investor can lose more money than the initial cost of the investment. The use of leverage allows the Clients to increase their exposure to assets, such that total assets may be greater than capital invested. However, the use of leverage may also magnify the volatility – or the likelihood of short-term changes in value – of any portfolio. The effect of the use of leverage in a portfolio may result in losses to the portfolio that exceed losses to the portfolio if such portfolio did not utilize leverage.

Cash and Forward Trading: Cash and forward contracts for the trading of certain commodities, such as foreign currencies, may be entered into with banks and market makers. Although the banks and market makers may be subject to regulatory oversight by the CFTC, the SEC, the Financial Industry Regulatory Authority, Inc. ("FINRA"), the National Futures Association ("NFA"), the Federal Reserve Board, the Comptroller of the Currency, foreign regulators, and other Federal and state authorities, these regulatory agencies do not typically regulate the trading of cash commodities or forward contracts. In addition, such contracts are not traded on exchanges. As a result, there is no limitation on daily price movements of cash or forward contracts, and market makers are not required to make markets in any cash

commodities. Also, certain customer protections will not be available to Clients in connection with any such trading. There have been periods during which certain market makers have refused to quote prices for cash commodities or forward contracts or have quoted prices with an unusually wide spread between the price at which the market maker is prepared to buy and the price at which it is prepared to sell. If this should occur, AQR might not be able to utilize effectively its cash and forward trading programs. This could result in significant losses to a Client.

Commodities: Commodity investments are affected by business, financial market, or legal uncertainties. There can be no assurance that AQR will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on its commodity investments. Prices of commodity investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of a Client's portfolio and the value of its investments. In addition, the value of the Client's portfolio may fluctuate as the general level of interest rates fluctuates.

Commodity Futures and Options: Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events, and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a Client engaging in commodity futures trading. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to such Client. Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.

Convertible Securities Risk: The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock.

Counterparty Risk: Counterparty risk is the risk to each party of a contract that the counterparty will not live up to its contractual obligations. Clients could potentially incur a significant loss as a result of counterparty credit exposure should the counterparty fail to fulfill its obligations.

Currency Risk: Currency risk is the risk that changes in currency exchange rates will negatively affect securities denominated in, and/or receiving revenues in, foreign

currencies. The liquidity and trading value of foreign currencies could be affected by global economic factors, such as inflation, interest rate levels, and trade balances among countries, as well as the actions of sovereign governments and central banks. Adverse changes in currency exchange rates (relative to the U.S. dollar) may erode or reverse any potential gains from investments in securities denominated in a foreign currency or may widen existing losses.

Cybersecurity Risk: With the increased use of technologies such as the Internet to conduct business, the Adviser and its Clients are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (*e.g.*, through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (*i.e.*, efforts to make network services unavailable to intended users). Cyber incidents affecting the Adviser, sub-adviser(s) and other service providers (including, but not limited to, accountants, law firms, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, impediments to trading, the inability of Clients and/or investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which a Client invests, counterparties with which a Client engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and other service providers for Clients) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While a Client’s service providers may have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Adviser cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect a Client. As a result, Clients could be negatively impacted.

Distressed Investments Risk: The Adviser may utilize investments in distressed investments, which are or have been issued by companies that are, or might be, involved in reorganizations or financial restructurings, either out of court or in bankruptcy. A Client’s investments in distressed securities typically may involve the purchase of high-yield bonds, bank debt, corporate loans or other indebtedness of such companies. These investments may present a substantial risk of default or may be in default at the time of investment. The Client may incur additional expenses to the extent it is required to seek recovery upon a default in the payment of principal or interest on its portfolio holdings. In any reorganization or liquidation proceeding

relating to an investment, the Client may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. Among the risks inherent in investments in a troubled issuer is that it frequently may be difficult to obtain information as to the true financial condition of the issuer. The Adviser's judgments about the credit quality of a financially distressed issuer and the relative value of its securities may prove to be wrong.

Emerging Markets Investments: Investing in the securities or other instruments of issuers located in non-U.S. countries may involve certain risks not typically associated with investing in established economies or securities markets. Such risks may include (i) the risk of nationalization or expropriation of assets and confiscatory or other taxation; (ii) social, economic and political instability, including war; (iii) dependence on exports; (iv) less liquidity of securities markets; (v) significant currency exchange rate devaluations, fluctuations, and declines against the U.S. dollar; (vi) potentially higher rates of inflation (including hyper-inflation) and rapid fluctuations in inflation; (vii) controls on foreign investment and limitations on repatriation of invested capital and the Client's ability to exchange local currencies for U.S. dollars; (viii) a higher degree of governmental involvement in and control over the economies; (ix) government decisions to discontinue support for economic reform programs and imposition of centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about economies and issuers; (xi) less extensive regulatory oversight of securities markets; (xii) longer settlement periods for securities transactions; (xiii) less stringent laws regarding the protection of investors; (xiv) certain consequences regarding the maintenance of a Client's portfolio securities and cash with sub-custodians and securities depositories in such countries; (xv) difficulty in enforcing contractual obligations; (xvi) inexperience of financial intermediaries, lack of modern technology, and the lack of a sufficient capital base to expand business operations; and (xvii) less available information than is generally the case in the United States. All of the foregoing factors lead to greater market volatility.

Equity Securities: Equity securities fluctuate in value in response to many factors, including the activities, results of operations, and financial condition of individual companies; the business market in which individual companies compete; industry market conditions; interest rates; and general economic environments. In addition, events such as domestic and international political instability, terrorism and natural disasters may be unforeseeable and contribute to market volatility in ways that may adversely affect investments made by a Client.

ERISA Considerations: Certain Client assets may, at various times, be considered "plan assets" for the purposes of Title I of the U.S. Employee Retirement Income Security Act of 1974 ("ERISA") or Section 4975 of the Internal Revenue Code of 1986, as amended. Accordingly, during such periods, the administration and operation of any such Client would, among other things, become subject to ERISA's fiduciary duty and prohibited transaction rules. In such a case, the investment strategies employed by the Adviser for the Client will be subject to investment

limitations and restrictions that would not otherwise be applicable and may materially impact the Client's performance.

Fixed-Income and Debt Securities: Investment in fixed-income and debt securities, such as bonds, notes, and asset-backed securities, subject a Client to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that debt to decline. Investments in debt securities will also subject the investments to the risk that the securities may fluctuate more in price, and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially, and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

Foreign Investments Risk: Foreign investments often involve special risks not present in U.S. investments that can increase the chances that an investment will lose money. For example, a Client may hold its foreign securities and cash in foreign banks and securities depositories, which may be recently organized or new to the foreign custody business and subject to only limited or no regulatory oversight. Changes in foreign currency exchange rates can affect the value of a portfolio. The economies of certain foreign markets may not compare favorably with the economy of the United States, and the governments of certain countries may prohibit or impose substantial restrictions on foreign investments in their capital markets or in certain industries. Many foreign governments do not supervise and regulate stock exchanges, brokers, and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws. Settlement and clearance procedures in certain foreign markets may result in delays in payment for or delivery of securities not typically associated with settlement and clearance of U.S. investments.

Futures Contracts Risks: Futures prices are highly volatile. An extremely high degree of leverage is typical of a futures trading account; as a result, a relatively small price movement in a futures contract price may result in substantial losses to a portfolio. Like other leveraged investments, any purchase or sale of a futures contract may result in losses in excess of the amount invested. Futures exchanges and trading facilities limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." During a single trading day no trades may be executed at prices beyond the daily limit. Futures prices have occasionally moved to the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the prompt liquidation of unfavorable positions and subject a portfolio to substantial losses. The CFTC and certain futures exchanges and trading facilities have established limits referred to as "speculative position limits" on the maximum net long or net short positions that any person may hold or control in certain futures contracts. All of the futures positions

held by all Client accounts owned or controlled by AQR, CNH, and their principals may be aggregated with positions of each Client portfolio for the purpose of determining compliance with position limits. Trading instructions may have to be modified and positions held by a Client may have to be liquidated in order to avoid exceeding such limits. Such modification or liquidation, if required, could adversely affect the operations and profitability of a portfolio.

