



KIWI PRIVATE CREDIT FUND

September 2020

EXPERTS IN CREDIT MANAGEMENT

Kilgour Williams Capital are credit management experts whose principals have extensive backgrounds in credit, structuring, and risk management

Credit management experts with **extensive expertise in credit, structuring, and risk management**

- Established in 2007 when the Canadian Asset Backed Commercial Paper (ABCP) market collapsed
 - From 2007 to 2017, provided investment management services to holders of structured credit investments with total mandates in excess of \$2 billion
 - Launched KiWi Private Credit Fund in 2017
-

Widely recognized and **highly regarded expertise**

- During the credit crisis, KWC was the primary source of expertise and commentary for regulatory authorities seeking to assess the situation, as well as for both print and broadcast media
-

Decades of experience

- KWC principals benefit from **extensive experience in all aspects of credit and structured credit** – structuring, originating, investing, and risk managing
- Principals each benefit from over 20 years experience in credit management

UNIQUE OPPORTUNITY - HIGHLIGHTS

KiWi Private Credit Fund offers investors capital preservation and regular monthly distributions

Professionally managed **access to the US Small Balance Credit market**

- High yielding fixed income asset class providing monthly income
- Targeting 8% annual return with low volatility
- First Canadian managed fund dedicated to the US Small Balance Credit market

Strong historical performance and **capital preservation**

- Have never experienced negative monthly performance
- Low volatility and high Sharpe ratio
- Uncorrelated to public markets

High quality alternative credit

- Prime loans only (no subprime)
- Highly diversified portfolio
- Short duration insulates against rising interest rates

Experienced credit experts with **excellent track record** in managing credit risk

- Firm founded in 2007
- Rigorous investment process
- Proven results

SMALL BALANCE LENDING VERTICALS

KiWi Private Credit Fund invests across three small balance lending verticals, each offering attractive credit, short duration, and the opportunity for massive diversification



Prime Consumer Loans

- Loans from \$5,000 to \$35,000
- Prime borrowers only
- 36-month amortization – Duration of ~14 months
- Debt consolidation or unexpected life event are main uses of loan proceeds



Small Business Loans

- Small businesses whose principals are prime borrowers
- Average balances ranging from \$ 25,000 to \$ 250,000
- Deliver a positive social impact to main street independent businesses
- Amortizing terms with maturity up to 24 months



Short Term Residential Development Loans

- Offered to experienced real estate developers
- Prime borrowers only
- Up to 18-month maturity with balances ranging from \$ 50,000 to \$ 250,000
- Deliver improvements to local communities

MAJOR LOAN ORIGINATION PARTNERS

KiWi Private Credit Fund invests in loans originated by leading platforms with demonstrable track records

PROSPER

LendingClub

Biz2Credit®



Founded

2005

2005

2007

2013

Type of loans originated

Prime consumer loans

Prime consumer loans

Small & medium-sized enterprises

Real estate, short-term

Total loan volume since inception

\$15+ billion

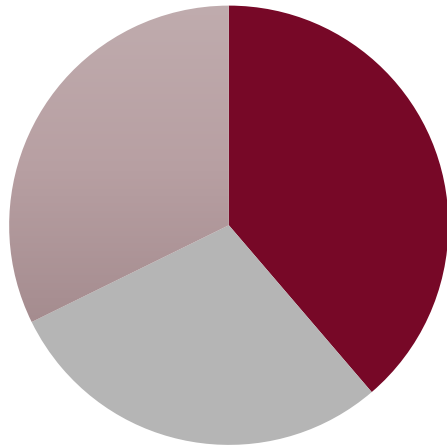
\$50+ billion

\$2+ billion

\$2 billion

PORTFOLIO COMPOSITION

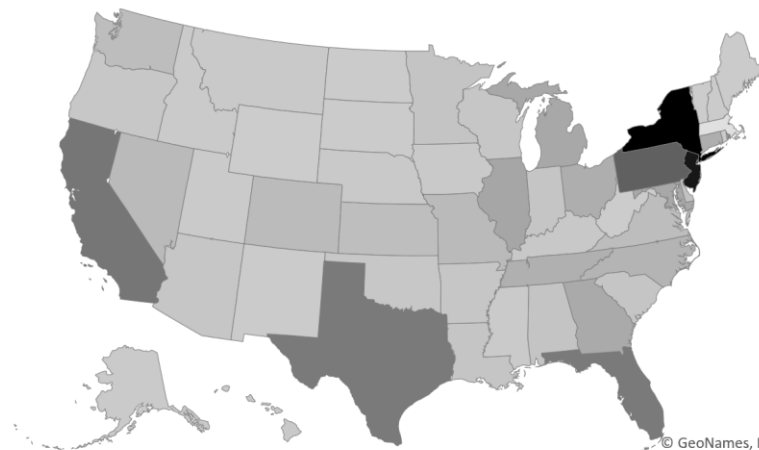
The short duration, massively diversified portfolio has a duration of only 10 months and a mean FICO of 702



