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Introducing the Mackenzie Northleaf Private Credit Interval Fund

Mackenzie welcomes retail investors into a new world of investment opportunities that can potentially help diversify and enhance the return characteristics of their portfolios.

While institutional and high net worth investors have embraced private markets, retail investment continues to lag due to limited accessibility. The average investor is unable to purchase privately offered funds and traditional mutual funds may invest no more than 10% of their assets in illiquid investments.

We are pleased to offer the Mackenzie Northleaf Private Credit Interval Fund, Canada's *first* interval fund. The fund provides exposure to private credit in a vehicle accessible to *all* investors.

What are interval funds?

Interval funds are funds that continuously offer securities based on current net asset value (NAV), while making periodic (monthly, quarterly, or annual) repurchase offers (similar to redemptions). In the 1990s, interval funds were made possible by regulatory reforms in the US, where they are governed by the Investment Company Act of 1940.

Typically, interval funds offer to repurchase up to 5% or more of the outstanding securities with the use of liquid assets. If repurchase requests exceed a fund's predetermined limit, repurchases are allocated to requesting investors on a pro-rata basis. The objective of the repurchase limit is to reduce the forced sale of illiquid assets at undesirable prices for the benefit and protection of remaining investors.

Interval funds allow retail investors to gain access to an attractive mix of liquid and illiquid investment strategies because they are not bound by a requirement to provide a daily redemption feature. However, because of these redemption limitations, interval funds are only suitable for investors who have long-term investment horizons and are comfortable with limited liquidity.

> **The Mackenzie Northleaf Private Credit Interval Fund is a non-redeemable investment fund offered via a simplified prospectus and fund facts**

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Making private credit accessible

Modelled after interval funds in the US, the Mackenzie Northleaf Private Credit Interval Fund (MNPCIF) is a non-redeemable investment fund offered via a simplified prospectus and fund facts. As MNPCIF will be operated as an interval fund, it will conduct quarterly repurchase offers for 5% of the fund's outstanding units at NAV.

> **Because private credit loans are not frequently traded, the lenders are generally compensated with a higher yield**

MNPCIF seeks to achieve income-oriented risk-adjusted returns primarily through exposure to private and public credit instruments and securities globally. Private credit is debt financing extended to businesses by non-bank institutions. The borrower may be a public or private company in need of financing for a strategic acquisition, to finance organic growth or to optimize their balance sheet. For additional details on private credit, please refer to Your Guide to Investing in Private Credit.

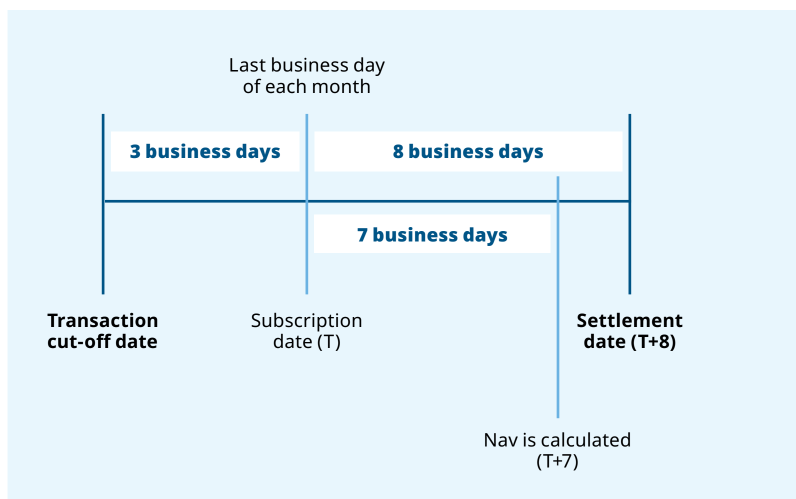
MNPCIF will achieve its exposure to private credit by investing in one or both of Northleaf Senior Private Credit Fund (NSPC) and Northleaf Senior Private Credit Levered Fund (NSPC-L). Both NSPC and NSPC-L are focused on making senior secured loans, primarily to finance private equity-backed, mid-market companies globally across an array of industries. NSPC-L uses leverage to increase exposure to private credit. The fund will maintain its liquidity sleeve by investing in Mackenzie Fixed Income ETFs that provide exposure to public securities and other debt instruments.

How to buy

While traditional mutual funds can be purchased daily, units of MNPCIF are only available for purchase on a monthly basis at current NAV. Purchases are processed as of the last business day of each month (the subscription date) and orders must be received by Mackenzie at least three business days (the transaction cut-off date) prior to the relevant subscription date.