General Risks of Derivatives Use: Derivatives trading is highly speculative. Price movements of derivative contracts are influenced by, among other things, changing supply and demand relationships, governmental agricultural and trade programs and policies, and national and international political and economic events. Foreign currency forward prices are influenced by, among other things, changes in balances of payments and trade, domestic and international rates of inflation, international trade restrictions, and currency devaluations and revaluations. In addition, unless a portfolio is hedged against fluctuations in the exchange rate between the U.S. dollar and the currencies in which trading is done on some foreign exchanges, any profits that such a portfolio realizes in trading on such exchanges could be eliminated by adverse changes in the exchange rate, or such a portfolio could incur losses as a result of any such changes. Due to the low margin deposits normally required in derivatives trading, an extremely high degree of leverage is typical of a derivatives trading account. As a result, a relatively small price movement in a derivatives contract price may result in substantial losses to a portfolio. Like other leveraged investments, any purchase or sale of a derivatives contract may result in losses in excess of the amount invested. Accordingly, relatively small derivatives positions have the potential to erode significantly or erase gains and compound losses in other investments held by a portfolio.

Hedging: There can be no assurances that a particular hedge is appropriate or that certain risk is measured properly. Further, while AQR may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Client portfolios than if AQR did not engage in any such hedging transactions.

Illiquid Instruments: Certain instruments, such as derivatives and other types of unregistered financial instruments, may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price, and the Adviser might only be able to liquidate these positions at highly disadvantageous prices, if at all. The market prices, if any, for such illiquid financial instruments tend to change rather quickly, and the Adviser may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. Even those markets which the Adviser expects to be liquid can experience periods, possibly extended periods, of illiquidity. For some investments, the Adviser may be unable to predict with confidence what the exit strategy will ultimately be for any given position or that one will definitely be available. Exit strategies, which appear to be viable when an investment is initiated, may be precluded by the time the investment is ready to be realized due to economic, legal, political, or other factors.

Interest Rate Risk: Portfolios may be subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. AQR may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures, and/or interest rate options. However, there can be no guarantee that AQR will be successful in fully mitigating the impact of interest rate changes on the portfolios.

Investment and Trading Risk Generally: Investments in securities and other financial instruments and products that are subject to market forces risk the permanent loss of capital as a result of adverse market developments, which can be unpredictable. To the extent that a portfolio is concentrated in any one particular strategy, the risk of any incorrect investment decision is increased. Each strategy exposes the Client's capital to the risk of an extremely rapid and severe decline in value in the event of a sudden change in the level of volatility (*e.g.*, a market crash) that is not anticipated by AQR.

Liquidity Risk Generally: Liquidity – or the ability to quickly sell an asset at its fair market value – is important to the Adviser's investment strategies. Under certain market conditions, such as during volatile markets or when trading in a financial instrument or market is otherwise impaired, the liquidity of the Adviser's portfolio positions may be reduced. In addition, the Adviser may, from time to time, hold large positions in a particular portfolio with respect to a specific type of financial instrument, which may reduce the portfolio's liquidity. During such times, AQR may be unable to dispose of certain financial instruments, including longer-term financial instruments, which would adversely affect its ability to rebalance a portfolio or meet redemption requests. Under these circumstances the Adviser may be forced to dispose of financial instruments at reduced prices, thereby adversely affecting its performance. If there are other market participants seeking to dispose of similar financial instruments at the same time, the Adviser may be unable to sell such financial instruments or prevent losses relating to such financial instruments. Furthermore, if the Adviser incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. Finally, in conjunction with a market downturn, the Adviser's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Adviser's credit risk to those counterparties.

Off-Balance Sheet Risk: In the normal course of business, AQR may, on behalf of Clients, invest in financial instruments with off-balance sheet risk. These instruments include futures contracts, forward contracts, swaps, and securities and options contracts sold short. An off-balance sheet risk is associated with a financial instrument if such instrument exposes the investor to an accounting and economic loss in excess of the investor's recognized asset carrying value in such financial instrument, if any, or if the ultimate liability associated with the financial instrument has the potential to exceed the amount that the investor recognizes as a liability in the

investor's statement of assets and liabilities. Additionally, in the normal course of business, AQR may purchase long positions in option contracts that do not have off-balance sheet risk. The risk that these financial instruments expose the investor to is not in excess of the investor's recognized asset carrying value in the statement of assets and liabilities.

Options: There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*e.g.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option.

There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (*e.g.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (paid to establish the short position) of the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

Portfolio Turnover: Active and/or frequent trading of securities and financial instruments within a portfolio may produce increased transaction costs, including brokerage commissions, fees, transaction taxes, and other transaction costs. Likewise, such active and/or frequent trading may result in short-term capital gains tax treatment.

Short Sales: A short sale involves the sale of a security that a portfolio does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. To make delivery to the buyer, the portfolio must borrow the security, and the portfolio is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the portfolio. In some cases, the lender may rescind the loan of securities and cause the borrower to repurchase shares at inflated prices, resulting in a loss. When a portfolio makes a short sale in the United States, it must leave the proceeds thereof with the broker, and it must also deposit with the broker an amount of cash or marketable securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. The extent to which a portfolio will engage in short sales depends upon AQR's investment strategy and perception of market direction. In addition, global regulatory prohibitions on short sales may impair AQR's ability to implement its investment

process. Such prohibitions may add additional constraints to a strategy, which may increase transaction costs as well as the time required to monitor compliance with the restrictions.

SPACs Risk: AQR may, on behalf of Clients, make use of stock, warrants, and other securities of special purpose acquisition companies (“SPACs”) or similar special purpose entities that pool funds to seek potential acquisition opportunities. Unless and until an acquisition is completed, a SPAC generally invests its assets (less a portion retained to cover expenses) in U.S. Government securities, money market fund securities and cash; if an acquisition that meets the requirements for the SPAC is not completed within a pre-established period of time, the invested funds are returned to the entity’s shareholders. Because SPACs and similar entities are in essence blank check companies without an operating history or ongoing business other than seeking acquisitions, the value of their securities is particularly dependent on the ability of the entity’s management to identify and complete a profitable acquisition. Some SPACs may pursue acquisitions only within certain industries or regions, which may increase the volatility of their prices. In addition, these securities, which are typically traded in the over-the-counter market, may be considered illiquid and/or be subject to restrictions on resale.

Use of Swaps and Other Derivatives: AQR may make use of swaps and other forms of derivative contracts. In general, a derivative contract (including options, as described above) typically involves leverage, *i.e.*, it provides exposure to potential gain or loss from a change in the level of the market price of a security, currency or commodity (or a basket or index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative contract. Consequently, an adverse change in the relevant price level can result in a loss of capital that is more exaggerated than would have resulted from an investment that did not involve the use of leverage inherent in the derivative contract. Depending on the strategy, many of the derivative contracts used by AQR may be privately negotiated in the OTC market. These contracts also involve exposure to credit risk, since contract performance depends in part on the financial condition of the counterparty or the counterparty’s guarantor. These transactions may also involve significant transaction costs.

The following risks relate to the Adviser’s quantitative and statistical methods of analysis.

Computer System Risks: Throughout its investment management process and business operations, AQR relies on a variety of computer hardware and software systems and platforms, some of which may be proprietary while others may be licensed from third parties (such systems and platforms, collectively, “Computer Systems”). Incorrect data, including stale or missing data, hardware or software malfunctions, programming inaccuracies, and similar errors may impair the performance of Computer Systems, which may negatively affect investment performance.

Operational Risk: AQR has developed systems and procedures to manage operational risk. Operational risks arising from mistakes made in the confirmation or settlement of transactions, from transactions not being properly booked or accounted for, or other similar disruption in the Adviser's operations may cause the Adviser to suffer financial loss, the disruption of its business, liability to Clients or third parties, regulatory intervention, or reputational damage. AQR relies heavily on its portfolio management, trading, financial, accounting, and other data processing systems. The ability of its systems to accommodate an increasing volume of transactions could also constrain the Adviser's ability to properly manage a Client's portfolio.

