

# **A Professionally Managed, Fixed-income Alternative**

# Re-thinking the Traditional Fixed-income Strategy

As traditional bonds struggle with historically low yields and diminishing returns, consider a complement to your fixed-income needs.

## Three decades of decreasing yields

Interest rates steadily declined over the last three decades to historic lows. Even as rates begin to rise, you must meet your desire for income in a bond market paying yields well below historical averages.

Declining 10-year Treasury Yields

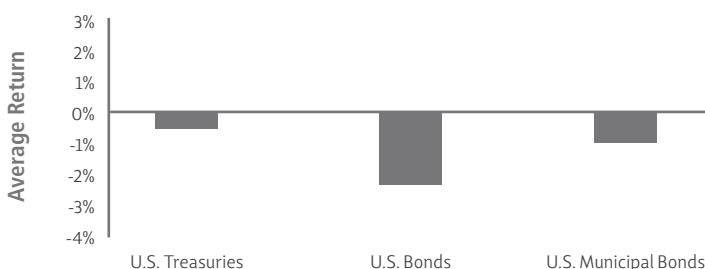


Source: Bloomberg - 10-Year Constant Maturity Treasury Yield Curve Rate, 9/30/85-9/30/17.

## Rising rates may dampen bond returns

Traditional bonds pay fixed coupons that become less valuable as interest rates rise, lowering overall returns.

Fixed-income Struggles with Rising Interest Rates



Periods shown represent periods during which the U.S. 10-year Treasury yield increased by 50 basis points or more.

Source: Bloomberg - Bank of America Merrill Lynch 1-3 Year US Treasury Index (U.S. Treasuries), Barclays U.S. Aggregate Total Return Value Index (U.S. Bonds), Bloomberg Barclays Municipal Bond Index Total Return Index (U.S. Municipal Bonds), 12/31/16. Periods shown represent periods during which the U.S. 10-year treasury yield increased by 50 basis points or more. The periods include: 11/7/01-4/1/02, 6/13/03-9/2/03, 3/22/04-6/14/04, 6/27/05-6/27/06, 3/17/08-6/13/08, 12/30/08-6/10/09, 11/30/09-4/5/10, 10/8/10-2/8/11, 9/22/11-10/27/11, 1/31/12-3/19/12, 7/24/12-9/14/12, 5/1/13-12/31/13, 1/30/15-3/6/15, 4/17/15-6/10/15, 7/8/16-12/15/16.

## A potential solution? The Resource Credit Income Fund

The Resource Credit Income Fund (the "Fund"), a continuously offered, closed-end interval fund, implements a nimble, income-focused credit strategy focused on complementing core fixed income.

- An income strategy not dictated by interest rate movements
- Seeks to offer capital preservation
- Performance driven by opportunistic buying power

## The Resource Credit Income Fund may be a fixed-income alternative that helps generate income in any interest rate environment.

### Income not dependent on interest rates

While a bond-heavy, fixed-income allocation may be vulnerable to rising rates, the Fund invests in both fixed-rate and floating-rate assets that may provide protection in rising rate and inflationary environments.

A majority of the Fund's portfolio is invested in senior secured loans, which seek to generate steady income in any interest rate environment.\*

\*Data as of 9/30/17.

### Quarterly Dividend (per share)\*

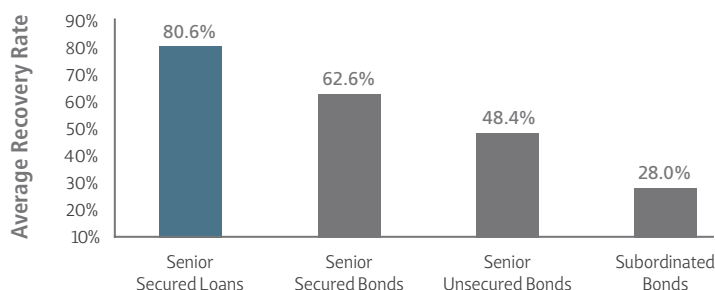
Q4 2016	Q1 2017	Q2 2017	Q3 2017
\$0.175	\$0.185	\$0.185	\$0.175

Past performance does not guarantee future results. Dividends are not guaranteed. Dividends may include a return of capital. This may result in less of a shareholder's assets being invested in the Fund and, over time, increase the Fund's expense ratio.

### Capital preservation focused on secured assets

Secured and subordinated bonds must wait their turn to recover capital in the event of default. While there is no guarantee of repayment, senior secured loans' position at the top of the capital structure increases their capital recovery rates.

### Average Corporate Debt Recovery Rates



Source: Moody's Investor Service. Annual Default Study. 2/15/17.

### Performance driven by investment selection

The Fund's in-house portfolio team seeks to take advantage of market dislocation to generate strong returns based on credit quality, not interest rates.

