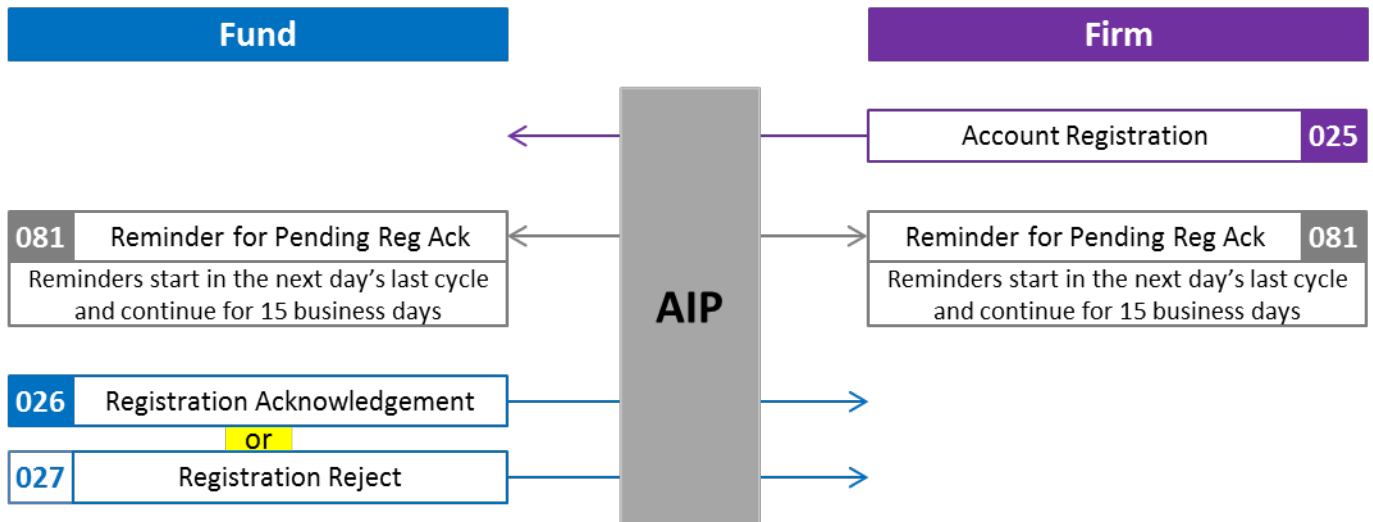


ALTERNATIVE INVESTMENT PRODUCTS TRANSACTION FLOW

ACCOUNT REGISTRATION

FIRM INITIATED



FIRM INITIATED ACCOUNT REGISTRATION

The Account Registration information will inform the Fund how the Firm wishes to establish an account. The registration record will contain information such as Registration Name, Address, SSN/TIN, Account Type, etc.

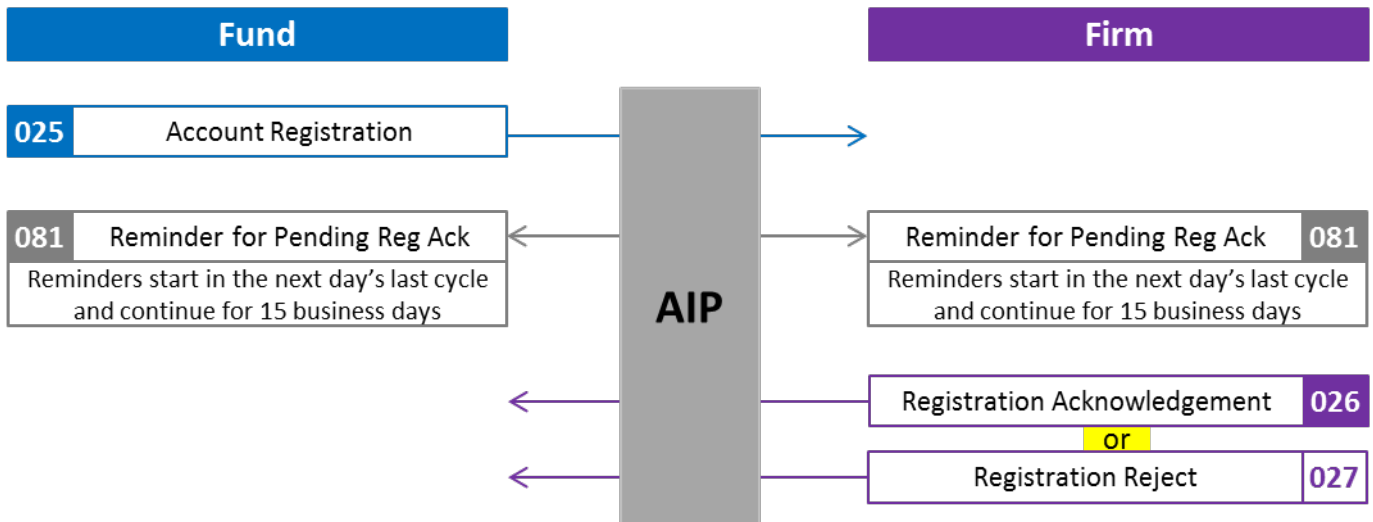
The Firm has the option of setting up a “shell account”, which will provide the Fund with the registration information only and without any order processing. Otherwise, Firms are required to transmit registration instructions prior to each of their (new) initial subscription/purchase orders.