Trading Judgment: The success of the proprietary valuation techniques and investment and trading strategies employed by AQR is subject to the judgment and skills of the portfolio managers, research teams and trading teams. Additionally, the abilities of the trading team with regard to execution and discipline are important to a Client's performance. There can be no assurance that the investment decisions or actions of the portfolio managers, researchers or trading personnel will be correct. Incorrect decisions or poor judgment may result in substantial losses to a Client.

Trading Decisions Based on Quantitative and Other Analysis: AQR's portfolio management and trading decisions are based on quantitative models, signals, and other analyses. Any factor that would lessen the prospect of major trends occurring in the future (such as increased governmental control of, or participation in, the financial markets) may reduce the prospect that a particular trading method or strategy will be profitable in the future. In the past, there have been periods without discernible trends and, presumably, such periods will continue to occur in the future. Moreover, any factor that would make it more difficult to execute trades at desired prices in accordance with the signals of the trading method or strategy (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability. Further, many advisors' investment models and trading methods utilize similar analyses in making trading decisions. Therefore, bunching of buy and sell orders can occur, which makes it more difficult for a position to be taken or liquidated. No assurance can be given that the Adviser's strategies will be successful under all or any market conditions.

Model and Data Risk: Given the complexity of AQR's investments and strategies, the Adviser relies heavily on quantitative models (both proprietary models developed by the Adviser, and those supplied by third parties) and information and data supplied by third parties ("Models and Data"). Models and Data are used to construct sets of transactions and investments, to value investments or potential investments (whether for trading purposes, or for the purpose of determining the net asset value of a Client), to provide risk management insights, and to assist in hedging the Clients' investments, if applicable. When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon expose Clients to potential risks. For example, by relying on Models and Data, the Adviser may be induced to buy certain investments at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful.

Some of the models used by AQR are predictive in nature. The use of predictive models has inherent risks. For example, such models may incorrectly forecast future behavior, leading to potential losses on a cash flow and/or a mark-to-market basis. In addition, in unforeseen or certain low-probability scenarios (often involving a market disruption of some kind), such models may produce unexpected results, which can result in losses to a Client's portfolio. Furthermore, because predictive models are usually constructed based on historical data supplied by third parties, the success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data.

All models rely on correct market data inputs. If incorrect market data is entered into even a well-founded model, the resulting valuations will be incorrect. However, even if market data is input correctly, "model prices" will often differ substantially from market prices, especially for securities with complex characteristics, such as derivative instruments.

Obsolescence Risk: AQR's strategies are unlikely to be successful unless the assumptions underlying the models used to implement those strategies are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or become inaccurate and are not promptly adjusted, it is likely that profitable trading signals will not be generated. If and to the extent that the models do not reflect certain factors, and AQR does not successfully address such omission through its testing and evaluation and modify the models accordingly, major losses may result. AQR will continue to test, evaluate, and add new models, as a result of which the existing models may be modified or discontinued from time to time. There can be no assurance as to the effects (positive or negative) of any modification on a Client's portfolio.

Crowding/Convergence: There is significant competition among quantitatively-focused managers. To the extent that AQR's models come to resemble those employed by other managers, the risk that a market disruption that broadly affects the models of quantitatively-focused managers (including competitors of AQR) may adversely affect a Client is increased, as such a disruption could accelerate reductions in liquidity or rapid repricing due to simultaneous trading across a number of funds in the marketplace.

Risk of Programming and Modeling Errors: AQR's research and modeling process is extremely complex and involves financial, economic, econometric and statistical theories, research and modeling; the results of that process must then be translated into computer code. Although AQR seeks to hire individuals skilled in these functions and to provide appropriate levels of oversight, the complexity of the individual tasks, the difficulty of integrating such tasks, and the limited ability to perform "real world" testing of the end product raises the chances that the finished model may contain an error. One or more of such errors could adversely affect a Client's portfolio and would generally not constitute a trade error subject to reimbursement under AQR's policies.

Involuntary Disclosure: As described above under “Model and Data Risk” and “Crowding/Convergence,” AQR’s ability to achieve its Client’s investment objective is dependent in large part on its ability to develop and protect its models and proprietary research. The proprietary research and the Models and Data are largely protected by AQR through the use of policies, procedures, agreements, and similar measures designed to create and enforce robust confidentiality, non-disclosure, and similar safeguards. However, extensive position-level public disclosure obligations (or disclosure obligations to Clients, exchanges, or regulators with insufficient privacy safeguards) and theft of research, technical specifications, and other data could lead to opportunities for competitors to reverse-engineer strategies, and thereby impair the relative or absolute performance of a Client’s portfolio.

Proprietary Trading Methods: Because AQR’s trading methods are proprietary, a Client will not be able to determine any details of such methods or whether they are being followed.

Item 9 – Disciplinary Information

It was alleged that as of the close of business on September 6, 2012, AQR violated futures contract position limits set by the CME Group in connection with the trading of European Gasoil Bullet Futures. It was further alleged that as of the close of business on January 15, 2013, AQR violated futures contract position limits set by the CME Group in connection with the trading of Crude Oil Financial Futures. On March 27, 2013 (and effective as of April 1, 2013), AQR voluntarily agreed, without admitting or denying any allegations, to a settlement with the New York Mercantile Exchange (“NYMEX”) Business Conduct Committee related to NYMEX Rule 562. AQR’s settlement consisted of the payment of \$85,000 to NYMEX by AQR.

It was alleged that on April 17, 2013, AQR violated futures contract position limits set by the CME Group in connection with the trading of Soybean Futures. On September 9, 2013 (and effective as of October 24, 2013), AQR voluntarily agreed, without admitting or denying any allegations, to a settlement with the Chicago Board of Trade (“CBOT”) Business Conduct Committee related to CBOT Rule 562. AQR’s settlement consisted of the payment of \$70,000 and a disgorgement of profits in the amount of \$925, both of which were paid to CBOT by AQR.

In May 2014 and July 2014, AQR notified the Swedish Financial Supervisory Authority (the “SFSA”) of net short positions in two Swedish issuers pursuant to the Regulation (EU) No. 236/2012 of the European Parliament and of the Council on short selling and certain aspects of credit default swaps (the “EU SSR”). These notifications were made unintentionally later than the next-day notification deadline specified in the EU SSR. In both cases, the delayed notifications were the result of unintentional error, and AQR submitted the notifications to the SFSA after AQR’s discovery of the issue. On April 2, 2015, AQR received notice that the SFSA had decided to impose a special fee of approximately \$2,300 and \$30,000 for the late notifications with respect to these two issuers. On May 25, 2015, the decision became legally binding and AQR paid the special fees following the issuance of invoices by the SFSA.

In June 2014 and October 2014, AQR notified the Netherlands Authority for the Financial Markets (“AFM”) of net short positions in two Dutch issuers pursuant to the EU SSR. These notifications were made unintentionally later than the notification deadline specified in the EU SSR. In both cases, the delayed notifications were the result of unintentional error, and AQR submitted the notifications to the AFM after AQR’s discovery of the issue. On April 28, 2015, AQR received a legally binding notice that the AFM had decided to impose an administrative fine of EUR 500,000 for the late notifications with respect to these two issuers, which AQR paid following the issuance of an invoice by the AFM.

Item 10 – Other Financial Industry Activities and Affiliations

Broker-Dealer Registration Status: In connection with the sale of shares of the AQR Funds, certain AQR employees are registered representatives of ALPS Distributors, Inc., an unaffiliated, third-party broker-dealer. Please see Item 5 – Fees and Compensation above for a discussion of potential conflicts of interest with respect to such employees.

CFTC Registration Status: AQR is registered with the CFTC as a commodity pool operator and commodity trading adviser and is a member of NFA.

Material Relationships or Arrangements with Industry Participants: AQR and CNH Capital Management, LLC (“CNH CM”) are members of CNH. CNH is a Delaware limited liability company, SEC-registered investment adviser (SEC Number 801-60678), CFTC-registered commodity trading adviser and commodity pool operator, and a member of the NFA. Mark L. Mitchell and Todd Pulvino are founding principals of CNH. CNH provides discretionary investment management services, specializing in global merger arbitrage, global convertible arbitrage, and other event driven strategies. CNH serves as sub-adviser to certain AQR Clients, including certain Series Funds. CNH utilizes the infrastructure of AQR for non-portfolio management functions.

