

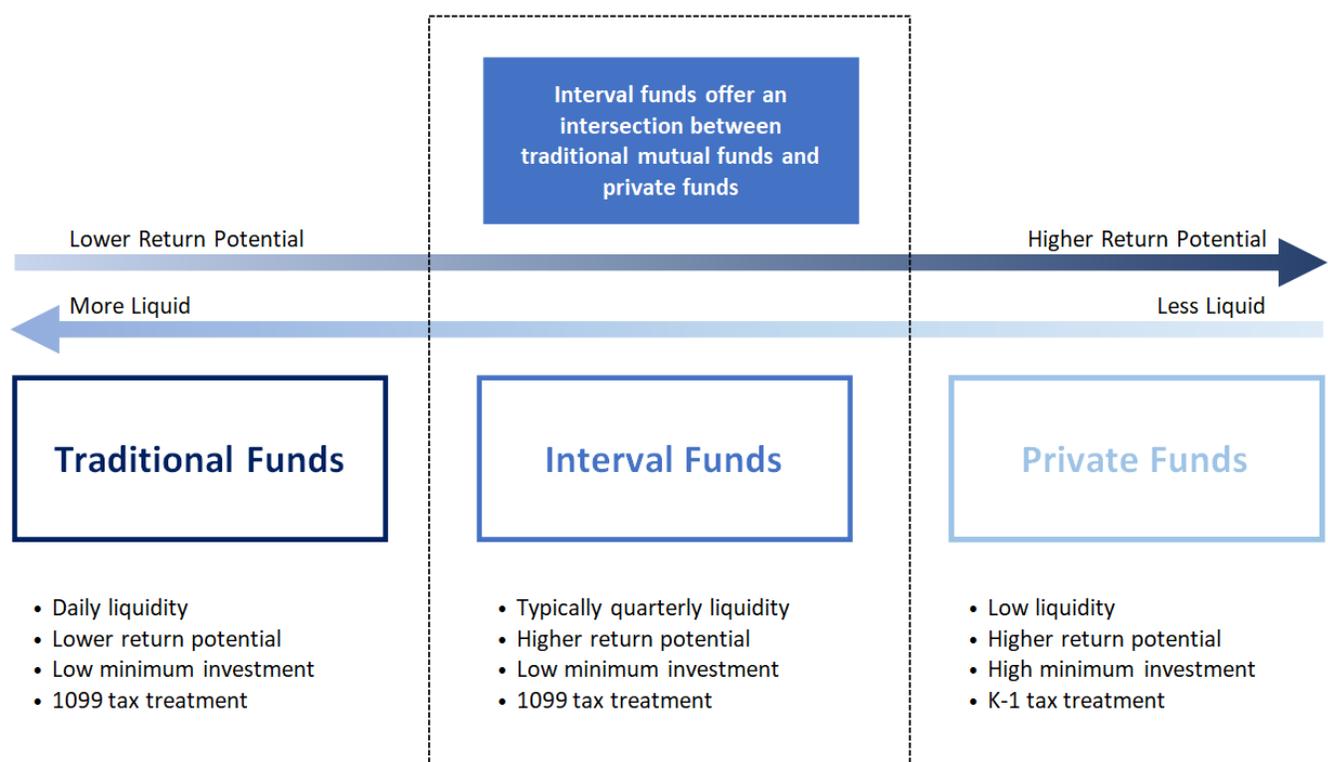
## UNDERSTANDING INTERVAL FUNDS

Interval funds are legally classified as closed-end funds and are registered under the Investment Company Act of 1940 and typically subject to the Securities Act of 1933 and the Securities Act of 1934. However, interval funds differ from traditional closed-end funds in several important ways:

- Interval funds price daily at net asset value (NAV) but are not listed on an exchange, so they do not trade at a premium or discount to the share price the way traditional closed-end funds do.
- Rather than trade on the secondary market, interval funds allow investors to sell a portion of the shares back to the fund at net asset value on a periodic monthly, quarterly, semiannually, or annually basis.
- Interval fund repurchase offers must be made for between 5% and 25% of the interval funds common shares outstanding.

