

# Boundary Street Capital

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BSCP SBIC I, LP

Boundary  
Street



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# A Differentiated Credit Platform

*Boundary Street offers decades of deep technology sector investing focus and an advantaged SBIC fund structure to capitalize on the gap in U.S. secured lending and digital infrastructure*

<b>Sector Focus</b>	<ul style="list-style-type: none"><li>• Communications Infrastructure &amp; Technology ("CIT") expertise drives superior underwriting</li><li>• Thesis driven transaction sourcing, structuring, due diligence and execution</li></ul>
<b>Prudent Structure and Strong Returns</b>	<ul style="list-style-type: none"><li>• Emphasis on secured lending: primarily Unitranche or controlling Last-Out loans</li><li>• Strong covenants, with superior pricing, cash pay and low market correlation</li><li>• Net returns to investors of ~14-16%</li></ul>
<b>Market Whitespace</b>	<ul style="list-style-type: none"><li>• CIT businesses operating between breakeven and \$10m of EBITDA</li><li>• Market forces create persistent whitespace</li><li>• Ability to generate strong risk adjusted returns</li></ul>
<b>Columbia Capital Value-Add</b>	<ul style="list-style-type: none"><li>• Billions of dollars invested in CIT businesses over multiple decades</li><li>• Enhanced underwriting and portfolio management</li><li>• Ability to take control and workout downside scenarios</li></ul>
<b>SBIC Advantage</b>	<ul style="list-style-type: none"><li>• Access to guaranteed, low cost, stable, fixed-rate leverage with 10-year term</li><li>• Possible UBTI relief for tax-advantaged LPs</li></ul>

<sup>(a)</sup> Please refer to the end notes for important additional information concerning the performance information and/or metrics set forth in this slide.

