

Morgan Stanley

August 12, 2021

**RE: AIP Alternative Lending Fund A ("ALF A")
AIP Alternative Lending Fund P ("ALF P")**

Dear Shareholder:

We have previously reported to you that ALF A held an equity investment in the alternative lending platform Upstart Holdings, Inc. ("Upstart"). As a reminder, ALF A started acquiring Upstart equity securities ("Upstart shares") during the third quarter of 2019, while the company was still privately held. ALF A's pre-initial public offering ("IPO") total cost basis in Upstart shares was approximately \$6.2 million.

Upstart subsequently went public in December 2020 (ticker: UPST). ALF A sold less than 30% of its Upstart shares through the company's IPO and associated underwriter's option, yet fully recouped ALF A's cost basis, while still leaving ALF A with over 845,000 Upstart shares. Gains from the sale of Upstart shares through the IPO and associated underwriter's option were previously distributed to ALF A and ALF P (a feeder of ALF A) investors.

ALF A's remaining Upstart shares were subject to a 180-day lockup period, which expired in mid-June 2021. While we remain excited by Upstart's long-term prospects, ALF A finished liquidating its remaining Upstart shares on August 11, 2021, following the release of the company's exceptional second quarter earnings report on August 10, 2021. Inclusive of Upstart share sales through the IPO and associated underwriter's option, ALF A realized in excess of \$120 million on its approximately \$6.2 million investment cost basis.

As ALF A is required to distribute its taxable income to shareholders at least annually, ALF A expects to declare a capital gain distribution associated with the post-lockup sales of Upstart shares. The shareholder distribution, which is expected to be in excess of \$110 million, will be made with a record date of August 31, 2021, and will represent substantially all previously undistributed gains generated from post-lockup Upstart share sales. While still dependent on August performance, we currently expect the distribution will represent on the order of 6.5% of ALF A's NAV/share as of the record date. Similarly, ALF P expects to declare a capital gain distribution that we currently expect will be on the order of 6.5% of ALF P's NAV/share with a record date of August 31, 2021.

Specifics of the capital gain distributions described above will be communicated in subsequent ALF A and ALF P letters to shareholders issued in late August or early September.

Shareholders subscribing to ALF A or ALF P on September 1 or later will not receive this capital gain distribution.

Please feel free to contact me with any questions, either by phone at 610.260.7617 or by email at Daniel.Gifford@MorganStanley.com.

Sincerely,



Dan Gifford
Executive Director