Part I  Reporting Issuer

1  Issuer’s name
AQR FUNDS-AQR MULTI-STRATEGY ALTERNATIVE FUND

2  Issuer’s employer identification number (EIN)
45-1010485

3  Name of contact for additional information
PATRICK RYAN

4  Telephone No. of contact
203-742-3940

5  Email address of contact
PATRICK.RYAN@AQR.COM

6  Number and street (or P.O. box if mail is not delivered to street address) of contact
TWO GREENWICH PLAZA

7  City, town, or post office, state, and ZIP code of contact
GREENWICH, CT 06830

8  Date of action
12/18/2020

9  Classification and description
COMMON STOCK - REGULATED INVESTMENT COMPANY

10  CUSIP number
SEE ATTACHED

11  Serial number(s)
N/A

12  Ticker symbol
SEE ATTACHED

13  Account number(s)
N/A

Part II  Organizational Action

14  Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action
AQR FUNDS-AQR MULTI-STRATEGY ALTERNATIVE FUND WAS COMPLETELY LIQUIDATED ON 12/18/2020, WHEREIN ALL OF THE SHARES OF THE FUND WERE REDEEMED IN EXCHANGE FOR LIQUIDATING DISTRIBUTION(S) PURSUANT TO A PLAN OF LIQUIDATION.

15  Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis
AS A RESULT OF THE ABOVE-DESCRIBED ORGANIZATIONAL ACTION, EACH SHAREHOLDER GENERALLY WILL RECOGNIZE GAIN OR LOSS ON THE DISPOSITION OF THE SHARES BEING REDEEMED. THE SHAREHOLDER’S GAIN OR LOSS WILL GENERALLY BE MEASURED AS THE DIFFERENCE BETWEEN GROSS PROCEEDS RECEIVED IN THE LIQUIDATING DISTRIBUTIONS AND THE TAX BASIS IN THEIR SHARES. GAIN OR LOSS REALIZED ON SHARES MAY BE TREATED AS A TAXABLE EVENT. SHAREHOLDERS SHOULD CONTACT THEIR TAX ADVISORS REGARDING THE SPECIFIC CIRCUMSTANCES SURROUNDING THEIR SHARES SUBJECT TO THIS ORGANIZATIONAL ACTION.

16  Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates
AMOUNTS RECEIVED BY A SHAREHOLDER IN A DISTRIBUTION IN COMPLETE LIQUIDATION OF THE FUND IS TREATED AS FULL PAYMENT IN EXCHANGE FOR THE STOCK. THE SALE OR EXCHANGE TREATMENT RESULTS IN THE OFFSETTING OF A SHAREHOLDER’S BASIS AGAINST THE LIQUIDATION DISTRIBUTION PROCEEDS, RESULTING IN REALIZED GAIN OR LOSS. AFTER THIS GAIN OR LOSS RECOGNITION EVENT, THE SHAREHOLDER WILL NO LONGER OWN ANY SHARES OR HAVE ANY TAX BASIS IN THE REDEEMED SHARES.
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
SECTION 331 and SECTION 346(a)

18  Can any resulting loss be recognized? ► A RECOGNIZED LOSS CAN OCCUR ON THE SHARES REDEEMED IN THE LIQUIDATION. SOME RECOGNIZED LOSSES MAY NOT BE DEDUCTIBLE FOR TAX PURPOSES. PLEASE CONSULT YOUR TAX ADVISOR TO DETERMINE THE TAX CONSEQUENCES OF THE SHARES REDEEMED IN YOUR ACCOUNT.

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.

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

Paid Preparer Use Only  
Print/Type preparer’s name  
Tara Bongiorni  
Preparer’s signature  
Tara Bongiorni  
Date  
1/11/2021  
Check □ if self-employed  
PTIN  
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
Fund Name: AQR FUNDS- AQR Multi-Strategy Alternative Fund  
EIN: 45-1010485

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