CNH CM is not a registered investment adviser and does not have investment management agreements or discretionary authority over AQR or CNH Clients. AQR employs CNH to perform research and investment management support services.

Mark L. Mitchell is on the Board of Directors of TD Ameritrade Holding Corp., a publicly traded company. Mr. Mitchell’s Board membership is independent of AQR and CNH. AQR and CNH restrict transactions with TD Ameritrade Holding Corp.

David G. Kabiller is on the Board of Directors of Crow Holdings, a private equity real estate firm. Mr. Kabiller’s Board membership is independent of AQR and CNH. Crow Holdings is not a publicly traded company.

Sponsored Funds may be set up as a feeder fund (“Feeder Fund”) that invests generally in one or more master funds (each a “Master Fund”, and together with its Feeder Fund, a “Master-Feeder Structure”). Master Funds and Feeder Funds are organized as separate legal entities, but are both Sponsored Funds. AQR or affiliated entities may also from time-to-time act as general partner or managing member to certain Sponsored Funds formed as limited partnerships or limited liability companies. AQR or affiliated entities may act as general partner to both the Master Fund and Feeder Fund in a Master-Feeder Structure. The following AQR-affiliated entities serve as general partner or managing member to one or more Sponsored Funds:

- AQR Principal Global Asset Allocation, LLC
- AQR Capital Management GP II Ltd.

- AQR Capital Management GP Ltd.
- AQR Capital Management II, LLC
- AQR Capital Management III, LLC
- AQR Investment Fund GP, LLC
- AQR Tax Advantaged GP, LLC

AQR, where appropriate, may recommend that one or more Sponsored Funds or AQR Funds invest in other Sponsored Funds or AQR Funds, including funds sub-advised by CNH. Investments in affiliated funds may be made either through the Master Fund and/or Feeder Fund or one or more of the Series Funds. AQR may also employ CNH to perform research and investment management support services.

AQR serves as the investment adviser to, and two related persons serve on the Board of Trustees of, the AQR Funds. Subject to the overall authority of the Board of Trustees, AQR furnishes continuous investment supervision and management to the AQR Funds' portfolios and also furnishes office space, equipment and management personnel, including persons satisfactory to the Board of Trustees to serve as officers of the Series Funds, and also provides certain other administrative services to each Series Fund. CNH serves as the sub-adviser for the AQR Diversified Arbitrage Fund and certain strategies of the AQR Multi-Strategy Alternative Fund.

AQR is the sole shareholder of AQR Pty Limited, an Australian propriety company domiciled in Sydney, Australia. AQR Pty Limited provides AQR with investment management marketing services in Australia under a Financial Services License with the Australian Securities and Investments Commission.

AQR also owns AQR Capital Management (Europe) LLP ("AQR Europe"), a UK limited liability partnership that is authorized by the UK's Financial Conduct Authority ("FCA") for advising, arranging, managing, dealing as agent (for professional investors only), and for managing unauthorized alternative investment funds (Firm FCA Ref. No. 567411). AQR Europe is domiciled in England and Wales and was formed on May 12, 2012. AQR Europe is the sole member of AQR Capital Management (DK Service) Aps ("AQR DK Service") a Danish private limited company incorporated on July 1, 2012, and domiciled in Denmark. AQR DK Service provides AQR with research services in Denmark.

AQR is the sole subscriber to AQR Capital Management (UK Services) Limited ("AQR UK"), a United Kingdom private limited company incorporated on May 10, 2012 in England and Wales. AQR UK is the managing member of AQR Europe.

AQR Capital Management (Asia) Limited is a wholly-owned subsidiary of AQR and is licensed to conduct Type 1 (Dealing in Securities) regulated activity in Hong Kong from the Hong Kong Securities and Futures Commission.

AQR Capital Management (Canada), LLC is also a wholly-owned subsidiary of AQR and is registered with Canadian securities regulators in Alberta, British Columbia,

Manitoba, Newfoundland and Labrador, Nova Scotia, Ontario, Quebec, and Saskatchewan as an Exempt Market Dealer.

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

Code of Ethics: AQR’s officers, principals, and employees (including members of their households) (collectively “Covered Persons”) must abide by AQR’s Code of Ethics (the “Code”).

Covered Persons are permitted to invest in AQR Funds, Sub-Advised Mutual Funds and Sponsored Funds, and through their personal trading accounts, subject to certain restrictions. Covered Persons may in certain circumstances invest in the same or related securities as AQR or an affiliate invests in for Clients, including doing so before, or at or about the same time as a Client transaction is effected. AQR has implemented the Personal Securities Transactions and Private Investments section of the Code in order to reduce conflicts of interest that may arise between trading for Clients and the personal trading activities of Covered Persons. Covered Persons must adhere to AQR’s anti-front running requirements. These policies, among other things, also prohibit certain personal transactions, impose restrictions on personal trades, require Covered Persons to pre-clear certain personal trades, and require Covered Persons to make certain reports regarding their personal trading and private investments.

AQR is firmly committed to making its Covered Persons (both current and prospective) aware of the requirements within AQR’s Business Conduct Manual (the “Business Conduct Manual”), which also contains the firm’s Code. All employees and prospective employees are provided with the Business Conduct Manual at the time of hire, and each employee must certify that he or she has received a copy of the Business Conduct Manual and has read and understands its provisions. All employees are required to certify annually that they have complied with the terms of the Business Conduct Manual and the Code. Additionally, AQR conducts periodic compliance training that addresses the requirements of the Business Conduct Manual and certain other policies described in this Item.

Clients or prospective Clients may obtain a copy of the Business Conduct Manual upon request.

Client Transactions in Securities Where Adviser has a Material Financial Interest: AQR, where appropriate, may recommend that one or more Sponsored Funds or AQR Funds invest in other Sponsored Funds or AQR Funds, including funds managed or sub-advised by CNH. These practices create a conflict of interest because AQR or a related person has an incentive to recommend its products to Clients based on its own financial interests, rather than solely the interests of a Client.

Investments in affiliated funds may be made through either the Master Fund and/or Feeder Fund or one or more of the Series Funds. AQR may also employ CNH to perform research and investment management support services.

Investing in Securities Recommended to Clients: When AQR determines that it would be appropriate for one or more Sponsored Funds, Series Funds, or other Clients, including its own proprietary accounts, to participate in an investment opportunity, AQR will seek to execute orders for all of the participating accounts, including its own proprietary account, on an equitable basis.

Subject to applicable laws and/or Client restrictions, AQR may instruct on the purchase, sale or holding of a certain security or securities for a Client or proprietary account while also instructing other Client or proprietary accounts to enter into a different or opposite investment decision regarding the same security or securities. Hence, AQR may direct the purchase or sale of the same securities for more than one advisory Client (or proprietary account) account on the same day (including at the same time) in the same direction, the opposite direction, or a combination of the two directions. There may be potential disadvantages when more than one Client simultaneously seeks to buy or sell commonly held securities and other investment positions. Additionally, certain Clients may take an opposite investment position (*i.e.*, a long position versus a short position) in the same security held by other Clients.

AQR will seek to allocate investment opportunities and trades fairly. “Fair” treatment does not mean identical treatment of all Clients. Rather, it means that AQR does not discriminate on an impermissible basis against one Client or group of Clients. When AQR transacts in securities or instruments for more than one Client, the investment opportunities and trades will be allocated in a manner consistent with AQR’s fiduciary duties. Please refer to Item 12 – Brokerage Practices for a description of AQR’s trade aggregation and allocation procedures.

Certain employees of AQR maintain personal private investment holdings, which may include private companies and/or private funds. Certain of these investments are maintained with third-party investment managers who sponsor investment vehicles that may compete with AQR or that AQR or certain AQR affiliates may recommend to its clients. Furthermore, certain of these personal investments may have terms that are more favorable than those routinely offered by the unaffiliated investment manager (for example, reduced fees). These personal investments may give rise to potential or actual conflicts of interest between AQR’s Clients on the one hand, and AQR and its affiliates, on the other hand. Accordingly, AQR’s personal securities investment and reporting policies, which require the pre-approval from the Chief Compliance Officer, or his designee, on any personal private fund or private company investment, seek to address any potential or actual conflicts of interest relating to personal private investments.