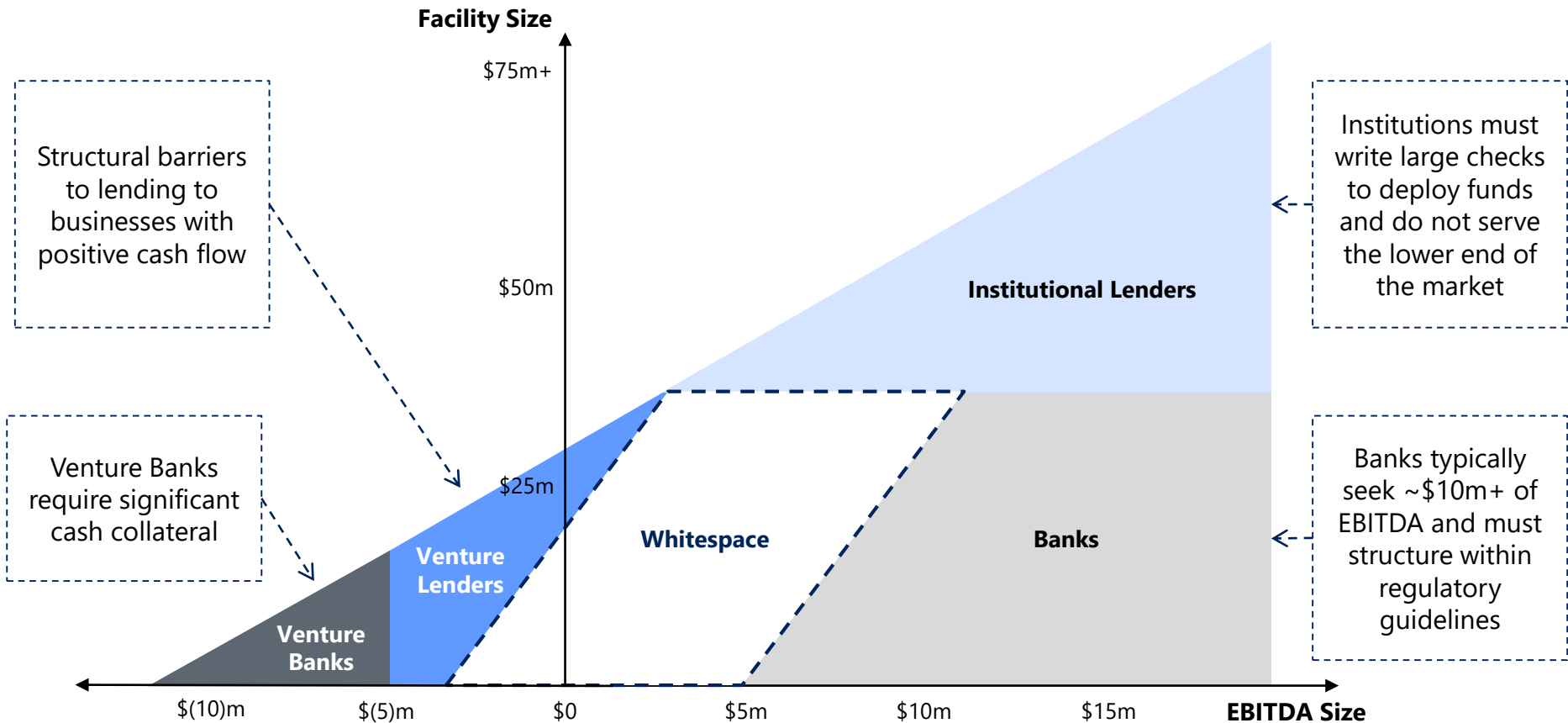
# CIT Sector Focus

*Boundary Street focuses entirely on the CIT sector which demonstrates strong secular growth with recurring revenue business models*

<b>Secular Growth Trends</b>	<b>CIT sectors continue to support substantial growth</b> <ul style="list-style-type: none"><li>• US IP traffic expected to grow 3-fold from 2017 to 2022</li><li>• US internet traffic in 2022 will be 11x 2012 levels</li><li>• Mobile traffic expected to grow by 6x from 2017 to 2022</li></ul>
<b>Utility-like Characteristics</b>	<b>CIT infrastructure and services are mission critical and reflect utility-like stability</b> <ul style="list-style-type: none"><li>• Multi-year enterprise contracts</li><li>• Low customer churn</li><li>• ARPU growth from increasing utilization</li></ul>
<b>End-User Diversification</b>	<b>17% of all US business investment is spent on CIT sector goods or services</b> <ul style="list-style-type: none"><li>• This ubiquitous need for CIT services means that most CIT businesses have a highly diversified end-user base across industries</li></ul>
<b>Lower Market Volatility</b>	<b>During the Great Recession of 2008-2009, the CIT sector experienced half the volatility of the market from peak to trough ("PTT")</b> <ul style="list-style-type: none"><li>• CIT PTT revenue declines of 7% versus 14% in the broader market</li><li>• CIT PTT EBITDA declines of 9% versus 23% in the broader market</li></ul>
<b>COVID-Defensive</b>	<b>CIT businesses, including fiber, wireless, software, data centers and services are increasing in demand as we continue to work, live and learn remotely</b> <ul style="list-style-type: none"><li>• Many CIT businesses have seen net growth throughout the COVID crisis</li></ul>

