AQR FUNDS-AQR DIVERSIFIED ARBITRAGE FUND


The portion of the distribution that constitutes a non-taxable return of capital will decrease a U.S. taxpayer’s basis in the shares of AQR Funds-AQR Diversified Arbitrage Fund. The non-taxable return of capital is as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>CUSIP</th>
<th>Ticker</th>
<th>Per Share Reduction of Basis in Common Stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I</td>
<td>00203H602</td>
<td>ADAIX</td>
<td>$0.027769</td>
</tr>
<tr>
<td>Class N</td>
<td>00203H107</td>
<td>ADANX</td>
<td>$0.023148</td>
</tr>
<tr>
<td>Class R6</td>
<td>00191K104</td>
<td>QDARX</td>
<td>$0.029059</td>
</tr>
</tbody>
</table>

For Paperwork Reduction Act Notice, see the separate instructions.
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►

IRC SECTIONS 301, 316, 852

18  Can any resulting loss be recognized? ► NO

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THIS ORGANIZATIONAL ACTION IS REPORTABLE WITH RESPECT TO CALENDAR YEAR 2020

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ► _______________ Date ► _______________

Print your name ► A SIGNED COPY IS MAINTAINED BY THE ISSUER  Title ►

Paid Preparer Use Only

Print/Type preparer’s name  Preparer’s signature  Date  Check if self-employed  PTIN
Tara Bongiorni ►  Tara Bongiorni  2/19/2021  ☑  P02359596
Firm’s name ► Deloitte Tax LLP  Firm’s EIN ► 86-1065772
Firm’s address ► 30 Rockefeller Plaza, New York, NY 10112-0015  Phone no. 212-492-4000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054