

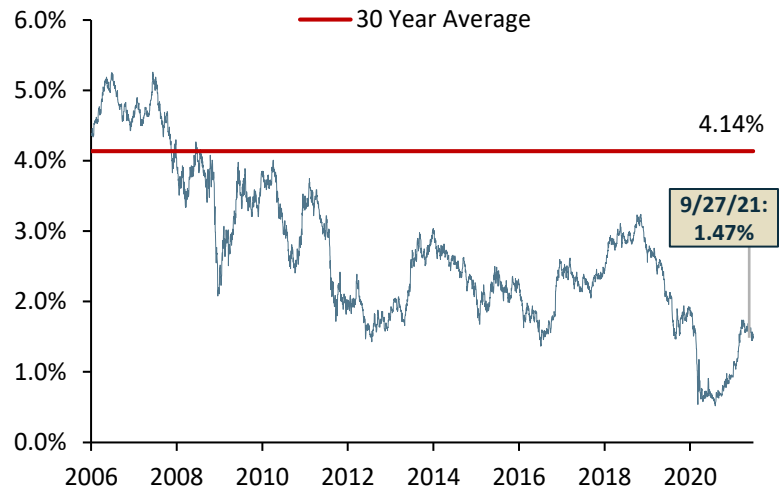
Senior Traditional Private Placement Market Update

Credit markets strengthen with activity intensifying in the back half of 2021

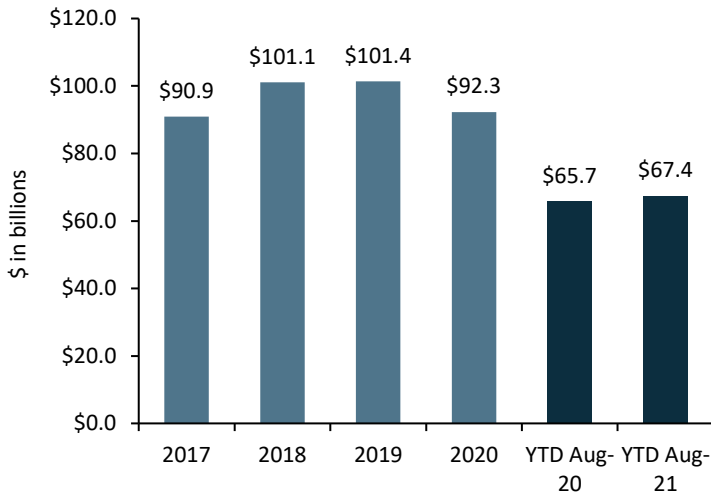
Commentary

- Credit markets continue to exceed expectations and remain extremely robust
- Capital markets have surpassed pre-pandemic levels, driven by the low-rate environment, pent-up consumer demand, and investors' need to deploy capital
- Default rates continue to fall and yield spreads continue to narrow as economic activity resumes at pre-pandemic levels
- **Rates remain near all-time lows, presenting a favorable opportunity for companies to take advantage of low borrowing costs to extend maturities or repay debt**

10-Year Treasury Rates



Volume Trends



Credit Spreads

A/L	NAIC-1		NAIC-2		NAIC-3	
	Aug-2021	Aug-2020	Aug-2021	Aug-2020	Aug-2021	Aug-2020
3	65-100	125-175	150-250	225-250	300-325	450-475
5	60-100	125-175	150-250	225-250	300-325	450-550
7	65-110	150-175	140-200	225-275	325-375	450-525
10	70-120	125-150	150-225	225-250	325-375	450-550
12-14	85-125	125-175	170-225	235-275	350-400	450-575
15	85-140	150-225	175-225	225-275	350-425	475-600

About Chartwell

- Chartwell is a national leader in advising middle-market companies in all aspects of finance, including: corporate finance, consulting, transaction opinions, and valuation
- Chartwell's corporate finance team excels at analyzing a company's optimal capital structure and recommending strategies to maximize shareholder value by determining the appropriate mix of debt and equity
- Hiring an independent financial advisor lends credibility to a capital raise process and creates competition among lenders/investors as well as achieves the lowest possible cost and favorable terms
- Please contact any of the Chartwell professionals below to learn more about analyzing your optimal capital structure and how Chartwell can help your company most effectively execute against your financing needs

Greg Fresh
 Managing Director,
 Head of Corporate Finance
 T: 612-230-3125
 E: greg.fresh@chartwellfa.com

Will Bloom
 Managing Director,
 Head of Capital Markets
 T: 312-638-5651
 E: will.bloom@chartwellfa.com

Dan Kaczmarek
 Director,
 Corporate Finance
 T: 312-638-5652
 E: dan.kaczmarek@chartwellfa.com

Ryan Rassin
 Director,
 Corporate Finance
 T: 312-638-5662
 E: ryan.rassin@chartwellfa.com