One of the most unique qualities of interval funds is that they tend to invest in a diverse range of assets, which may not be held in other types of funds. For example, interval funds can invest in illiquid assets, such as private companies, farmland and forestry land, and other alternative investment types or securities, such as business loans and private equity funds. In exchange for accepting a lower degree of investment liquidity, investors may earn higher returns than those generated in the public markets – this is often referred to as the “Illiquidity premium.”

Interval funds are designed to fill the gap between traditional, public open-end funds and private funds with some features of each.



## KEY CHARACTERISTICS OF INTERVAL FUNDS

Interval funds may work well for long-term investment strategies while providing investors with access to the benefits of less liquid investments. Key attributes of interval funds include:

<b>SIMPLICITY</b>	As easy as buying mutual funds.
<b>ACCESSIBILITY</b>	Open to all types of investors -- from non-accredited individuals to institutions and retirement plan accounts.
<b>TRANSPARENCY</b>	Highly regulated and subject to disclosure and reporting requirements. NAV is reported daily. Repurchases and redemptions are priced at daily NAV.
<b>PERIODIC LIQUIDITY</b>	Periodically offer to repurchase a specific percentage of shares from shareholders at specified intervals of time.
<b>DAILY SUBSCRIPTIONS</b>	Investments into the fund made on a daily basis.
<b>LOW INVESTMENT MINIMUMS</b>	Typically require a low minimum investment relative to a similar portfolios that includes private as well as public securities.
<b>1099 TAX REPORTING</b>	Simplified reporting and tax process with Form 1099-Div or 1099-B. No K-1s.
<b>PORTFOLIO MANAGEMENT FLEXIBILITY</b>	Ability to invest in private securities alongside publicly traded securities that work together to provide strong risk adjusted returns and periodic liquidity.
<b>ONGOING OFFERINGS</b>	Continual share offerings enable investors to purchase daily over time, which may be more convenient.
<b>MULTIPLE SHARE CLASSES</b>	Different share classes are available to help meet varying investment objectives of individual investors.

## INTERVAL FUND WITHDRAWAL/REPURCHASE PROCESS

The interval fund repurchase process includes the following key attributes:

- Fund shares are subject to periodic repurchase offers (typically quarterly) by the fund at a price based on NAV.
- Shareholders that want to participate in the repurchase process submit a request to sell their shares back to the fund.
- The fund will specify a date by which shareholders must submit a repurchase request. The actual repurchase will occur shortly thereafter.
- An interval fund's repurchase notice will disclose all of the specific details of a particular repurchase offer.

## RISKS OF INVESTING IN INTERVAL FUNDS

It's important to keep in mind that interval funds can expose investors to liquidity risk, and that risk is greater in funds that invest in securities of companies with smaller market capitalizations, derivatives or securities with substantial market and/or credit risk.

Even though interval funds make periodic offers to repurchase a portion of outstanding shares, investors should consider interval funds to be an illiquid investment. There is no guarantee that investors will be able to sell interval fund shares at any given time or in the quantity that they desire.

Before investing in an interval fund, investors should be knowledgeable to the risks associated with the investment vehicle and carefully read all the fund's available information, including its prospectus and most recent shareholder report.

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An investment in an interval fund is not suitable for all investors. Unlike traditional closed-end funds an interval fund's shares are not typically listed on a stock exchange. Although interval funds provide liquidity to investors by offering to repurchase a limited amount of shares on a periodic basis, investors should consider shares of an interval fund to be an illiquid investment. Investments in interval funds are therefore subject to liquidity risk as an investor may not be able to sell the shares at an advantageous time or price. There is also no secondary market for fund shares. There is no guarantee that an investor will be able to sell all or any of their requested fund shares in a quarterly repurchase offer. Interval funds can invest in both traditional and speculative securities which may contain significant uncertainties. There is no guarantee that any investment strategy or product will achieve its objectives, avoid losses, or generate profits. All investments contain risk and may lose value. This material has been distributed for informational purposes only and should not be considered an investment advice or recommendation of any particular security, strategy, or investment product. Information contained herein has been obtained from sources believed to be reliable but not guaranteed.

Characteristics of interval funds based on information from the following source: *U.S. Securities and Exchange Commission*, <https://www.investor.gov/introduction-investing/investing-basics/glossary/interval-fund> and <https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-bulletins-92>