



KIWI PRIVATE CREDIT FUND

April 2021

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

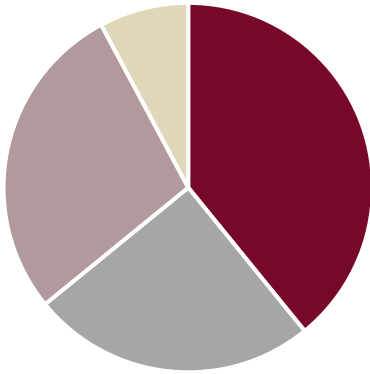
\$50+ billion

\$2+ billion

\$2 billion

PORTFOLIO COMPOSITION

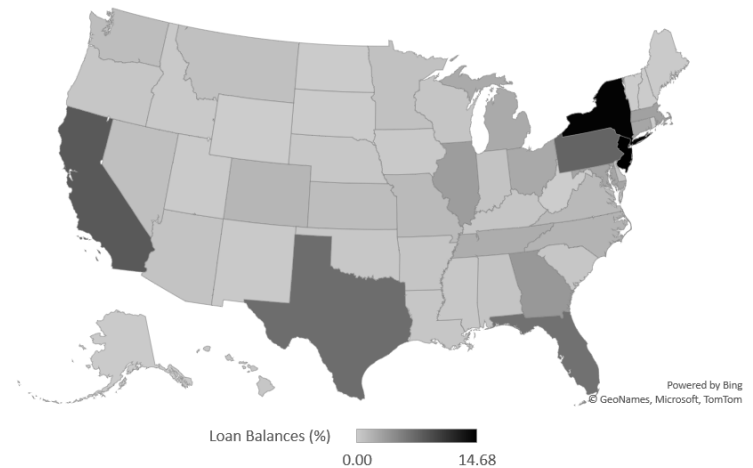
The short duration, massively diversified portfolio has a duration of only 9 months and a mean FICO of 709



- Consumers (39%)
- Small Business (25%)
- Real Estate (28%)
- Govt Guaranteed Loans (8%)

