

1. Capital Contributions (Gross): The total of all amounts requested by the GP and remitted by the LPs. This includes investments, management fees, organizational/operating expenses, and additional charges.

- Capital Contributions (Gross) = Σ (Sum of all Capital call)

2. Adjustments: Adjustments made to correct items that were incorrectly recorded in the past, such as “Rebalance of Capital Call” or “Rebalance of Distribution”.

- Adjustments = Σ (Rebalance of Distribution items, Rebalance of Capital Call items)

2.1. Rebalance of Distribution (Negative Contributions)

- Rebalance of Distribution Adjustments = Σ (Items recorded as Contribution (-) from refund of overstated distributions)
- Substance: refunds of overstated/misclassified **distributions**
- **Impact on DPI:** Numerator (Distributions) ↓, Denominator (PIC) ↑ → DPI decreases.

2.2. Rebalance of Capital Call (Positive Distributions)

- Rebalance of Capital Call Adjustments = Σ (Items recorded as Distribution (+) from refund of overstated contributions)
- Substance: refunds of overstated/misclassified **contributions**.
- **Impact on DPI:** Denominator (PIC) ↓, Numerator (Distributions) unchanged → must be flagged as Contribution Adjustment distributions to prevent artificial inflation of DPI.

3. Paid-In Capital (PIC): The cumulative amount of capital that LPs have actually contributed to the fund.

- Paid-in Capital (PIC) = Capital Contributions (Gross) – Adjustments

4. Net PIC: According to ILPA guidelines, Recallable ROC is generally still considered part of PIC. Some GPs may create an auxiliary metric called “Net PIC,” where recallable ROC is excluded, but under the standard PIC definition, it is **not** deducted.

- Net PIC = PIC - recallable ROC

6. DPI and Adjusted DPI

- DPI = Cumulative Distributions / PIC
- Adjusted DPI = Cumulative Distributions (Adjusted) / PIC (Adjusted)

7. Cumulative Distributions

- Cumulative Distributions = (Return of Capital) + (Dividends Paid) + (Interest Paid) + (Realized Gains Distributed) – (Fees & Carried Interest Withheld)

8. IRR and Adjusted IRR: Gross PIC and Distributions vs Adjusted PIC and Distributions

Examples:

- **2024-04-30**

- Rebalance of distribution (Recallable ROC) -16,737 → Correction of past ROC distribution. Not a new contribution → Adjustment.
- Rebalance of distribution (Recallable investment income) -37,348 → Overstated recallable income distribution, refunded. Not a contribution → Adjustment.
- Rebalance of distribution (Non-recallable investment income) -4,004 → Refund correction of non-recallable income distribution. Not a contribution → Adjustment.

- **2024-07-19**

- Rebalance of distribution (Recallable ROC) -14,572 → Correction of recallable ROC distribution → Adjustment.
- Rebalance of distribution (Recallable investment income) -32,505 → Correction of recallable income distribution → Adjustment.
- Rebalance of distribution (Non-recallable investment income) -3,488 → Correction of non-recallable income distribution → Adjustment.

- **2024-10-10**

- Rebalance of distribution (Recallable ROC) -8,572 → Adjustment.
- Rebalance of distribution (Recallable investment income) -9,243 → Adjustment.
- Rebalance of distribution (Non-recallable investment income) -11,424 → Adjustment.

- **2024-12-20**

- Rebalance of distribution (Recallable ROC) -845 → Adjustment.
- Rebalance of distribution (Recallable investment income) -1,267 → Adjustment.
- Rebalance of distribution (Non-recallable investment income) -768 → Adjustment.

- **2025-01-27**

- Rebalance of Distribution – Return of Capital – Investments (Recallable) -3,740 → Adjustment.
- Rebalance of Distribution – Investment Income (Recallable) -5,602 → Adjustment.

- Rebalance of Distribution – Investment Income (Non-Recallable) –3,417 → Adjustment.

Examples:

- **2024-04-30**

- Investment (Rebalance of capital call) +384,710 → Refund/correction of past investment call → Adjustment.
- Operating/organizational/management fee (Rebalance of capital call) +37,348 → Refund/correction of fee call → Adjustment.

- **2024-07-19**

- Investment (Rebalance of capital call) +334,879 → Adjustment.
- Operating/organizational/management fee (Rebalance of capital call) +32,505 → Adjustment.

- **2024-10-10**

- Investment (Rebalance of capital call) +172,227 → Adjustment.
- Operating/organizational/management fee (Rebalance of capital call) +9,243 → Adjustment.

- **2024-12-20**

- Investment (Rebalance of capital call) +16,966 → Adjustment.
- Operating/organizational/management fee (Rebalance of capital call) +1,267 → Adjustment.

- **2025-01-27**

- Rebalance of Capital Call – Investments +75,145 → Adjustment.
- Rebalance of Capital Call – Operating Expenses +3,085 → Adjustment.
- Rebalance of Capital Call – Organizational Expenses +1,614 → Adjustment.
- Rebalance of Capital Call – Management Fees +903 → Adjustment.