Transaction Flow Details for Registration Only Transactions

- The Firm transmits the Account Registration (025) record to the Fund and indicate the following registration type:
 - Registration Only = 1
- AIP will validate the file for syntax errors (format, values, conditions)
 - If the file is in good form, AIP will accept the Account Registration file and transmit to the Fund.
 - If the file is not in good form, AIP will reject the file back to the Firm. The Firm can resubmit the Account Registration (025) record once they’ve corrected the items noted in the NSCC Reject Reason Code field(s) and the same control number can be reused in this instance.
- If accepted by AIP, the Fund must transmit one of the following:
 - Registration Acknowledgement (026) to the Firm.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a ‘closed’ status.
 - Registration Reject (027), if they opt not to accept the transaction.

ACCOUNT REGISTRATION

FUND INITIATED



FUND INITIATED ACCOUNT REGISTRATION

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- If accepted by AIP, the Firm must transmit one of the following:
 - Registration Acknowledgement (026) to the Fund.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a ‘closed’ status.
 - Registration Reject (027), if they opt not to accept the transaction.

ADDITIONAL INFORMATION RELATED TO ACCOUNT REGISTRATION

Resubmitting a Registration Only account

From time to time, registration data requires updating.

If the Fund has not yet acknowledged the registration and the Firm has a change to the record:

- They should request the Fund to reject the Registration record using the Registration Reject (027) record and submit the following:
 - The Firm transmits the Account Registration (025) record to the Fund with:
 - Registration Only = 1
 - Control Number = must be different from the number submitted in the initial registration.
- The rest of the process proceeds as follows:
 - AIP will validate the file for syntax errors (format, values, conditions)
 - If the file is in good form, AIP will accept the Account Registration record and transmit to the Fund.
 - If the file is not in good form, AIP will 'reject' the file back to the Firm. The Firm can resubmit the Account Registration (025) record once they've corrected the items noted in the NSCC Reject Reason Code field(s) and the same control number can be reused in this instance,
- If accepted by AIP, the Fund must transmit one of the following:
 - Registration Acknowledgement (026) to the Firm
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit 'Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a 'closed' status and no further updates are allowed.
 - Registration Reject (027), if they opt not to accept the transaction

If the Fund has acknowledged the registration and the Firm has a change:

- The Firm transmits an Account Maintenance (053) record to the Fund to update the registration.
 - Control Number = must be different from the number submitted in the account registration record.
 - Make the appropriate changes to the existing Account Registration (025) record.
- AIP will validate the file for syntax errors (format, values, conditions)
 - If the file is in good form, AIP will transmit the Account Maintenance to the Fund.
 - If the file is not in good form, AIP will 'reject' the file back to the Firm.
- The Fund must transmit an acknowledgement to accept the maintenance
 - If accepted, the Fund will transmit a 057 – Maintenance Acknowledgement

Settling Orders

In order for a Firm Initiated Order to be 'ready to settle', it must follow the Subscription/Purchase Transaction Flow:

- Record Types
 - Registration (025) – This record is required if transmitting an initial purchase
 - Registration Acknowledgement (026)
 - Pending Registration Acknowledgement (081)
 - Pending Firm Order (086)
 - Firm Order (001)
 - Fund Acknowledgement of Firm Order (005)
 - Fund Confirmation (007) – This record must be submitted on or before the C98 – End of Day Cycle on (SD–1)
 - Settlement Detail (070) – This record is sent to both the Fund and Firm in each of the AIP daily cycles on SD–3, SD–2, SD–1 and SD

Registration and Order Sent Separately

Funds may require the initial order requests to be accompanied by registration details. If Participants prefer to complete the Registration (025) record, followed by the Order record (e.g. 001 – Firm Order) instead of using the Order with Registration records (e.g. 011 – Firm Order with Registration), the AIP process requires:

- The Registration (025) record must be submitted before the Order record (e.g.: 001 – Firm Order).
- The Registration (025) record and Order record can be submitted together within the same cycle.
- The Registration (025) and Order (e.g. 001 – Firm Order) must have the same Control Number to tie the two transactions together.