Investing in Securities Issued by Clients, Counterparties, and Related Parties: To the extent permitted by law and account guidelines, AQR may recommend the purchase, sale or holding of securities issued by companies with which AQR has material business relationships, including companies which are Clients, prospective Clients or which are affiliated with Clients, service providers or trading counterparties. These transactions are subject to the requirements and limitations of the Code and related policies, as well as the requirements of the Advisers Act, the Company Act and/or other applicable laws.

Conflict of Interest Created by Contemporaneous Trading: Certain qualified employees have invested their own monies in Sponsored Funds managed by investment personnel of AQR and/or CNH. From time to time, AQR or a related person may buy or sell securities for Clients before, or at about the same time that AQR or a related person buys or sells the same securities for its own accounts. These Sponsored Funds may hold, purchase, sell, or short the same investments in which Clients have interests. In order to minimize the conflicts stemming from situations where this type of contemporaneous trading might result in an economic benefit for AQR or its related persons to the detriment of a Client, AQR has adopted the trade aggregation and allocation policies and procedures discussed in Item 12 – Brokerage Practices below.

Insider Trading/Material Nonpublic Information (“MNPI”): All AQR employees are subject to the Code’s Policy to Prevent Trading on Material Nonpublic Information. This section of the Code includes policies and procedures prohibiting the misuse of MNPI and is designed to prevent insider trading by an officer or employee of the Adviser. Additionally, employees are prohibited from transacting in the securities of the relevant issuer while in possession of MNPI and disclosing MNPI to any person, including, but not limited to, family members.

In accordance with these policies, to prevent trading of public securities based on MNPI, AQR maintains a “restricted list” that identifies any securities that cannot be purchased by Covered Persons or Clients. The issuers named on this restricted list are coded as prohibited in AQR’s trading and portfolio compliance system, thus blocking the Adviser from trading in these securities without the consent of the Adviser’s Chief Compliance Officer or his designee.

Item 12 – Brokerage Practices

AQR is responsible for selecting brokers to execute portfolio transactions on behalf of Clients and negotiating any commissions or spreads paid on such transactions, except with respect to providing model portfolio recommendations to Overlay Managers and for Client's that have entered into directed brokerage agreements. Securities transactions normally will be purchased through brokers selected by AQR in its sole discretion without the consent of Clients. Before establishing a relationship with any counterparty, the Adviser's Global Trading group ("GT") will evaluate the counterparty based on selection factors including, but not limited to, those listed below. In addition, the Adviser's Counterparty Committee will review each proposed counterparty relationship. Only after due diligence is complete will the Counterparty Committee vote to approve a counterparty. The Counterparty Committee maintains a list of all counterparties approved to execute Client orders and will continue to review those counterparties on an on-going basis. The Best Execution Committee evaluates selection factors listed below on an ongoing basis.

With regard to inducement rules under the recast EU Markets in Financial Instruments Directive ("MIFID II"), AQR takes a global unbundling approach and will pay for external research and data out of its own assets.

Brokerage Relationships: AQR's relationships with counterparties, particularly those affiliated with large financial services organizations, are complex. AQR uses various counterparties to execute orders on behalf of Clients, but may also have other relationships with such firms. For example:

- AQR may invest Client assets in securities issued by counterparties or their affiliates;
- AQR may provide investment management services to certain counterparties or their affiliates;
- Certain counterparties may provide both internally-generated and third-party research to AQR;
- Certain counterparties may refer prospective clients to AQR, serve as placement agents, or may invest themselves in AQR's products.

Notwithstanding such relationships or business dealings with these counterparties, AQR has a duty to Clients to seek best execution when trading with these firms and has implemented policies and procedures to monitor its efforts in this regard.

Selection Factors for Counterparties:

Best Execution: Clients often grant AQR or its affiliates the authority to select the counterparty to be used for the purchase or sale of securities and investments. Consequently, AQR has a duty to seek best execution of transactions for Clients. “Best execution” is generally understood to mean the most favorable cost or net proceeds reasonably obtainable under the circumstances.

In seeking best execution, the selection of executing brokers and their respective capabilities on behalf of Clients shall be evaluated by GT and the Best Execution Committee. Each broker evaluation shall be conducted by GT and consider factors including, but not limited to, those described below. The determining factor is not necessarily the lowest possible commission cost, but whether the transaction represents the best qualitative execution overall. The Best Execution Committee has determined that the following factors, to the extent applicable, should be considered in determining whether a broker provides best execution:

Execution Capability: The following factors are considered when assessing a broker’s execution capability: quality of overall execution services provided by the broker; promptness of execution; ability to access various market centers; the broker’s facilities; the size and volume of the broker’s order flow; any expertise the broker may have in executing trades for the particular type of security; execution and operational capabilities of the broker (including relative execution capability based on the size of the order, the trading characteristics of the security involved, the likelihood that the broker will know where other buyers or sellers can be found and the cost and difficulty associated with achieving such access); and technology developments and market changes, including the ability of the broker to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity.

Broker Quality: The following factors are considered for broker quality: Creditworthiness and financial condition of the broker; Ability or willingness to maintain and commit adequate capital when necessary to complete trades; Promptness and accuracy of oral, hard copy or electronic reports of execution; History of low trade errors and the ability and willingness to correct broker errors; Promptness and accuracy of confirmation statements; and Reliability, reputation and integrity of the broker.

When selecting brokers to execute Client trades, employees may not consider factors that are based on a personal benefit or conflicts of interest (*e.g.*, directing execution as a means of compensating others for personal favors). In addition, employees are required to disclose to the Compliance Department any related person of the employee who is employed by or affiliated with a bank, broker-dealer, futures broker or commodities broker, which may present a potential conflict of interest.

The AQR Funds will not compensate a broker or dealer for any promotion or sale of shares of the AQR Funds by direction to the broker or dealer of the AQR Funds' portfolio securities transactions, or any remuneration (including, but not limited to, any commission, mark-up, mark down, or other fee) received or to be received from the portfolio transactions effected through any other broker or dealer (*see* Rule 12b-1(h) under the Company Act). However, the AQR Funds may direct transactions to a broker or dealer that promotes or sells the AQR Funds' shares, provided the business arrangement is in compliance with the conditions required by applicable law.

Commission Rates: Recognizing the value of these factors, AQR may select counterparties that charge a commission in excess of that which another counterparty might have charged for effecting the same transaction. AQR is not obligated to choose the counterparty offering the lowest available commission rate if, in AQR's reasonable judgment, the total cost or proceeds from the transaction may be less favorable than what may be obtained elsewhere or if a higher commission is justified by the service provided by another counterparty.

Review of Counterparty Execution: AQR has implemented internal controls and procedures to address the conflicts of interest associated with its brokerage practices. To determine that it is receiving best execution for its transactions over time, AQR will obtain information as to the general level of commission rates being charged by the brokerage community, from time to time, and will periodically evaluate the overall reasonableness of brokerage commissions paid on Client transactions by reference to such data. To the extent AQR has been paying higher commission rates for its transactions, AQR will determine if the quality of execution and the services provided by the counterparty justify these higher commissions.

AQR's Best Execution Committee oversees best execution. The Best Execution Committee reviews commission rates by broker, country, and investment type per Client as part of its overall responsibility. Counterparty effectiveness is evaluated on cost, connectivity, operational performance and other related factors. Moreover, the Counterparty Committee reviews credit quality and operational viability of the Adviser's clearing and execution counterparties.

Client Restrictions: Client imposed restrictions that constrain AQR's operational efficiency and broker selection may impact AQR's ability to achieve best execution.

Directed Brokerage: AQR generally does not recommend, request, or require that Clients direct AQR to execute transactions through a specified counterparty. However, from time to time a Client may direct AQR to use a particular counterparty for all or a percentage of trades (a "directed brokerage arrangement"). The Client should consider the costs and disadvantages that may occur if a directed brokerage arrangement is employed, such as higher commissions, less than favorable execution, and/or exclusion from trade opportunities. It is AQR's practice not to negotiate commission rates with directed counterparties unless expressly requested by the Client.