#### Fund Performance, as of September 30, 2017

	1 YR	Since 10/27/15, per annum*	Since Inception 4/17/15, per annum
Credit Income Fund	15.80%	11.39%	8.76%
S&P 500	18.61%	13.24%	10.41%
S&P/LSTA	5.30%	5.64%	3.81%
Barclays High Yield Bonds	7.69%	7.49%	3.78%
Barclays US Agg	0.07%	2.38%	1.72%

Source: ALPS Fund Services, Inc. (Resource Credit Income Fund Class A shares); Bloomberg (S&P 500 Total Return Index; S&P/LSTA Leveraged Loan Total Return Index; Bloomberg Barclays High Yield Bond ETF; Barclays U.S. Aggregate Total Return Value Index).

Performance data quoted represents past performance. Past performance does not guarantee future results and investment returns and principal value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted above. For performance information current to the most recent month-end, please call toll-free (866) 773-4120. Class A gross expenses are 20.65% and net expenses are 3.64%. Net fees are based on a contractual fee waiver and reimbursement agreement of 17.01% through at least September 9, 2018. The Fund is subject to an incentive fee that is paid in any calendar quarter in which the Fund's pre-incentive fee net investment income ("investment income") exceeds 2.25%, equal to 100% of investment income less than or equal to 2.8125% and 20% of investment income, if any, that exceeds 2.8125%. Performance does not reflect the deduction of all fees. If fees were deducted, performance would be lower.

\* Data represents performance as of the date the Fund started actively investing.

To learn more, visit  
[www.ResourceCreditIncome.com](http://www.ResourceCreditIncome.com) or call (866) 773-4120.

## Definitions

An **Interval Fund** is a continuously offered, closed-end fund that periodically offers to repurchase its shares from shareholders. This feature allows the Fund greater opportunities to invest in less liquid assets, which may result in higher risk-adjusted returns.

Through the interval structure, the Fund offers a Liquidity Feature of quarterly redemptions at NAV of no less than 5 percent of the shares outstanding made available, redeeming more frequently than other real estate and private equity investments. Regardless of how the Fund performs, there is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

The **S&P/LSTA Leveraged Loan Total Return Index** is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads, and interest payments.

**Bank of America Merrill Lynch U.S. Treasury Index** tracks the performance of U.S. dollar denominated sovereign debt publicly issued by the U.S. government in its domestic market.

## Risk factors

**Senior loans** hold the most senior position in the capital structure of a borrower. Substantial increases in interest rates may cause an increase in loan defaults as borrowers may lack resources to meet higher debt service requirements.

**CLOs and other structured products** may bear risks of the underlying investments, index or reference obligation and are subject to counterparty risk. Certain structured products may be thinly traded or have a limited trading market.

## Risk disclosures

**An investor should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. To obtain a prospectus containing this and other information, please call (866) 773-4120 or download the file from [www.ResourceCreditIncome.com](http://www.ResourceCreditIncome.com). Read the prospectus carefully before you invest.**

The Fund is distributed by ALPS Distributors, Inc. (ALPS Distributors, Inc. 1290 Broadway, Suite 1100, Denver, CO 80203). Resource Alternative Advisor, LLC and ALPS Distributors, Inc. are not affiliated.

*Investing involves risk. Investment return and principal value of an investment will fluctuate, and an investor's shares, when redeemed, may be worth more or less than their original cost. Alternative investment funds, ETFs, interval funds, and closed-end funds are subject to management and other expenses, which will be indirectly paid by the Fund. Debt instruments are subject to credit risk and interest rate risk and may be subordinated to more senior debt instruments. BDCs often use leverage to enhance returns and are subject to interest rate risk, credit risk, and liquidity risk. CLOs are debt instruments but also carry additional risks related to the complexity and leverage inherent in the CLO structure. The use of leverage, such as borrowing money to purchase securities, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses.*

*There currently is no secondary market for the Fund's shares and the Fund expects that no secondary market will develop. Shares of the Fund will not be listed on any securities exchange, which makes them inherently illiquid. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers, regardless of how the Fund performs. Investments in lesser-known, small and medium capitalization companies may be more vulnerable than larger, more established organizations. The sales of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's NAV.*

The **Barclays U.S. Aggregate Total Return Value Index** is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS (agency and non-agency).

The **Bloomberg Barclays U.S. Municipal Index Total Return Index** covers the U.S. dollar-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and pre-refunded bonds.

The **Bloomberg Barclays High Yield Bond ETF** is an exchange-traded fund incorporated in the U.S. and seeks investment results that correspond to the price and yield of the Bloomberg Barclays High Yield Very Liquid Bond Index.

The **S&P 500 Total Return Index** is a stock market index based on the market capitalizations of 500 large companies listed on the New York Stock Exchange or the NASDAQ. The Total Return Index assumes that investors reinvest dividends.

**Private Investment Fund** shareholders will bear two layers of fees and expenses: asset-based fees and expenses at the Fund level, and asset-based fees, which may include incentive allocations or fees and expenses at the Private Investment Fund level. The valuation provided by an asset manager as of a specific date may vary from the actual sale price that may be obtained if such investment were sold to a third party. In addition to valuation risk, shareholders of Private Investment Funds are not entitled to the protections of the 1940 Act.