Firm Order with Registration Submitted Previously (Registration Indicator = 2)

Note: This process is required for initial purchases

- The Firm transmits the Account Registration (025) to the Fund with the following registration type:
 - Registration Only = 0 (No)
- AIP will validate the file for syntax error (format, values, conditions)
 - If the file is in good form, AIP will accept the Account Registration file and transmit to the Fund.
 - If the file is not in good form, AIP will 'reject' the file back to the Firm.
- If accepted by AIP, the Fund MUST transmit a Registration Acknowledgement (026) to the Firm.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a 'closed' status.
 - Once closed, AIP will reject the Order transaction if transmitted with the same control number as the Account Registration.
- If accepted by AIP, the Firm must transmit a Firm Order (001) transaction against the Account Registration with the following:
 - Registration Indicator = 2 (Registration submitted before)
 - If the Firm Order is not received by the beginning of the next day's last cycle, AIP will begin to transmit Reminders – Pending Firm Order (086) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Firm Order record will be converted to a 'closed' status.
 - Once closed, AIP will also 'close' the Account Registration that is tied to the Firm Order with the same control number.
- The Fund can transmit a 'Registration Reject (027), if they opt not to accept the transaction.

Order with “Re-papering” of Registration

Some Funds require “re-papering” of the investors’ registration for all Order transactions. As a result, the initiator is required to re-register the investor’s account. If Participants prefer to complete the Registration (025) record, followed by the Order record (e.g. 001 – Firm Order) instead of using one of the Order with Registration records (e.g. 011 – Firm Order with Registration), the AIP process requires:

- The Registration (025) record must be submitted before the Order record (e.g.: 001 – Firm Order).
- The Registration (025) record and Order record can be submitted together within the same cycle.
- The Registration (025) and Order (e.g. 001 – Firm Order) must have the same Control Number to tie the two transactions together.

Order with Registration Required (Registration Indicator = 1)

- The Firm transmits the Account Registration (025) to the Fund with
 - Registration Only = 0 (No)
- AIP will validate the file for syntax error (format, values, conditions)
 - If the file is in good form, AIP will transmit the Account Registration file to the Fund.
 - If the file is not in good form, AIP will ‘reject’ the file back to the Firm.
- If accepted by AIP, the Fund MUST transmit a Registration Acknowledgement (026) to the Firm.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a ‘closed’ status.
- If accepted by AIP, the Firm must transmit a Firm Order (001) transaction against the Account Registration with:
 - Registration Indicator = 1 (Registration required)
 - If the Firm Order is not received by the beginning of the next day’s last cycle, AIP will begin to transmit Reminders – Pending Firm Order (086) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Firm Order record will be converted to a ‘closed’ status.
- The Fund can transmit a Registration Reject (027), if they opt not to accept the transaction.

Firm Order with Registration Submitted Previously (Registration Indicator = 2)

Note: This process is required for initial purchases

- The Firm transmits the Account Registration (025) to the Fund with the following registration type:
 - Registration Only = 0 (No)
- AIP will validate the file for syntax error (format, values, conditions)
 - If the file is in good form, AIP will accept the Account Registration file and transmit to the Fund.
 - If the file is not in good form, AIP will 'reject' the file back to the Firm.
- If accepted by AIP, the Fund **MUST** transmit a Registration Acknowledgement (026) to the Firm.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a 'closed' status.
 - Once closed, AIP will reject the Order transaction if transmitted with the same control number as the Account Registration.
- If accepted by AIP, the Firm must transmit a Firm Order (001) transaction against the Account Registration with the following:
 - Registration Indicator = 2 (Registration submitted before)
 - If the Firm Order is not received by the beginning of the next day's last cycle, AIP will begin to transmit Reminders – Pending Firm Order (086) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Firm Order record will be converted to a 'closed' status.
 - Once closed, AIP will also 'close' the Account Registration that is tied to the Firm Order with the same control number.
- The Fund can transmit a 'Registration Reject (027), if they opt not to accept the transaction.