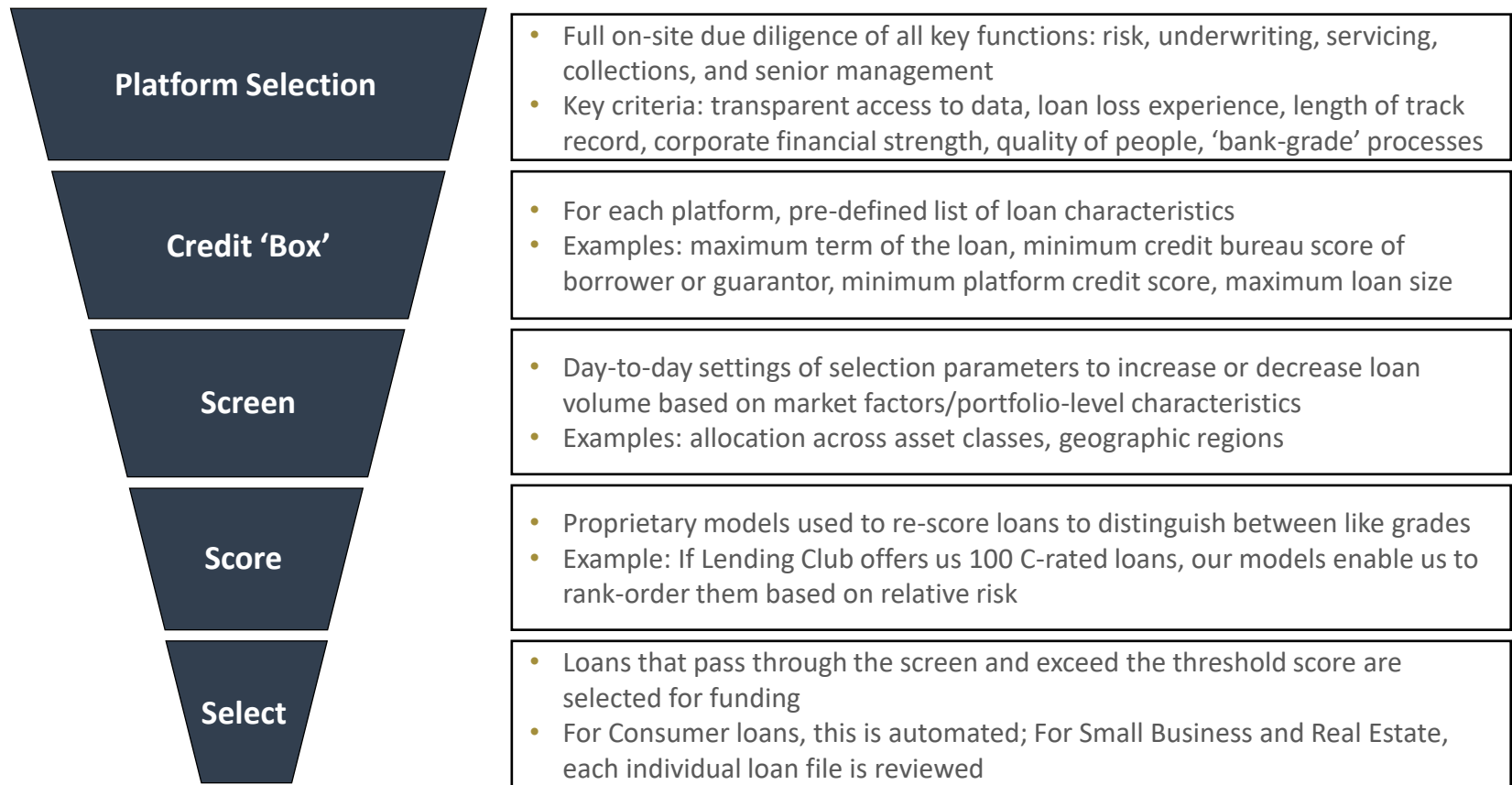
Loan Type	Average FICO	Average Balance	Average Duration (months)
Small Business	713	\$67,866	10.03
Prime Consumer	716	\$7,513	12.58
Secured Real Estate	696	\$103,915	1.50
Total	709	\$14,785	8.48

Geographical Loan Exposure



RIGOROUS INVESTMENT METHODOLOGY

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



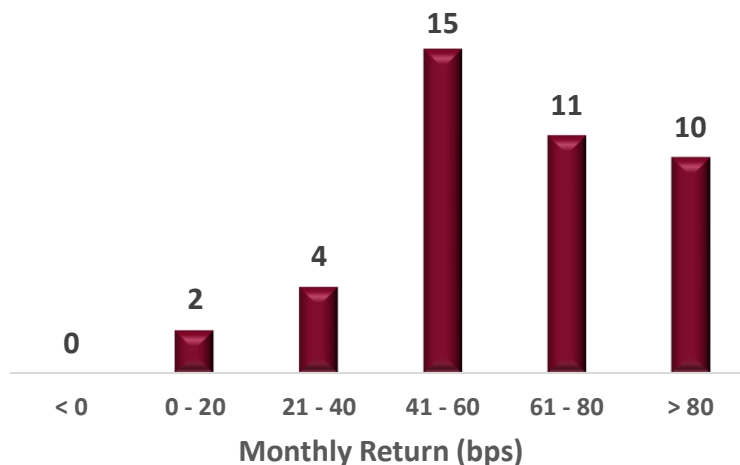
CONSISTENT FUND PERFORMANCE

*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
2021	0.88%	0.68%											1.57%
2020	0.67%	0.89%	0.51%	0.15%	0.63%	0.61%	1.02%	0.64%	0.63%	0.96%	0.81%	1.02%	8.88%
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

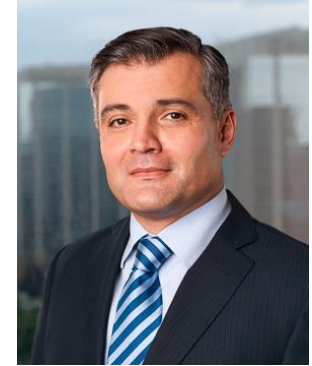
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