

ALTERNATIVE INVESTMENT PRODUCTS

BILLING FAQ

AIP Billing FAQ

Q: What is the basis for AIP billing?

A: AIP billing is based on four factors:

1. The AIP 'Security Type' specified on the Security General Profile (061) by the Fund:

High Volume Security Types

08 = REIT

09 = Managed Future Fund

11 = Business Development Corporation (BDC)

12 = Registered Hedge Fund

13 = Oil & Gas Public

14 = Oil & Gas Private

15 = Equipment Leasing Public

16 = Equipment Leasing Private Investment Company

17 = Futures Public

18 = Futures Private

19 = Notes Public

20 = Notes Private

21 = Real Estate Public

22 = Real Estate Private

23 = Closed End Management
Investment Company

Low Volume Security Types

01 = Hedge Fund

02 = Fund of Funds

03 = Private Equity Fund

04 = Managed Debt Fund

05 = Private Debt Fund

06 = Managed Currency Fund

07 = Commodity Pool Fund

10 = Other

2. The type of transaction:

Trade Record Types

001 = Firm Order

002 = Fund Order

011 = Firm Order with Registration

012 = Firm Order with Registration

201 = Account Transfer

030 = Payment

032 = Prepaid Firm Order

043 = Prepaid Firm Order with
Registration

Records Record Types

All other records not listed above

3. Maximum Broker/Dealer Limit

Companies that are AIP Broker/Dealers have a maximum annual cap of \$250,000 per calendar year for selected transactions. Cap eligible transactions are all High Volume Security Types except Security Types 12 = Registered Hedge Fund and 16 = Equipment Leasing Private Investment Company. Account Transfers and Low Volume Security Types are not included in the limit.

4. Transaction Pricing and Tiers

Please refer to the NSCC Fee Schedule listed below for the latest information on transaction pricing and tiers.

Q: Where can I locate a copy of the NSCC Fee Schedule?

A: You can find a copy of the NSCC Fee Schedule via this link (<http://dtcc.com/~media/Files/Downloads/legal/fee-guides/nscfguide.ashx>) or by following the navigation instructions below:

- Go to www.dtcc.com and click the 'Legal & Regulatory' link at the very top of the page
- Scroll down to the 'Rules and Procedures' section and click on the link to the guides
- Click on the 'Guide to the NSCC Fee Schedule'

Once the document is open, the AIP fee structure can be found on pages 15 and 16.

Q: When are AIP invoices distributed?

A: AIP invoices are generally distributed on the 8th business day of each month.

Q: Who receives the AIP invoice?

A: Unless otherwise indicated, AIP invoices are sent to the Billing Contact listed on the Activation Letter completed during the Membership process. If you wish to change invoice recipients, please contact Glenn Matthews at gmatthews@dtcc.com.

Q: How are invoices sent to participants?

A: Invoices are distributed via email.

Q: When is Invoice Payment due?

A: For settling Participants, monies are collected through their enlisted Settling Bank. NSCC will collect monies via the Settling Bank on the fifth settlement day after invoices are distributed.

For EPAY (ACH) Participants, monies are collected from the designated EPAY account on the 12th business day of the month. If there is an issue with collecting payment on the 12th business day of the month, a second attempt to collect payment will be made on the 16th business day of the month.

Q: How will I know if the correct invoice amount is sent for settlement?

A: Starting 3 business days prior to monies being collected, participants can view their Settling Trade Detail record (record type 070). In the “Original Record Type” field, you will see a value of 888 indicating an AIP billing item. The dollar value indicated in the “Money Amount” field will match the “Amount of this Invoice” total on your invoice.

Q: How are AIP Orders billed?

A: AIP bills for Orders that have completed their Life Cycle (ex: Firm submits an Order, Fund sends an Acknowledgement and Confirmation prior to SD-1 and Trade settles). AIP does not bill for Orders that are Rejected, Exited or closed due to lack of an Acknowledgement and/or Confirmation prior to SD-1 (Settlement Date minus One).