Clients with directed brokerage arrangements thus should consider the following: they may pay higher commissions on some transactions than might be attained by AQR or receive less favorable execution on some transactions, or both; they may not be able to participate in the allocation of initial public offerings; AQR may not begin to execute transactions with directed counterparties until non-directed brokerage orders are completed; and they may not generate returns equal to those Clients that do not have directed brokerage arrangements. Further, Clients who designate the use of particular counterparties should understand that they may lose the possible advantage which non-designating Clients derive from aggregation of orders for several Clients as a single transaction for the purchase or sale of a particular security. Accordingly, a Client with a directed brokerage arrangement should determine whether or not the specified counterparty could provide adequate price and execution for its transactions.

Prime Brokerage: Many Clients have one or more prime brokers through which the Client's trade clearance and financing is coordinated. Prime brokers may also provide AQR with research, reporting, and analysis tools as part of their services.

Step-Outs: AQR may use "step-out trades" when AQR determines that it may facilitate better execution for certain Client trades. Step-out trades are transactions which are placed at one counterparty and then "given up" or "stepped out" by that counterparty to another counterparty. Step-out trades may benefit the Client by finding a natural buyer or seller of a particular security so that AQR can trade a larger block of shares more efficiently. Unless directed otherwise by the Client, AQR may use step-out trades for any Clients.

Soft Dollar Arrangements: The term "soft dollars" refers generally to the practice by investment advisers of paying for research and brokerage services using brokerage commissions generated by the execution of trades for their clients' accounts. AQR does not currently use soft dollars in connection with any of the Clients we advise. To the extent AQR does use soft dollars in the future, we expect that such use will fall within the safe harbor afforded by Section 28(e) of the Securities Exchange Act of 1934, as amended.

Brokerage for Client Referrals: AQR does not select counterparties based on or related to Client referrals or in connection with past or future placement of investors into AQR Funds, AQR UCITS, or Sponsored Funds. Certain broker-dealers may host conferences and events for prospective investors. On occasion, representatives of AQR may speak at these "capital introduction" events and meet with prospective investors. AQR may accept subscriptions from investors who also provide services to Clients, including brokers and their affiliates. Relationships such as these could be viewed as creating a conflict of interest that potentially could affect AQR's ability to seek best execution. While AQR's relationship with broker-dealers may influence it in deciding whether to use such brokers in connection with brokerage, financing and other activities of Clients, AQR will not commit with any broker to allocate a particular amount of brokerage to that broker. In addition, AQR conducts best execution reviews on a regular basis in an effort to mitigate potential conflicts of interest with brokerage relationships, and to provide reasonable assurance that AQR obtains best execution for all Clients.

Trade Aggregation and Allocation: As discussed in Item 6 – Performance-Based Fees and Side-By-Side Management above, side-by-side management of various types of portfolios raises the possibility of favorable or preferential treatment of a portfolio or a group of portfolios arising from differences in fee arrangements. As a registered investment adviser and a fiduciary, AQR exercises due care to ensure that investment opportunities are allocated equitably among all Clients, regardless of their corresponding fee-structure. Towards this end, AQR has implemented specific controls built on two general principles: fair allocation of a trade opportunity and fair allocation of price. Depending upon the particular instrument, the trade opportunities for which a Client will participate are determined by AQR’s quantitative investment models, as they prescribe the specific appetites based on pre-determined parameters and measures for individual securities based on the particular Client’s investment objectives with its specified account restrictions. Upon completion of this process, a set of transactions are identified that are either traded in aggregate with other accounts with similar objectives or are traded individually. When evaluating trade opportunities, AQR’s considerations include the expected liquidity available in the market relative to the size of the aggregate trades AQR will effect on behalf of Clients. AQR will also consider the expected impact of trade activity on behalf of Clients for which AQR does not exercise investment discretion, Clients who receive only model portfolios or other persons whom AQR expects to trade in the same securities. Taking into consideration the anticipated trading activity by these accounts has the potential of reducing the amount of trading that AQR estimates that it will be able to implement for Clients for which it exercises discretion and could extend the period necessary for AQR to implement investment ideas for Clients.

If AQR has determined to invest at the same time for more than one of the accounts, AQR may (but is not obligated to) aggregate or “bunch” orders to obtain best execution, negotiate more favorable commission rates, or allocate equitably among Clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this aggregation procedure, transactions will generally be averaged as to price and allocated among Clients *pro rata*, based on original allocation to the purchase and sale orders placed for each Client on any given day. To the extent that AQR determines to aggregate Client orders for the purchase or sale of investments, including investments in which AQR’s principal(s) and/or associated person(s) may invest, AQR shall do so in a fair and equitable manner. AQR shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that AQR determines not to aggregate Client orders, Clients may be subject to different prices and commissions or other transaction costs compared to what they would have obtained had such orders been placed on an aggregate basis.

If an aggregate order on behalf of more than one Client cannot be fully executed under prevailing market conditions, AQR may allocate the securities traded among the different Clients on the basis in which it considers equitable. In these circumstances, each Client would generally pay, in connection with the purchase (sale) of securities by more than one Client, the average price per unit acquired (sold), which may be higher (lower) than if it had acted alone, and it may otherwise not be able to execute an investment decision as effectively as it could have if it had acted alone.

In the event that AQR determines that a *pro rata* allocation for partially executed aggregate orders is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the Client with the smallest order or the smallest position or to a Client that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) an allocation may be given to a Client when the Client has limitations in its investment guidelines which prohibit it from purchasing other securities that are expected to produce similar investment results and can be purchased by other Clients; (iii) if a Client reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other Clients (this may be due to unforeseen changes in a Client's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to Clients low in cash; (v) in cases when a *pro rata* allocation of a potential execution would result in a *de minimis* allocation in one or more Clients, AQR may exclude the Client(s) from the allocation and the transactions may be executed on a *pro rata* basis among the remaining Clients; or (vi) in cases where a small proportion of an order is executed in all Clients, shares may be allocated to one or more Clients on a random basis.

AQR's Compliance Department monitors the allocation of investment opportunities by utilizing reports, produced daily or on an as-needed basis. AQR believes that these activities, along with other controls, provide an environment that fosters the fair and equitable treatment of Clients.

Cross Trades: Cross trades occur when AQR arranges for the purchase and sale of a security between certain types of Clients at an AQR specified price. Under certain conditions, AQR may enter into cross trades provided they are executed in compliance with the Advisers Act and, if pertinent, the Company Act.

Principal Trades: To the extent that AQR engages in a principal transaction covered by Section 206(3) of the Advisers Act due to the ownership interest in a Client by AQR, its affiliates or its personnel, AQR will comply with the requirements of Section 206(3) of the Advisers Act, including that AQR will notify the applicable Client (or an independent representative of the Client) in writing of the transaction and obtain the Client's consent (or the consent of an independent representative of the Client). Section 206(3) of the Advisers Act only applies with respect to principal transactions involving the purchase or sale of securities (and not, for the avoidance of doubt, commodities, currencies or many of the other financial instruments in which a Client may trade).

Opposing Orders in the Same Security ("Netting Trades"): Netting trades occur when AQR submits simultaneous buy and sell orders for two or more Clients to a counterparty for execution. The counterparty executes the portion that cannot be offset amongst the buy and sell orders and assigns the buy and sell orders the same execution price for the entire transaction. AQR believes such netting trades reduce the market impact of the trades and therefore provide best execution for the Clients.

Incident Handling Policy: AQR classifies trade errors pursuant to its own error correction policies and procedures as those orders executed by GT without instructions or

not in accordance with AQR portfolio management team's instructions that may affect a Client's account. Discernible net realized losses incurred by a Client(s) due to such a trade error or due to AQR's breach of a Client guideline or a regulatory requirement (subject to the applicable terms of the investment management agreement) are generally reimbursable by AQR. However, process enhancements, errors or other incidents that occur in connection with AQR's design, programming or use of models and/or data sources in the investment management process that may negatively impact a Client's portfolio are deemed "process incidents". Process incidents are not considered trade errors subject to reimbursement under AQR's policies and are assessed on a case-by-case basis. Errors caused by brokers or other third parties are not covered by this particular policy.

