

AQR Managed Futures Strategy Fund

June 30, 2010

PERFORMANCE

	QTD	YTD	Annualized Total Return			Since Inception (01/05/2010)
			1 Yr	3 Yr	5 Yr	
Class I Shares: AQMIX	-1.11 %	N/A	N/A	N/A	N/A	-2.00 %
Class N Shares: AQMNX	-1.11 %	N/A	N/A	N/A	N/A	-2.10 %
Merrill Lynch 3 Month T-Bill Index	0.04 %	N/A	N/A	N/A	N/A	0.05 %

As of the latest Prospectus, the gross expense ratios for the Class N and Class I are expected to be 1.87% and 1.62%, respectively. See Fund Facts below for net expense ratios. The performance data quoted represents past performance. Past performance does not guarantee future results. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund generally charges 1% of redemption proceeds on shares held for 60 days or less. If reflected, the redemption fee would reduce the performance quoted. Current performance may be lower or higher than the performance data quoted. Call 1-866-290-2688 or visit www.aqrfunds.com for current month-end performance.

The Merrill Lynch 3-Month Treasury Bill Index consists of U.S. Treasury Bills maturing in 90 days. Indexes are unmanaged and one cannot invest directly in an index.

ASSET CLASS EXPOSURE (%)[†]

	% of Risk Allocation
Commodities	27.5 %
Currencies	22.0 %
Equities	16.6 %
Fixed Income	33.9 %

The "Risk Allocation" for each asset class is calculated by taking the standard deviation (a measure of the extent to which numbers are spread around their average) of returns to that set of positions (as if it were a static holding in the Fund) over the prior 60 days, and dividing that number by the sum of that calculation for all asset classes such that the sum of all risk allocations equals 100%.

PORTFOLIO STATISTICS (%)[†]

# of long holdings	62
# of short holdings	18
# of currency holdings	40
Total Fund Assets (\$MM)	195

TOP ACTIVE POSITIONS BY ASSET CLASS (%)[†]

Commodities			Equities		
		% of Risk Allocation			% of Risk Allocation
Sugar No. 11 Future	(Short)	5.5 %	KOSPI 200 Index Future	(Long)	1.2 %
Corn Future	(Short)	3.9 %	Japan Topix Index Future	(Short)	1.1 %
Wheat Future	(Short)	2.7 %	CAC40 Index Future	(Long)	0.9 %
Currencies			Fixed Income		
Long GBP vs Short EUR	(Cross-Currency)	4.7 %	Australia 3 Yr Bond Future	(Long)	1.9 %
Long JPY vs Short USD	(Cross-Currency)	4.0 %	U.S. 2 Yr Treasury Note Future	(Long)	1.8 %
Long USD vs Short EUR	(Cross-Currency)	3.8 %	Australia 10 Yr Bond Future	(Long)	1.8 %

The "Risk Allocation" for each individual position is calculated by taking the standard deviation (a measure of the extent to which numbers are spread around their average) of returns for that position (as if it were a static holding in the Fund) over the prior 60 days, and dividing that number by the sum of that calculation for all instruments such that the sum of all risk allocations equals 100%.

[†] Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities.

FUND FACTS

	Ticker	CUSIP	Inception Date	Investment Minimum	12b-1 Fee	Net Expense Ratio*	Expense Cap*
Class I Shares	AQMIX	00203H859	1/05/10	\$1 Million	None	1.25%	1.25%
Class N Shares	AQMNX	00203H842	1/05/10	\$5,000	0.25%	1.50%	1.50%

*As reported in the most recent Prospectus. The Adviser has contractually agreed until at least April 30, 2011 to waive its management fee and/or reimburse expenses of the Fund to the extent necessary to maintain the total annual fund operating expenses at the stated levels, exclusive of certain expenses such as acquired fund fees and extraordinary expenses. See the Prospectus for additional details.

ABOUT THE FUND

INVESTMENT OBJECTIVE:

Seeks positive absolute returns.

REASONS TO INVEST:

Access to Alternative Investment Strategies

The Fund delivers an active long/short Managed Futures strategy in a mutual fund vehicle.

Portfolio Diversification

Managed Futures strategies seek to generate returns that are uncorrelated to traditional asset classes on average, and can increase a portfolio's diversification.

KEY ADVANTAGES:

Academic Research Foundation

Investment approach is grounded in academic research dating back several decades.

Experienced Management Team

AQR senior management has been working together and implementing futures based strategies since the mid 1990s.

Trading Infrastructure

Ability to minimize transaction costs using proprietary trading algorithms and direct market access.

Cutting Edge Research

Ongoing commitment to research and development.

INVESTMENT APPROACH

The Fund invests in a portfolio of futures contracts and futures-related instruments^[1], utilizing more than 100 contracts across four major asset classes: commodities, currencies, fixed income and equities. The fund can take long or short positions in any of these instruments, and thus seeks to benefit both if the price of the underlying instrument rises or falls.