The timeline below outlines the three distinct dates for purchases:

- **Transaction cut-off date:** The last day subscriptions must be received by Mackenzie to be accepted for a specific subscription date
- **Subscription date:** The subscription NAV will be calculated effective on the last business day of each month
- **Settlement date:** The day units are issued to investors

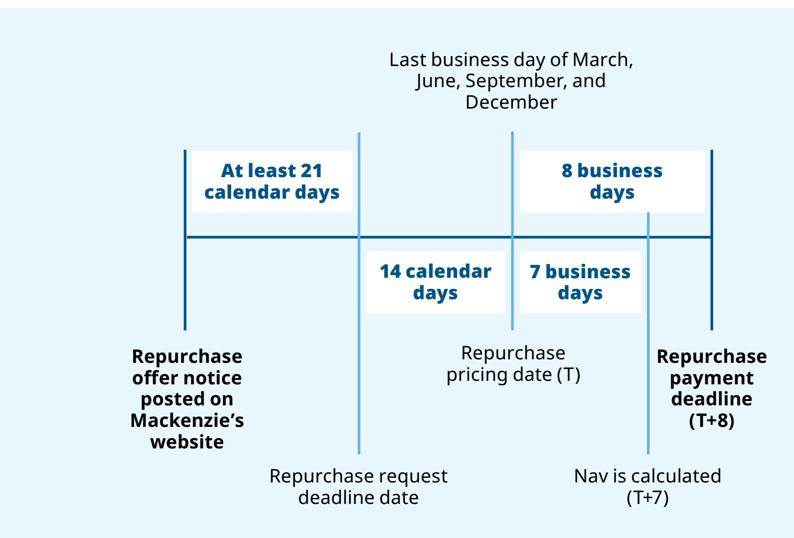


Repurchases

To provide some liquidity to unitholders, MNPCIF will conduct quarterly repurchase offers (which are effectively similar to redemptions) for 5% of the outstanding units at NAV. If repurchase requests exceed MNPCIF's repurchase limit, repurchases will be allocated to investors on a pro-rata basis. Hence, investors may not be able to sell units when and/or in the amount desired.

Referenced in the timeline below are four distinct dates for repurchases:

- **Notice of repurchase offer:** The day unitholders are notified of a repurchase offer for a specific repurchase pricing date. Unitholders are notified by Mackenzie posting the applicable repurchase offer notice to its website
- **Repurchase request deadline date:** The last day the repurchase tender form must be received by Mackenzie for a specific repurchase pricing date
- **Repurchase pricing date:** The repurchase NAV will be calculated effective on the last business day of each quarter
- **Repurchase payment deadline:** The day repurchase proceeds are paid to investors



Potential benefits

Private credit is a diverse space with strategies that range from those focused on capital preservation and income stability, to others with more aggressive total return objectives. Investors generally choose private credit for its enhanced yield or total return potential versus publicly traded fixed income.

Private credit loans are generally issued with floating rate payments, which benefit from a rising rate environment. This may bring considerable diversification benefits to an overall multi-asset portfolio that also holds traditional bond investments, which tend to underperform when rates rise.

Because private credit loans are not frequently traded, the lenders are generally compensated with a higher yield than the loan would offer if it was easier to trade. This illiquidity premium may enhance overall returns for investors with longer time horizons.

Potential risks

MNPCIF offers to repurchase 5% of outstanding units at NAV on a quarterly basis. As a result, liquidity is neither guaranteed nor as readily available as with investment solutions like mutual funds or ETFs that offer daily or intra-day liquidity. The fund's restricted liquidity stems from the nature of MNPCIF's private credit investments.

Regardless of how MNPCIF performs, there is no guarantee that investors will be able to sell all the units desired in a quarterly repurchase offer, as the number of units tendered by investors in connection with any given repurchase offer may exceed the number of units MNPCIF has offered to repurchase.

As mentioned above, if a repurchase offer is oversubscribed, the fund will repurchase the units tendered on a pro-rata basis which means some but not all of the redemption request will be satisfied. Unitholders will have to wait until subsequent repurchase offer periods to have the remainder of their request filled. For these reasons, MNPCIF is best suited to investors with long-term time horizons who are comfortable with limited liquidity.

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Comparing product structures

There are several distinctions and similarities between the Mackenzie Northleaf Private Credit Interval Fund, traditional mutual funds and privately offered funds available via an offering memorandum. These are set out below:

	Traditional mutual fund	MNPCIF	Privately offered funds
Offering document	Simplified prospectus	Simplified prospectus	Offering memorandum
Investor types	Retail investors	Retail investors	Accredited investors
Offering period	Continuous	Continuous	Continuous or closed-end
Listed on exchange	No	No	No
Pricing model	NAV	NAV	NAV
Valuation frequency	Daily	Weekly (indicative only) monthly (transactional)	Typically monthly or quarterly
Subscription frequency	Daily	Monthly	Typically monthly or quarterly
Subscription agreement	n/a	n/a	Required
Repurchase/redemption frequency	Daily	Quarterly	Typically monthly or quarterly
Repurchase/ redemption limit	n/a	Up to 5% of NAV	Typically 5% – 20% of NAV
Repurchase form	n/a	Required	Typically required
Settlement period	T+2	T+8 (from subscription and repurchase pricing date)	Variable, but can be +30 days
Minimum investment term	n/a (subject to short-term trading policies)	Units can be repurchased quarterly	May have hard-lock where units cannot be redeemed before certain holding periods or soft lock where units can be redeemed with certain financial penalty (early redemption fee)
Minimum initial investment	Typically $500	$5,000	**Accredited:** Variable but typically $5k – $100k **Non-accredited:** $150k
Minimum subsequent investment	Typically $25-$50	$500	Typically higher than traditional mutual funds
Illiquid asset restriction	Up to 10%	35%-65% (target), with buffer up to 90%	n/a

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