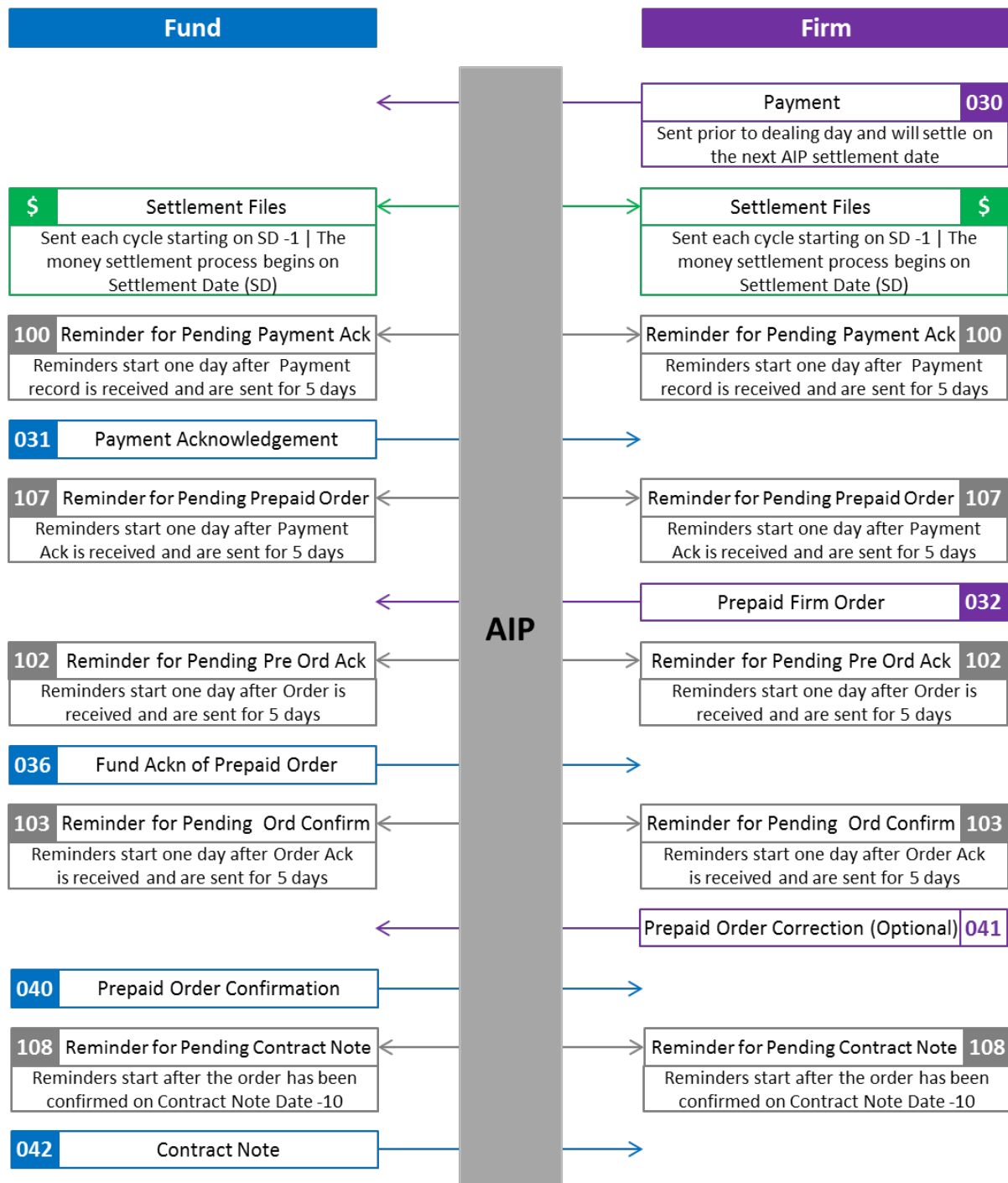


ALTERNATIVE INVESTMENT PRODUCTS TRANSACTION FLOW

PREPAID ORDER



PREPAID ORDER

A Prepaid Order is used for a purchase/subscription when money will be settled from the Firm to the Fund before the order details are submitted and finalized. The process includes several Acknowledgements, a Confirmation and a Contract Note to finalize the order. This process should only be used when money is settled in advance of the order; otherwise, a regular order should be used with money settling after details have been finalized.

Transaction Flow Details for Prepaid Order Transactions

- The Firm initiates a Payment (030) record and the monies will settle on the next AIP business day.
- Settlement files will be provided
 - Settling Transactions – AIP will transmit settlement files to both parties starting 1 AIP business day prior to the Settlement Date (SD) and will be included in each cycle on SD-1 and SD
 - Non-Settling Transactions – If the Settlement Date is populated, AIP will transmit settlement files to both parties starting 1 AIP business day prior to the Settlement Date (SD) and will be included in each cycle on SD-1 only
- Reminders for Pending Payment Acknowledgement (100) will be transmitted for 5 AIP business days to both parties.
- The Fund transmits the Payment Acknowledgement (031).
- Reminders for Pending Prepaid Order (107) will be transmitted for 5 AIP business days to both parties.
- The Firm transmits a Prepaid Firm Order (032).
- Reminders for Fund Acknowledgement of Prepaid Order (102) will be transmitted for 5 AIP business days to both parties.
- The Fund transmits the Fund Acknowledgement of Prepaid Order (036)
- Reminders for Pending Prepaid Order Confirmation (103) will be transmitted for 5 AIP business days to both parties.
- If no response is sent by the Fund by the C98 – End of Day Cycle of settlement date minus 1 (SD-1), AIP will convert the transaction to a 'closed' status
- Optional: A Prepaid Order Correction (041) to update details of the Order can only be initiated by the Firm.
- The Fund transmits the Prepaid Order Confirmation (040).
- Reminders for Pending Contract Note (108) will be transmitted for 9 AIP business days to both parties.
- The Contract Note (042) must be submitted by the Fund to finalize the Prepaid Order.