

October 29, 2020

Mackenzie and Great-West Lifeco Acquire Strategic Interest in Northleaf

Davies acted for Northleaf Capital Partners, a premier global private equity, private credit and infrastructure fund manager, in its strategic sale of a non-controlling interest to Mackenzie Financial Corporation, a subsidiary of IGM Financial Inc., one of Canada's leading diversified wealth and asset management companies, and Great-West Lifeco Inc., an international financial services holding company. IGM and Great-West Lifeco are members of the Power Corporation group of companies.

The deal, which closed on October 29, 2020, accelerates Northleaf's growth strategy by providing additional access to balance sheet capital, global relationships and retail product development and distribution. IGM and Great-West Lifeco have also agreed to invest \$700 million in Northleaf's products in the next 18 to 24 months.

Northleaf's senior leadership team maintained a 50.1% voting interest in the firm on closing. An acquisition vehicle owned by Mackenzie and Great-West Lifeco acquired a 49.9% non-controlling voting interest and a 70% economic interest in Northleaf for consideration that included a payment on closing of \$245 million as well as contingent consideration at the end of five years. Mackenzie and Great-West Lifeco also have an obligation and right to purchase additional equity and voting interests in Northleaf commencing in approximately five years and extending into future periods.

The Davies team working on this transaction was led by Sarb Basra and included Brooke Jamison, Kevin Greenspoon, Michael Disney, Zain Rizvi, Marc Pontone, Avani Verma and Patrick Pang (Corporate/M&A); Derek Vesey and Emily Uza (Banking); Anita Banicevic and Charles Hébert (Regulatory); and Ian Crosbie and Sharon Ford (Tax).