Internal Account Transfers

Registration and Account Transfer Sent Separately – (Tying Both Transactions with the Same Control Number)

Funds may require the Account Transfer request to be accompanied by registration details. If Participants prefer to complete the Registration (025) record, followed by the Account Transfer record (e.g. 201 – Account Transfer) the AIP process requires:

- The Registration Type on the 025 – Registration record must be populated with the value (2 = Account Transfer Registration).
- The Registration (025) record must be submitted before the Account Transfer (201) record (e.g.: 201 – Account Transfer).
- The Registration (025) record and Account Transfer (201) record can be submitted together within the same cycle.
- The Registration (025) and Account Transfer (201 – Account Transfer) must have the same Control Number to tie the two transactions, if processing at the same time.

Account Transfer with Registration Submitted Previously-(Account Transfer to New Account)

Note: This process is required for an Account Transfer to New Account.

- The Firm transmits the Account Registration (025) to the Fund with the following Registration Type:
 - **2 = Account Transfer Registration**
- AIP will validate the file for syntax error (format, values, conditions)
 - If the file is in good form, AIP will accept the Account Registration and transmit to the Fund.
 - If the file is not in good form, AIP will 'reject' the file back to the Firm.
- If accepted by AIP, the Fund must transmit one of the following:
 - Registration Acknowledgement (026) back to the Firm.
 - If a Registration Acknowledgement is not received by the last cycle of the next business day, AIP will begin to transmit Reminders – Pending Registration Acknowledgement (081) records to both parties for 15 AIP business days.
 - If AIP does not receive a response after 15 AIP business days, the Account Registration record will be converted to a 'closed' status.
 - The Fund can opt not to accept the transaction and transmit an 027 - Registration Reject

DAY 2 – If the registration was acknowledged by the Fund

- The Firm submits a (201 – Account Transfer), using the same control number
- **Transaction Code = 01 (Internal Transfer to New Account)**

- The Fund must submit a 202 – Fund Account Transfer Acknowledgement. This process should take place no later than EOD in the C98 cycle on or before the ‘Anticipated Completion Date’ that is populated on the (201- Account Transfer) record.
 - If an Account Transfer has been rejected by the Fund, then the Account Transfer cannot be Fund Acknowledged and this will end the life cycle of the Account Transfer process.
 - The Fund Account Transfer Acknowledgement record should be received by the last cycle (C98) of the next AIP business day, if not, AIP will send a daily Reminder record (115 - Pending Account Transfer Acknowledgement) to both parties for 15 AIP business days or until the Fund Acknowledgement or Fund Reject record is received or until the Anticipated Transfer Completion Date that is populated on the (201 -Account Transfer) record becomes current.
 - If no response, AIP will mark the transaction to a ‘closed’ status and no further action can be taken against the transaction
 - As a best practice, the Fund will transmit the (202 - Fund Account Transfer Acknowledgement) in the next day’s AIP cycles
 - The Fund has the ability to change the Process Flow Indicator from (0 to 1) or (1 to 0) on the (202 - Fund Account Transfer Acknowledgement) record. If the process flow indicator is changed from (0 to 1), AIP will require the (207 - Confirmation of Account Transfer) record to be transmitted to complete the Account Transfer life cycle.

Registration and Account Transfer Sent Separately – (Account Transfer to Existing Account)

Note: This process is required for an Account Transfer to an Existing Account.

Funds may require the Account Transfer request to be accompanied by registration details. If Participants prefer to complete the Registration (025) record, followed by the Account Transfer record (e.g. 201 – Account Transfer) the AIP process requires:

- The Registration (025) record must already exist on the AIP database, prior to the Firm submitting the Account Transfer (201) record.
 - The Firm will previously transmit a Registration record, with the Registration Type populated with **(1 = Registration Only)**
 - Registration Only means a ‘stand alone’ shell account
- The Firm transmits the 201- Account Transfer record and populates the following:
 - **Transaction Code - 02 = Internal Transfer to Existing Account**
 - The Control Number will be different from the 025 - Registration
- If the 201 - Account Transfer is submitted, without a registration record already stored in the AIP database, AIP will reject the 201 – Account Transfer record.
- The existing Registration (025) and Account Transfer (201) records will NOT have the same Control Number, however since the registration already exists in our database, both the Fund and Firm can identify where the Account Transfer should be posted based upon their investors Firm and/or Fund Account Number.