

NEW RULES OF THE ROAD FOR ALTERNATIVES

DTCC AIP WILL HELP MAKE ALTERNATIVE MAINSTREAM

An age-old challenge in the fund industry is standardizing the communications between the sponsor of a fund and the broker that is holding a client position in the fund. Challenges also are significant in relation to displaying fund positions on an investor's brokerage statement because to do so the broker must have both possession and control of the fund.

In the 1980s, when the mutual fund industry was drowning, manual transaction volume Depository Trust and Clearing Corporation (DTCC) transformed the mutual fund industry through its Mutual Fund Services, becoming the operational backbone of the industry.



Now DTCC's Alternative Investment Platform (AIP) has the potential to similarly transform the alternative investment industry. Limited partnership, private equity, non-traded real estate investment trusts (REIT) and other fund sponsors can piggy-back on the membership of Great Lakes Fund Solutions (AIP member #1780) to operate at the forefront of industry developments.

Fund sponsors can ill afford to have their products absent from brokerage client statements or have reconciliation problems. Alternative fund sponsors are rapidly embracing the concept of offering "broker-control" to their selling partners to assure that all material information flows through and is accounted for by the broker/dealer. The use of AIP typically begins with post-trade automation and establishing broker control.

Efficiently listing your funds on more platforms is the key objective. As the industry proceeds with the automation of orders (subscriptions and redemptions), AIP will help the alternative investment community become more scalable through increased efficiencies, reduced operational risk and lower processing costs.

AIP is one of the many ways that Great Lakes Fund Solutions helps our clients respond quickly and efficiently to industry changes, improve data security, and project to the market the highest level of automation and professionalism.



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