TRADING STRATEGIES:

The Adviser seeks to establish long or short positions based on a combination of several trading strategies described below.

SHORT-TERM STRATEGY:

This strategy aims to profit from a number of behavioral biases and market frictions that cause prices to under-react to either good or bad news. These biases present opportunities for the fund to invest before prices move fully to reflect the change in fundamental value. The key reasons for this under-reaction are:

- **Anchoring Bias:** Investors tend to anchor their views of fair price to the prior price level and adjust their views insufficiently to news. This phenomenon was first described in Kahneman and Tversky's Nobel-Prize winning research.^[2]
- **Disposition Effect:** Investors tend to sell winners too quickly, while holding onto losers too long.
- **Price Insensitive Market Participants:** Certain market participants, like central banks, may operate to dampen market volatility.

LONG-TERM TREND STRATEGY:

This strategy aims to profit from a number of behavioral biases that cause market participants to over-react. The key reasons for this over-reaction are:

- **Herding:** After prices have trended for a while, some investors jump on the bandwagon, and this herding effect can prolong price trends.
- **Confirmation Bias:** People tend to look for information that confirms what they already believe and look at recent price moves as representative of the future. This can lead investors to move money into investments that have recently made money, and conversely out of investments that have declined, causing trends to continue.
- **Risk Management:** Some risk-management schemes will sell in down markets and buy in up markets, causing trends to persist.

OVER-EXTENDED TREND STRATEGY:

This strategy aims to recognize when a trend is over-extended, which can increase the probability that the trend will reverse:

- **Trend Velocity:** Trends that occur very quickly have a higher tendency to reverse.
- **Length and Magnitude of Trend:** Trends that have persisted for long periods and that have moved prices substantially have a higher tendency to reverse.

TRADING AND RISK CONTROL:

The Adviser employs a number of techniques to effectively trade its investments and to monitor risk:

- **Trading Cost Management:** The Fund employs proprietary portfolio optimization techniques to reduce the costs of trading. Trading is performed by a 24 hour global trading team with extensive expertise in trading many asset classes. The fund employs proprietary electronic order placement algorithms to minimize the market impact of trades.
- **Drawdown Control:** The Fund's portfolio managers utilize a proprietary drawdown control system engineered to reduce the size of drawdowns and maximize gains from favorable market conditions.

^[1] Futures-related instruments include equity index futures, currency forwards, commodity futures, swaps on commodity futures, fixed income futures and bond futures, as well as exchange-traded funds or exchange traded notes that are linked to these contracts.

^[2] See Tversky and Kahnemann (1974).

PRINCIPAL RISKS:

The use of derivatives, forward and futures contracts, and commodities exposes the Fund to additional risks including increased volatility, lack of liquidity, and possible losses greater than the Fund's initial investment as well as increased transaction costs. Concentration generally will lead to greater price volatility. This fund enters into a short sale by selling a security it has borrowed. If the market price of a security increases after the Fund borrows the security, the Fund will suffer a potentially unlimited loss when it replaces the borrowed security at the higher price. Short sales also involve transaction and other costs that will reduce potential Fund gains and increase potential Fund losses.

Diversification does not eliminate risk.

An investor considering the Funds should be able to tolerate potentially wide price fluctuations. The funds are subject to high portfolio turnover risk as a result of frequent trading, and thus, will incur a higher level of brokerage fees and commissions, and cause a higher level of tax liability to shareholders in the funds. The Funds may attempt to increase its income or total return through the use of securities lending, and they may be subject to the possibility of additional loss as a result of this investment technique.

Cliff Asness, Brian Hurst and Yao Hua Ooi are registered representatives of ALPS Distributors, Inc.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Funds before investing. To obtain a prospectus containing this and other important information, please call 1-866-290-2688 or click here to view or download a prospectus online. Read the prospectus carefully before you invest. There are risks involved with investing including the possible loss of principal. Past performance does not guarantee future results. AQR Funds are distributed by ALPS Distributors, Inc. AQR341 10-30-10.

FUND MANAGERS



Clifford S. Asness, Ph.D.

Managing & Founding Principal
Ph.D., M.B.A., University of Chicago
B.S., B.S., University of Pennsylvania



Brian Hurst

Principal, AQR Capital
B.S., University of Pennsylvania



John M. Liew, Ph.D.

Founding Principal, AQR
Ph.D., M.B.A., University of Chicago
B.A., University of Chicago



Yao Hua Ooi

Vice President, AQR
B.S., B.S., University of Pennsylvania



Lasse Pedersen

Principal, AQR
Ph.D., Stanford University
B.S., M.S., University of Copenhagen

AQR Capital Management, LLC

Individual Investor: 866.290.2688
info@aqrfunds.com
Advisor Support: 203.742.3800
advisorsupport@aqrfunds.com