

# The benefits of private credit in an accessible fund



## Why you should consider a private credit strategy

With traditional fixed income sources offering historically low rates, many investors are turning to alternative ways to secure more attractive yields while still maintaining acceptable risk levels in their portfolios. Private credit — non-bank lending to private companies — is an attractive alternative that we believe provides superior yield, capital preservation and enhanced diversification potential. Private credit has traditionally been difficult to access because of large minimum investment requirements and long lock-up periods. Minimum investments have historically been in the millions of dollars, while lock-up periods can be anywhere from three to ten years. The Mackenzie Northleaf Private Credit Fund, however, delivers the potential benefits of private credit without these obstacles.

## Why the Mackenzie Northleaf Private Credit Fund

Our fund delivers the benefits of private lending that were previously available only to institutional investors. It combines attractive performance and yield potential with investor-friendly innovation and expert oversight.

### 1 Strong yield and return potential

Our fund focuses on the private loan market which has historically offered attractive yield and total return, and will invest in an underlying private credit fund that is leveraged with the aim of boosting performance. Exceptional levels of due diligence and lender safeguards are expected to deliver improved capital preservation potential compared to high-yield bonds. By accessing private lending, our fund opens up new investment options that can improve your portfolio's diversification.

### 2 Convenient structure

Our fund is a best-of-both-worlds solution, combining the benefits of private credit exposure with enhanced accessibility. The convenient structure provides investors with access to private credit with a low minimum investment requirement and far greater liquidity than traditional private credit investments.

### 3 Access to private credit expertise

Northleaf Capital Partners is a global private markets investment firm, available to individual investors through Mackenzie. Northleaf has the unique expertise and partnership relationships necessary to source and acquire attractive lending opportunities.



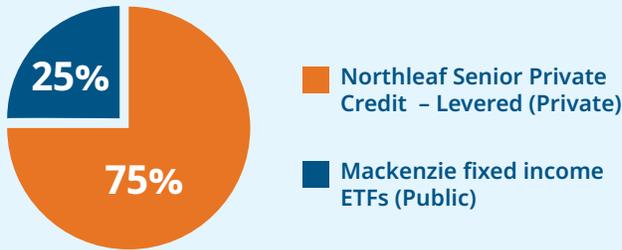
## Mackenzie Northleaf Private Credit Fund

### How it works

Managed by Mackenzie's Fixed Income Team, in partnership with Northleaf Capital Partners, our fund is primarily comprised of Northleaf's Senior Private Credit - Levered fund and Mackenzie's Fixed Income ETFs.

By adding publicly traded corporate bonds and loans into the mix (through our ETFs), our fund is able to deliver both liquidity and the superior yield potential of private credit.

### Target Exposure\*



Our fund will make variable quarterly distributions comprised of income generated from the underlying investments.

\*Target allocation is 60% private/40% public. The use of leverage within the private credit portfolio results in target investment exposure of 75% private/25% public.

Find out more about how you can access the attractive performance and income potential of private credit with the Mackenzie Northleaf Private Credit Fund. Call your investment advisor today.

### Why invest with Mackenzie

As a Canadian-owned global asset management provider, we've been helping advisors deliver the best possible advice and investment solutions for more than 50 years. With over \$187 billion in assets under management<sup>1</sup> and a comprehensive line of investment solutions, we are one of Canada's leading asset management companies. Our journey began with one client and one advisor working together, and though we've grown, we remain committed to the same belief, advice matters. When we work together with advisors and investors, we can achieve better financial outcomes.

<sup>1</sup>As of December 31, 2020.



## **Mackenzie Northleaf Private Credit Fund**

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Due to the illiquid nature of private assets, the Fund is subject to a "ramp-up" period that is expected to last many months meaning exposure to public assets will be higher (and exposure to private assets will be lower) than indicated by any Target Allocation or Target Exposure.

The use of leverage within a fund increases both the opportunity for gain and the risk of loss.

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