

## Churchill: A premier middle market direct lending platform<sup>1</sup>

***Churchill Asset Management is a leading provider of senior and unitranche debt financing to private equity sponsor-owned companies.***

*As a majority-owned affiliate of Nuveen, the investment manager of TIAA, Churchill benefits from the institutional infrastructure of a \$989B diversified asset manager with \$66B invested in private capital.*



**Churchill**  
Asset Management

### Deep industry expertise and alignment of interests

- Senior management team has a 13-year history of working together and averages 25+ years of middle market lending experience<sup>2</sup>
- TIAA General Account has invested (>30%) in every loan alongside third-party investors, on the same terms

### Cycle-tested track record

- Demonstrated ability to effectively invest across market cycles
- <1% loss rate since inception<sup>3</sup>

### Relationship-driven origination model

- Dedicated origination professionals source robust deal flow from long-established sources, enabling high selectivity and credit discipline

### Conservative approach

- Provide senior secured loans to traditional middle market companies generating \$10 million to \$50 million of EBITDA
- Invest in approximately 10% of opportunities screened
- Employ ESG guidelines when considering and monitoring investments

### HOW WE INVEST

- Solely provide senior and unitranche debt financing
- Focus on private equity owned firms with significant junior capital cushion
- Lend at conservative leverage levels
- All loans senior secured with financial covenants
- Diversify issuers and industry sectors
- Focus on companies with stable and consistent cash flows

**\$6.5<sup>B</sup>**

committed  
capital<sup>4</sup>

**111**

portfolio  
investments

**40<sup>+</sup>**

professionals

**13<sup>+</sup>**

year track  
record

**280<sup>+</sup>**

private equity  
relationships<sup>5</sup>

# Churchill: A premier partner for middle market companies

## OUR COMPETITIVE EDGE

### 1 *Leveraging the scale and scope of Nuveen*

Parent company's \$8 billion invested as a limited partner in middle market private equity funds fosters deep relationships and significant deal flow.

### 2 *Highly experienced management & team*

Founded in 2006, Churchill has funded over \$10.2 billion in senior loans to over 575 middle market companies with more than 180 private equity sponsors.

### 3 *Industry thought leader*

The [theadleft.com](http://theadleft.com) is our industry-leading capital markets newsletter and the premier source for information on trends in the middle market finance space distributed weekly to over 48,000 readers in financial services.

### 4 *Well-defined investment criteria*

Our deal teams identify new transactions based on key criteria and apply in-depth fundamental underwriting and credit research to provide prompt and reliable investment decisions.

### 5 *Top quality assets*

Covenants, tighter documentation, and a diversified and conservative lending approach ensure top tier investments.

## THE MIDDLE MARKET OPPORTUNITY

*A large and stable economic engine*

**3<sup>rd</sup>** largest global economy (equivalence in size)

**1/3** of private sector GDP

**\$6T+** in annual revenues

#### Yields

- Seeks a yield premium to broadly syndicated loan market
- Mitigate rising rates through floating rate instruments

#### Demand for credit

- Significant amounts of "dry powder" private equity capital available to deploy will generate substantial borrowing need

#### Gap in supply

- Tighter regulations and greater focus on liquidity have made non-bank lenders increasingly important

Sources: National Center for the Middle Market, S&P LCD, 2010-2019, Preqin, Pitchbook.

## To learn more, visit [churchillam.com](http://churchillam.com) or contact your relationship manager.

1 All information as of March 31, 2019, unless otherwise noted. 2 Churchill Asset Management was formed in 2015. Churchill's portfolio management team worked together previously at other prior firms. 3 On defaulted assets. 4 As of May 7, 2019. 5 Number of private equity relationship represents sponsors engaged in dialogue across Nuveen.

#### Risks and other important considerations

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Investments in middle market loans are subject to certain risks. Please consider all risks carefully prior to investing in any particular strategy. These investments are subject to credit risk and potentially limited liquidity, as well as interest rate risk, currency risk, prepayment and extension risk, inflation risk, and risk of capital loss.

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