- Consumer (38.7%)
- Small Business (29%)
- Real Estate (32.3%)

Loan Type	Average FICO	Average Balance	Average Duration (months)
Small Business	704	\$62,060	13.20
Prime Consumer	705	\$6,354	12.32
Secured Real Estate	696	\$103,002	2.71
Total	702	\$13,956	9.36

Geographical Loan Exposure

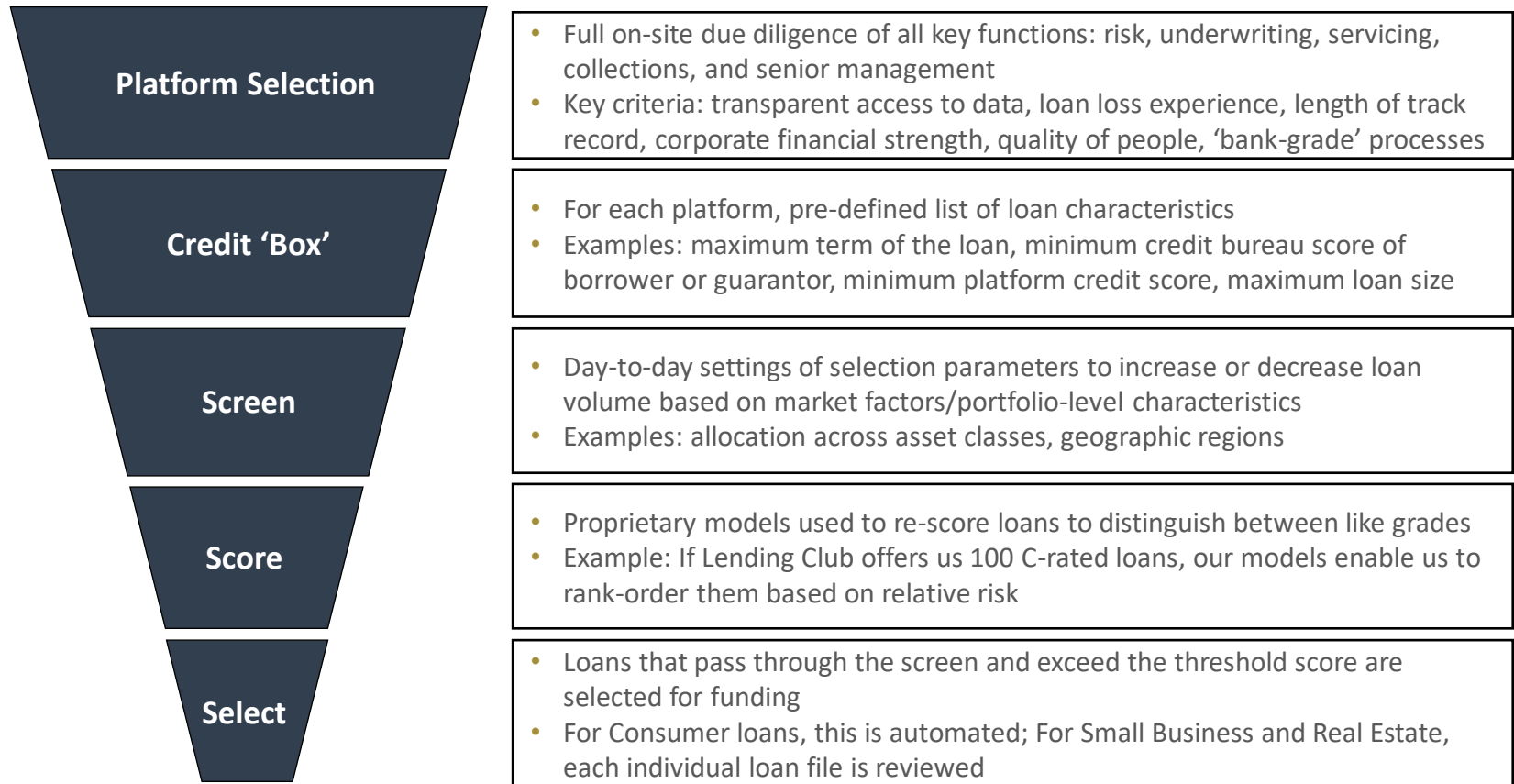


Loan Balances (%) 0.00 16.33

Powered by Bing
© GeoNames, Microsoft, TomTom

RIGOROUS INVESTMENT METHODOLOGY

Investment process begins with careful selection of marketplace platforms and culminates in selection of each individual loan



