

Item 8.01. Other Events.

On August 31, 2015, SQN Alternative Investment Fund III L.P. (“Fund III”) made a significant liquidation distribution to its limited partners in an amount equivalent to 16.5% of each limited partner’s capital contribution. The distribution was funded from sale proceeds Fund III received from the sale of its interest in an anaerobic digestion facility located in the United Kingdom. The facility was purchased by the lessee of the facility prior to the expiration of the lease.

Since entering its liquidation period in June 2014, Fund III has made aggregate distributions in an amount totaling 23.5% of each limited partner’s capital contribution. To date, Fund III has paid aggregate distributions to its limited partners totaling approximately \$9,812,000. Limited partners admitted at the first closing have received aggregate distributions totaling 41.50% of their capital contributions. During its liquidation period Fund III will continue to make periodic distributions as the remaining portfolio assets are liquidated in the normal course of business.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 31, 2015

SQN Alternative Investment Fund III L.P.

By: SQN AIF III GP, LLC,
its General Partner

By: /S/ JEREMIAH J. SILKOWSKI
Jeremiah J. Silkowski
President and Chief Executive Officer