While AQR will attempt to correct the error promptly, correction of errors may be delayed in certain cases where investigation of the error is necessary or where consultation with a particular Client is sought. AQR will not use another Client's account to reimburse trade errors, nor will commission or "soft dollars" be used to correct Adviser trade errors.

AQR may agree to comply with a specific Client's policies regarding the handling of errors that may be different from the policies set forth above.

Item 13 – Review of Accounts

AQR's portfolio managers, client administration analysts, and the Compliance Department frequently communicate with the trading and portfolio management staff to review the status of, and to provide instructions or guidance concerning, pending transactions for, and overall performance of, each Client's account. The level of review and guidance provided by AQR's portfolio management personnel varies based upon facts and circumstances specific to individual Clients. Generally, a review of a Client's account includes specific securities held, adherence to investment guidelines, and account performance.

Although AQR reviews each Client's account on a regular basis, there are facts and circumstances which may prompt *ad hoc* reviews. Significant market events affecting the prices of one or more securities held by a Client, changes in investment objectives or guidelines of a particular Client, or specific arrangements with particular Clients or investors may trigger more frequent reviews of a particular Client's account.

In addition, various investment committees of the firm are responsible for monitoring investment strategies employed by the respective portfolios. These committees generally have an overall responsibility for monitoring the portfolios' investments and the efficacy of those investments.

Subscribers in Sponsored Funds are generally furnished (i) as soon as practicable after the end of each fiscal year, written annual reports of the relevant Sponsored Fund(s) that include audited financial statements prepared in accordance with U.S. generally accepted accounting principles or other acceptable accounting principles; and (ii) on a basis no less frequently than quarterly, written unaudited reports on the operations of the relevant Sponsored Fund(s) which may include a statement of the net asset value of the Subscriber's interest in such Sponsored Fund(s). Subscribers in Sponsored Funds receive reports from AQR pursuant to the terms of each Sponsored Funds' offering memoranda or investor side letter.

Managed Account Clients receive regular written reports from their custodian and may receive operational reports from AQR upon request or as required in the investment management agreement.

Investors in AQR Funds receive certain written quarterly and other periodic reports of investment companies authorized for public offer and sale, which are available on the SEC's website at www.sec.gov and are also posted to the AQR Funds website <https://funds.aqr.com>. In addition, within 15 days following the end of each calendar quarter, each Series Fund will make available on its website a complete uncertified schedule of its portfolio holdings as of the end of the quarter.

Investors in AQR UCITS receive regular written reports from AQR in accordance with the principles established in the UCITS directives.

Item 14 – Client Referrals and Other Compensation

Relationships with Consultants

Many of our Clients and prospective Clients retain investment consultants to advise them on the selection and review of investment managers. AQR may have certain Clients that were introduced to us through consultants. These consultants or their affiliates may, in the ordinary course of their investment consulting business, recommend AQR's investment advisory services or otherwise place AQR into searches or other selection processes for a particular client.

AQR has extensive dealings with investment consultants, both in the consultants' role as adviser for their clients and through independent business relationships. Specifically, AQR provides consultants with information on portfolios it manages for its mutual clients, pursuant to its Clients' directions. AQR also provides information on its investment styles and performance to consultants, who use that information in connection with searches they conduct for their clients. AQR may also respond to "Requests for Proposals" from prospective clients in connection with those searches.

- AQR may invite consultants to events or other entertainment hosted by AQR.
- AQR may pay registration or other fees for the opportunity to participate, along with other investment managers, in consultant-sponsored industry forums or conferences. These conferences or forums may provide AQR with the opportunity to discuss a variety of business topics with consultants, Clients, and prospective Clients.
- In some cases, AQR may serve as investment adviser for the proprietary accounts of consultants or their affiliates or as adviser or sub-adviser for funds offered by consultants and/or their affiliates.

In general, AQR relies on each consultant to make appropriate disclosure to its clients of any conflict that the consultant may believe to exist due to its relationship with AQR.

Relationships with Brokers

As discussed in Item 12 – Brokerage Practices, AQR currently does not have any soft dollar arrangements. AQR may receive research and brokerage services from certain counterparties that execute trades for Clients. As noted in Item 12 – Brokerage Practices, with regard to inducement rules under MiFID II, AQR takes a global unbundling approach and will pay for external research and data out of its own assets. AQR has a duty to seek overall best execution of transactions for Clients and has instituted internal controls and procedures designed to ensure that AQR is receiving best execution for Client transactions over time, taking into account all pertinent factors.

Other Relationships

In certain cases, AQR compensates certain third parties for investor referrals from AQR's own resources. In other cases, and as disclosed in the relevant fund offering materials, compensation for such third party investor referrals is paid for by the relevant fund or by the relevant investor.

AQR is a party to Client Service/Marketing Agreement(s) with one or more subsidiaries of AMG, under which the AMG subsidiaries market certain of AQR's investment strategies to wholesale clients and provide client services to AQR's Clients in certain countries. AQR pays the AMG subsidiaries a fee for these services.

Employees of AQR may be compensated for referring investors to AQR Funds. Certain employees may receive a portion of the revenues generated from the management of the assets of the new investor. Any such activities will be consistent, as pertinent, with Rule 206(4)-3 under the Advisers Act or other applicable law. The cost of these referral fees is paid entirely by AQR and is not borne by the referred investor.

AQR and/or certain Sponsored Funds have engaged external placement agents for placement of new fund interests. Placement agents that introduce investors to a Sponsored Fund are subject to a conflict of interest to the extent that they will be compensated in connection with their introduction activities. If a prospective investor is introduced to a Sponsored Fund through a placement agent, appropriate disclosure will be made to such prospective investor regarding the arrangement, if any, with such placement agent. If any placement agent receives compensation for its services, such compensation would be made on a fully disclosed basis as outlined in the Sponsored Fund's offering documentation.

AQR (or an affiliate) may make payments out of its own resources to certain financial intermediaries or their affiliates based on sales or assets attributable to the intermediary, or such other criteria agreed to by AQR in connection with the sale or distribution of a Series Fund's shares or the administration of shareholder accounts. AQR selects the intermediaries to which it or its affiliate makes payments. These additional payments to intermediaries, which are sometimes referred to as "revenue sharing" payments, may represent a premium over payments made by other fund families, and investment professionals may have an added incentive to sell or recommend a Series Fund or a share class of the Series Fund over others offered by competing fund families. AQR may make other payments or allow promotional incentives to broker-dealers to the extent permitted by SEC and FINRA rules and by other applicable laws and regulations.

Item 15 – Custody

AQR is deemed to have custody of the assets of Private Funds, Australian Funds, and AQR UCITS by virtue of AQR's or its affiliates' control over such funds' assets or role as general partner and/or managing member of such funds. Investment advisers with custody of client funds or securities are required to comply with the requirements of Rule 206(4)-2 of the Advisers Act. AQR does not have actual physical custody of any investor funds or securities invested in such funds; rather, all such assets are held in the name of each of the applicable funds by an independent qualified custodian. Each applicable fund is audited annually by an independent public accountant, and investors receive annual financial statements within 120 days following such fund's fiscal year end, as required by applicable law.⁵

AQR does not have custody of the assets of the Managed Accounts. Managed Accounts must make their own arrangements for custody of securities. Such custodians may be broker-dealers, prime brokers, banks, trust companies, or other qualified institutions. The qualified custodian will typically provide the Managed Account with at least quarterly account statements relating to the assets held within the account advised by AQR. Each Managed Account should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the account and all account activity over the relevant period. Any discrepancies identified by a Managed Account should be immediately reported to AQR and the qualified custodian.

In addition to the account statements provided by qualified custodians to AQR's Managed Accounts, AQR also provides account statements to Managed Accounts on a periodic basis, as agreed upon between the Managed Accounts and the Adviser. These statements are intended to complement, not replace, the statements provided by the Managed Account's qualified custodian. As such, AQR encourages Managed Accounts to compare the statements provided to them by AQR against those provided to them by their qualified custodians who hold the assets of their accounts, and to report any questions, concerns, or discrepancies to both the Adviser and the qualified custodian promptly. AQR's statements may vary from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities. However, please note that custodian statements reflect the official books and records for the Managed Accounts.