CONSISTENT FUND PERFORMANCE

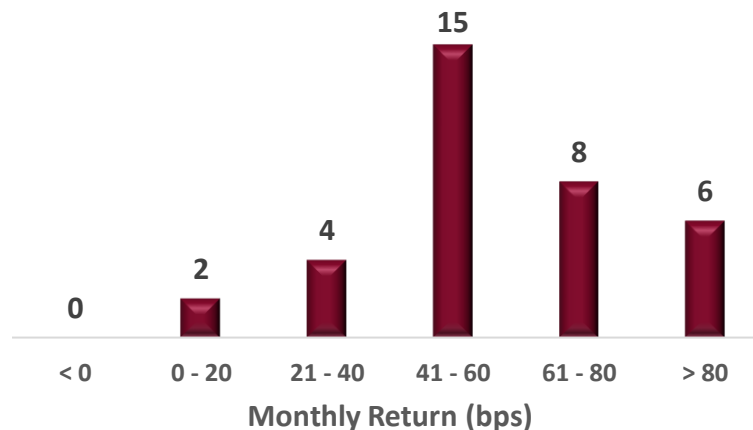
*The Fund has generated positive returns since inception in June 2017;
It distributes income each month after expenses, fees, and provisions for losses*

MONTHLY PERFORMANCE AND ANNUAL YIELD*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2020	0.67%	0.89%	0.51%	0.15%	0.63%	0.61%	1.02%						4.57%
2019	0.48%	0.68%	0.86%	0.65%	0.98%	0.54%	0.76%	0.85%	0.39%	0.51%	0.59%	0.52%	8.09%
2018	0.81%	0.32%	0.55%	0.74%	0.55%	0.59%	0.56%	0.60%	0.56%	0.47%	0.58%	0.40%	6.95%
2017	n.a	n.a	n.a	n.a	n.a	Portfolio Ramp-Up			0.28%	0.37%	0.18%	0.55%	n.a

NO NEGATIVE MONTHLY RETURNS SINCE INCEPTION (MONTHS)

(Number of Months)



KEY POINTS OF DIFFERENCE

KiWi Private Credit Fund offers attractive income with minimal risk to principal and no correlation to volatile public markets

MONTHLY INCOME

- Target 7-8% Annually
- Monthly Distributions
- Profitable every month since initial 'ramp up' period

MANAGED ACCESS

- Access to private credit professionally managed by credit experts
- Allows investors to tap into the unique benefits of this diversifying asset class

NO SURPRISES

- Full portfolio valuation completed monthly
- Valuation performed by independent third party
- All delinquent loans marked down from first day of delinquency

STRATEGY IN A NUTSHELL

The fund's investment strategy is easy to understand and is designed to generate stable, attractive monthly income

MAKE GOOD LOANS

- Prime borrowers only
- KWC selects all loans upon review of the underwriting file
- Loan selection criteria are evaluated and back tested against actual loan data

MAXIMIZE DIVERSIFICATION

- Fund is committed to massive diversification
 - Multiple asset classes
 - Multiple loan originators
 - No state greater than 20%
 - No loan greater than 1%

STAY ON STRATEGY

- Maintain consistent loan size / concentration
- Stay on strategy / resist style drift

CONTACT INFORMATION



Colin Kilgour

Principal

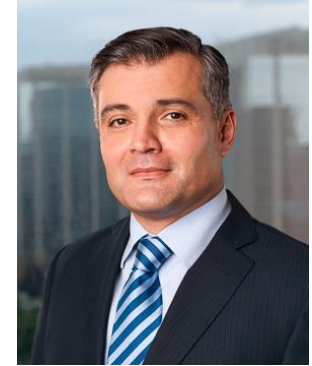
416.315.4884
ck@kilgourwilliams.com



Daniel Williams

Principal

416.786.7078
dw@kilgourwilliams.com



Luigi Luppi

Vice President
Business Development

647.970.6537
lluppi@kilgourwilliams.com

Kilgour Williams Capital

400 – 49 Front Street East,
Toronto, Ontario, Canada M5E 1B3
647.970.6537

www.kilgourwilliams.com

DISCLAIMER

The information contained herein is derived from sources which are believed to be reliable but Kilgour Williams Capital Incorporated (KWC) makes no representation that the information is accurate or complete. Any opinion expressed herein is based solely on the presenter's current analysis and interpretation of each information and is subject to change. Certain of the statements made may contain forward-looking statements, which involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. Past performance is not indicative of future performance. This material does not constitute an offer to sell or a solicitation to buy any security.

Information pertaining to KiWi Private Credit Fund LP is not to be construed as a public offering of securities in any jurisdiction of Canada. The offering of units of the KWC fund is made pursuant to their respective offering memorandum only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Please read the Offering Memorandum before investing. All performance data assume reinvestment of all distributions or dividends and do not take into account sales, distribution or income taxes payable by any unitholder that would have reduced returns.