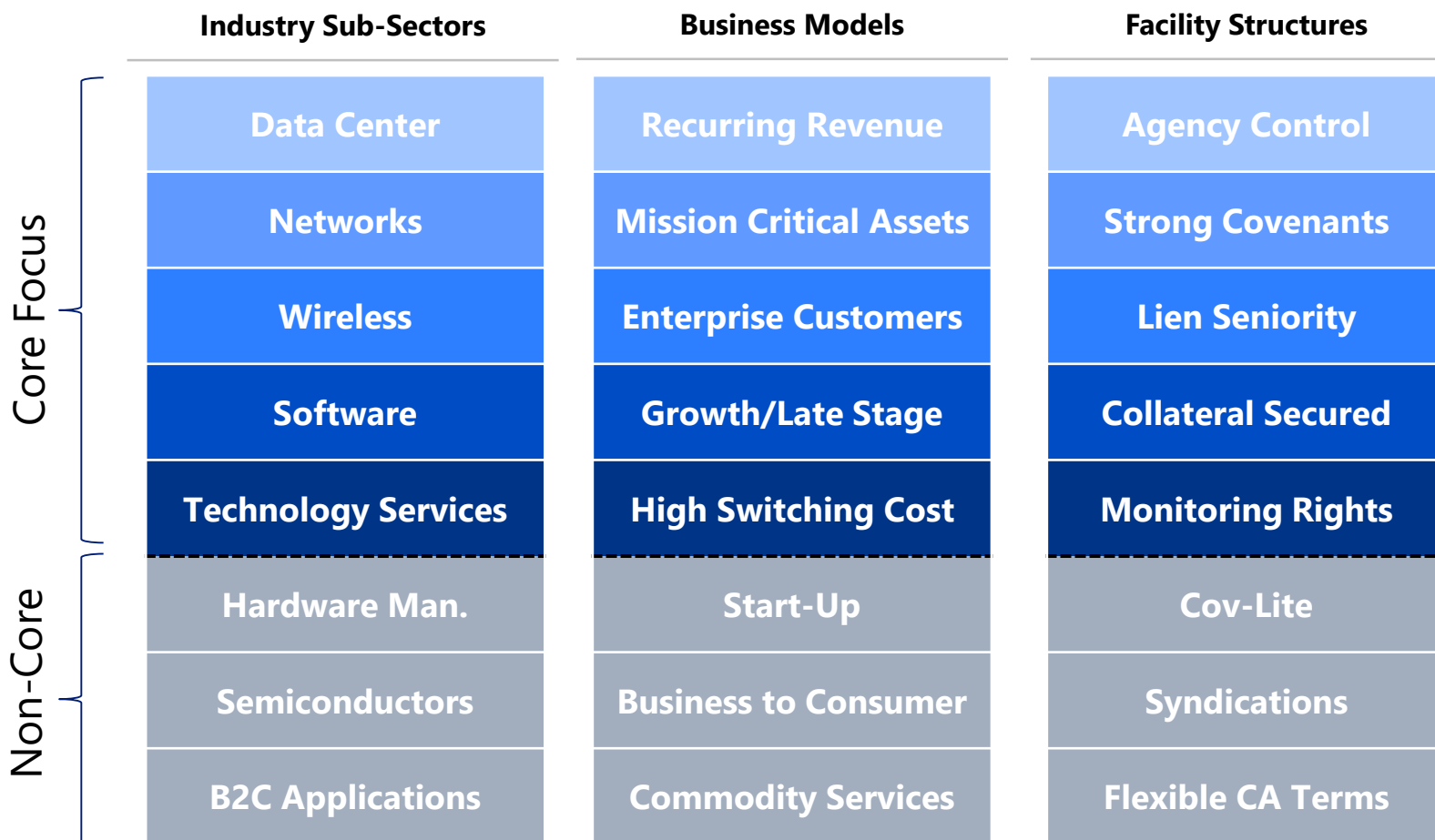
# Market Opportunity

*Significant capital flows to scaled private credit funds and bank regulatory constraints have created meaningful whitespace for niche lenders in the lower end of the middle market*



# Durable Enterprise Value Focus

*Boundary Street is deeply focused on lending to CIT businesses providing mission critical services, with highly recurring revenues and durable enterprise values*



# SBIC Licensed & Active

*The Fund received its SBIC license in April'20 and quickly converted the active pipeline into yielding Assets Under Management*

## Robust Transaction Pipeline



50

US States Covered



>250

YTD Leads



>75

YTD Due Diligence Reviews



11

Actively in Diligence

## Capital Raise and AUM



~\$90M

Committed Equity to Date



\$32M

10/31 AUM

## SBIC License Advantage



\$175M

Approved Debentures



1.5x

Leverage Tiers



1.03%

Prevailing Debenture Rate

• Represents a projected figures based on closed commitments, exclusively signed transactions, or high-probability pipeline