

# Ninepoint Investor FAQ

## Ninepoint Alternative Income Fund (“The Fund”)

March 2022

Due to concerns caused by the acts of third parties in the marketplace, private debt investing has come under greater scrutiny in the last several months.

It is important to note that Ninepoint’s decision to suspend redemptions on the Fund is not related to the quality or performance of any of the Fund portfolios or the integrity of its respective investment management teams. Each of the Fund’s portfolios is well positioned to continue to generate strong risk-adjusted returns for investors, particularly in this market environment.

We believe the current market environment is ideal for the asset class. Private credit can provide an inflationary hedge, buffer against market volatility, and generate stabler returns as the economy reopens.

Ninepoint will continue to keep you informed with updates as they become available.

### **1 Will you be accepting additional redemption requests?**

Any investor in the Fund who wishes to redeem units will be able to do so, in due course. Bear in mind that loans in the portfolios are not immediately liquid, which is the nature of the asset class. While the Fund has maintained sufficient liquidity for normal redemption levels, market panic has elevated redemption requests. That has required us to cancel requests received on or after February 1, 2022, and to suspend further redemptions for the time being in order to preserve the integrity of our investments for the benefit for the larger group of unitholders who do not wish to redeem at this time.

### **2 How about pending redemption requests?**

Redemptions entered from February 1 onwards are being treated as pending and will be processed on

the valuation date following the termination of the suspension, subject to the terms of the [Offering Memorandum](#).

### **3 Have the portfolios been audited for 2021 year-end?**

The Fund has been audited for the December 31, 2021 year-end. Typically, we receive audited financial statements in mid-to-late March. We do not anticipate any issues with the audit.

### **4 Can I still subscribe to the Fund?**

During this period, we will not be accepting subscriptions to the Fund.

### **5 Will there still be a NAV stated monthly?**

Yes, the Fund will continue to strike NAV monthly. The valuation of the portfolio remains unchanged by this announcement.

### **6 Will my investment still participate in the portfolio returns?**

Redemptions for the Fund are considered pending. All units remain outstanding and participate in the Fund’s returns until they are redeemed and paid out.

### **7 Will my cash distributions continue to get paid?**

Units electing to receive cash distributions will continue to receive distributions in the ordinary course of business, subject to the terms listed in the offering memorandum. ■

[ninepoint.com](http://ninepoint.com)



## DISCLAIMERS

All the above is subject to the terms of the Fund's Offering Memorandum, which can be referred to [here](#).

The Ninepoint Alternative Income Fund is generally exposed to the following risks. See the offering memorandum of the Fund for a description of these risks: fund of funds risk; not a public mutual fund; limited operating history for the fund; class risk; charges to the fund; changes in investment objective, strategies and restrictions; unitholders not entitled to participate in management; dependence of the manager on key personnel; reliance on the manager; resale restrictions; illiquidity; possible effect of redemptions; redemptions in kind; distributions; liability of unitholders; potential indemnification obligations; lack of independent experts representing unitholders; no involvement of unaffiliated selling agent; public mutual fund regulatory restrictions; limited operating history for the portfolio funds; charges to the portfolio fund; not entitled to participate in management; dependence of sub-advisor on key personnel; reliance on sub-advisor; distributions and allocations; repayment of certain distributions; possible loss of limited liability; valuation of the partnership's investments; tax liability; general economic and market conditions; assessment of the market; concentration; foreign investment risk; illiquidity of underlying investments; credit risk; impaired loans; no insurance; joint ventures and co-investments; litigation; fixed income securities; equity securities; possible correlation with traditional investments; idle cash; currency risk; suspension of trading; leverage.

The Ninepoint Alternative Income Fund is offered on a private placement basis pursuant to an offering memorandum and is only available to investors who meet certain eligibility or minimum purchase amount requirements under applicable securities legislation. The offering memorandum contains important information about the Fund including its investment objective and strategies, purchase options, applicable management fees, performance fees, other charges and expenses, and should be read carefully before investing. Performance data represents past performance of the Fund and is not indicative of future performance. Data based on performance history of less than five years may not give prospective investors enough information to base investment decisions on. Please contact your own personal advisor on your particular circumstance. This communication does not constitute an offer to sell or solicitation to purchase securities of the Fund. The information contained herein does not constitute an offer or solicitation by anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Prospective investors who are not resident in Canada should contact their financial advisor to determine whether securities of the Fund may be lawfully sold in their jurisdiction.

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