⁵ Private Funds that rely on CFTC Rule 4.7 provide their Subscribers with annual reports within 90 days of the Sponsored Fund's fiscal year end.

Item 16 – Investment Discretion

AQR generally provides investment advisory services on a discretionary basis to Clients, though as noted above in Item 4 – Advisory Business, AQR does provide non-discretionary model portfolio recommendations to certain Clients.

Prior to assuming discretion in managing a Client’s assets, the Adviser enters into a written investment management agreement or other agreement that sets forth the scope of the Adviser’s discretion.

The agreement gives the Adviser the authority to determine the timing and amount of securities and other instruments to be purchased and sold for the Client account (subject to restrictions on AQR’s activities set forth in the applicable agreement and any written investment guidelines). Because of the differences in Client investment objectives and strategies, risk tolerances, tax status, liquidity considerations, and other criteria, there may be differences among Clients in invested positions and amounts held. Please see Item 12 – Brokerage Practices.

From time to time, securities that are or were held by Clients may be involved in a class action lawsuit. AQR utilizes the services of Financial Recovery Technologies (“FRT”) in connection with identifying, analyzing, asserting and filing claims in U.S. class action securities litigation on behalf of its UCITS Funds, Sponsored Funds and Series Funds. AQR utilizes the services of DRRT, an international law firm, in connection with identifying, analyzing, asserting and filing international claims in antitrust and class action securities litigation on behalf of its UCITS Funds, Sponsored Funds and Series Funds.

Managed Accounts generally rely on their custodian to direct participation in class action securities litigation. However, from time to time, where there is an instruction in an investment management or other agreement to assess participation in class action lawsuits, AQR will enlist the services of FRT and/or DRRT to identify, analyze, assert and file claims for the benefit of the Managed Account.

For each case in which DRRT or FRT files a claim on behalf of an AQR Client, DRRT or FRT, as applicable, retains a percentage of any recovery as their fee, subject to certain maximums.

Item 17 – Voting Client Securities

AQR's authority to vote proxies for its Clients, if granted, is established by its investment advisory agreements or comparable documents. AQR has established proxy voting policies and procedures, and AQR's Compliance Department monitors the proxy voting process. The proxy voting procedures are designed to ensure that proxies are voted in the Clients' best interest. AQR will generally vote proxies according to the proxy voting guidelines developed by Institutional Shareholder Services Inc. ("ISS") and adopted by AQR. ISS is an unaffiliated third party corporate governance research service that provides proxy-related services including, but not limited to, proxy research, vote recommendations, recordkeeping, and reporting.

AQR's authority to vote proxies for its Clients is not a material component of any of AQR's investments or strategies. AQR typically follows a systematic, research-driven approach, applying quantitative tools to process fundamental information and manage risk, significantly reducing the importance and usefulness of the proxies AQR receives and votes, or causes to be voted, on behalf of its clients. However, from time to time, AQR may determine to vote a particular proxy contrary to the recommendation of ISS which could give rise to potential conflict of interest. AQR's Proxy Voting Policy includes guidelines to identify and resolve conflict of interests related to voting proxies on behalf of AQR's Clients.

In certain circumstances, Clients are permitted to direct their votes in a particular solicitation. A Client that wishes to direct its vote in a particular solicitation shall give reasonable prior written notice to AQR indicating such intention and provide written instructions directing AQR or ISS to vote in regard to the particular solicitation. Where such prior written notice is received, ISS will vote proxies in accordance with such written instructions received from the Client.

To the extent that AQR is voting a proxy itself and not utilizing ISS's recommendation, AQR will be required to vote proxies in a way that, in AQR's best judgment, is in the best interest of AQR's Clients holding such securities. Unless prior approval is obtained from the CCO or designee, the following guidelines will generally be adhered to when AQR is voting a proxy itself:

- All communications regarding proxy issues or corporate actions between companies or their agents, or with fellow shareholders, shall be for the sole purpose of expressing and discussing AQR's concerns for its advisory Clients' interests and not for an attempt to influence or control management;
- AQR will not announce its voting intentions and the reasons therefore; and
- AQR will not initiate a proxy solicitation or otherwise seek proxy-voting authority from any other public company shareholder.

Additionally, AQR or ISS may choose to not vote a proxy in certain situations, including but not limited to, when:

- The cost of voting a proxy outweighs the benefit of voting;
- AQR is not given enough time to process the vote;
- AQR has an outstanding sell order or intends to sell the applicable security prior to the voting date;
- There are restrictions on trading resulting from the exercise of a proxy; or
- Voting would cause an undue burden to AQR.

Additionally, from time to time, AQR or ISS may be unable to cast a vote prior to the cutoff date for reasons including, but not limited to, timing of transferring proxy information or account setup. AQR does not view non-voted proxy ballots to be a material issue for either the Clients or AQR's investment strategies. AQR typically follows a systematic, research-driven approach, applying quantitative tools to process fundamental information and manage risk, significantly reducing the importance and usefulness of the proxies AQR receives and votes, or causes to be voted, on behalf of its Clients.

Upon request, AQR will provide a Client with a copy of its proxy voting policies and procedures and information on how the Client's proxies were voted.

Item 18 – Financial Information

This Item is not applicable.

Additional Information – Notice to Canadian Clients

AQR Capital Management, LLC hereby provides notice that the Firm has filed to rely, and is actively relying on the International Adviser Exemption in the provinces of Alberta, British Columbia, Manitoba, Newfoundland and Labrador, Nova Scotia, Ontario, Quebec, and Saskatchewan, pursuant to National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations (“NI 31-103”). For purposes of such exemption, AQR is required to advise you of the following:

- (i) AQR Capital Management, LLC is not registered as an adviser in any province or territory of Canada;
- (ii) the jurisdiction of AQR Capital Management, LLC’s head office and principal place of business is the state of Connecticut, United States;
- (iii) all or substantially all of AQR Capital Management, LLC’s assets are or may be situated outside of Canada;
- (iv) there may be difficulty enforcing legal rights against AQR Capital Management, LLC in Canada because it is resident outside Canada and all or substantially all of its assets are or may be situated outside of Canada; and
- (v) the full name and address of AQR Capital Management, LLC’s agents for service of process in each of the exempted jurisdictions of Canada, can be found below.

Please note that our agents for service are solely for purposes of serving upon us notices, pleadings, subpoenas, summons or other proceedings arising out of or relating to or concerning our activities.

Should you have any questions or require any information, please contact us at 203-742-3600 or info@aqr.com.

AQR Capital Management, LLC has appointed the following agents for service of process in the Canadian provinces listed below:

Jurisdiction	Agent for Service of Process
Alberta	Osler, Hoskin & Harcourt LLP Suite 2500, TransCanada Tower 450 – 1 st Street S.W. Calgary, AB T2P 5H1

Jurisdiction	Agent for Service of Process
British Columbia	Osler, Hoskin & Harcourt LLP 1055 West Hastings Street Suite 1700 The Guinness Tower Victoria, BC V6W 2E9
Manitoba	MLT Aikins LLP 30th Floor, 360 Main Street Winnipeg, MB R3C 4G1
Newfoundland & Labrador	Stewart McKelvey Suite 1100, Cabot Place 100 New Gower Street P.O. Box 5038 St. John's, Newfoundland and Labrador A1C 5V3
Nova Scotia	Charles S. Reagh Stewart McKelvey Suite 900, Purdy's Wharf Tower One 1959 Upper Water Street P.O. Box 997 Halifax, NS B3J 2X2
Ontario	Osler, Hoskin & Harcourt LLP 100 King Street West 1 First Canadian Place, Suite 6100 Toronto, Ontario M5X 1B8
Québec	Osler, Hoskin & Harcourt LLP 1000 rue de la Gauchetière Street West Suite 2100 Montréal, QC H3B 4W5
Saskatchewan	McDougall Gauley LLP 1500 – 1881 Scarth Street Regina, Saskatchewan S4P 4K9