



# RiverNorth/Oaktree High Income Fund (RNHIX | RNOTX)

Q2 2024

***An investor should consider the investment objectives, risks, charges, and expenses of the Fund (or of the Investment Company) carefully before investing. To obtain a prospectus containing this or other information about the Fund, please call 888.848.7569 or download a PDF version from [www.rivernorth.com](http://www.rivernorth.com). Read the prospectus carefully before you invest.***

Open-end mutual funds are distributed by ALPS Distributors, Inc. Member FINRA.

Mutual fund investing involves risk. Principal loss is possible. Past performance is not a guarantee of future results. Diversification does not ensure a profit or a guarantee against loss.

NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

# Fund Risks

More detailed information regarding these risks can be found in the Fund's Prospectus.

ALPS Distributors, Inc. is not affiliated with RiverNorth Capital Management, LLC or Oaktree Fund Advisors, LLC.

**Borrowing Risk:** borrowings increase fund expenses and are subject to repayment, possibly at inopportune times.

**Closed-End Fund Risk:** closed-end funds are exchange traded, may trade at a discount to their net asset values, and may deploy leverage.

**Convertible Security Risk:** the market value of convertible securities adjusts with interest rates and the value of the underlying stock.

**Credit Derivatives Risk:** the use of credit derivatives is highly specialized, involves default, counterparty and liquidity risks and may not perfectly correlate to the underlying asset or liability being hedged.

**Currency Risk:** foreign currencies will rise or decline relative to the U.S. dollar.

**Defaulted Securities Risk:** defaulted securities carry the risk of uncertainty of repayment.

**Derivatives Risk:** derivatives are subject to counterparty risk.

**Distressed and Defaulted Securities Risk:** defaulted securities carry the risk of uncertainty of repayment.

**Equity Risk:** equity securities may experience volatility and the value of equity securities may move in opposite directions from each other and from other equity markets generally.

**Exchange Traded Note Risk:** exchange traded notes represent unsecured debt of the issuer and may be influenced by interest rates, credit ratings of the issuer or changes in value of the reference index.

**Fixed Income Risk:** the market value of fixed income securities adjusts with interest rates and the securities are subject to issuer default.

**Floating Interest Rate Risk:** loans pay interest based on the London Interbank Offered Rate (LIBOR) and a decline in LIBOR could negatively impact the Fund's return.

**Foreign/Emerging Market Risk:** foreign securities may be subject to inefficient or volatile markets, different regulatory regimes, or different tax policies. These risks may be enhanced in emerging markets.

**Investment Style Risk:** investment strategies may come in and out of favor with investors and may underperform or outperform at times.

**Large Shareholder Purchase and Redemption Risk:** the Fund may experience adverse effects when certain large shareholders purchase or redeem large amounts of shares of the Fund.

**Liquidity Risk:** illiquid investments may be difficult or impossible to sell.

**Management Risk:** there is no guarantee that the adviser's investment decisions will produce the desired results.

**Market Risk:** economic conditions, interest rates, and political events may affect the securities markets.

**Preferred Stock Risk:** preferred stocks generally pay dividends, but may be less liquid than common stocks, have less priority than debt instruments, and may be subject to redemption by the issuer.

**Security Risk:** the value of the Fund may decrease in response to the activities and financial prospects of individual securities in the Fund's portfolio.

**Structured Notes Risk:** because of the embedded derivative feature, structured notes are subject to more risk than investing in a simple note or bond.

**Swap Risk:** swap agreements are subject to counterparty default risk and may not perform as intended.

**Tax Risk:** new federal or state governmental action could adversely affect the tax-exempt status of securities held by the Fund, resulting in higher tax liability for shareholders and potentially hurting Fund performance as well.

**Underlying Fund Risk:** underlying funds have additional fees, may utilize leverage, may not correlate to an intended index, and may trade at a discount to their net asset values.

**Valuation Risk:** loans and fixed-income securities are traded "over the counter" and because there is no centralized information regarding trading, the valuation of loans and fixed-income securities may vary.

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# 1. Fund Overview

# Why Invest in the Fund?

The Fund provides investors unique market access to managers who are experts in their respective asset classes. The Fund also offers first time access in the U.S. to both Oaktree Fund Advisors, LLC's Corporate Loan and Corporate Bond Strategies in a daily priced vehicle.

FUND ATTRIBUTES			
	Corporate Loans	Corporate Bonds	Closed-End Funds
Description	<ul style="list-style-type: none"> <li>Global Developed Markets Corporate Loans</li> <li>Floating rate</li> <li>Secured</li> </ul>	<ul style="list-style-type: none"> <li>Global Developed Markets Corporate Bonds</li> <li>Fixed rate</li> <li>Unsecured</li> </ul>	<ul style="list-style-type: none"> <li>Diversified asset mix</li> <li>Fixed number of shares</li> <li>Brought to market via IPO</li> </ul>
Participants	Institutional	Institutional	Retail/limited institutional
Price Fluctuations	Historically stable when rates rise	Sensitive to rising rates and the economy	Price relative to NAV fluctuates due to supply and demand
Yield	Attractive vs. government and investment grade bonds	Attractive vs. government and investment grade corporate bonds	<ul style="list-style-type: none"> <li>Buying assets at discount to NAV enhances yield</li> <li>Typically utilize leverage to enhance yield</li> </ul>
Other Features	Little to no duration <sup>1</sup>	Generally intermediate duration	Opportunity to buy assets at a discount to liquidation value

# Investment Objective & Philosophy

- The RiverNorth/Oaktree High Income Fund seeks to provide investors with total return consisting of long-term capital appreciation and income.
- While RiverNorth Capital Management, LLC (“RiverNorth”) believes markets are generally efficient, closed-end funds offer a unique structure whereby investors can purchase a diversified fund and potentially generate additional return through the change in the relationship between the closed-end fund’s market price and net asset value (“NAV”).
- RiverNorth also believes combining a closed-end fund strategy with an experienced credit manager such as Oaktree Fund Advisors, LLC (“Oaktree”) provides an attractive investment vehicle for investors.

# Investment Strategy

RiverNorth allocates Fund assets among three principal strategies:



**RiverNorth manages** the Tactical CEF Income Strategy.



**Oaktree manages** the High Yield Bond and Senior Loan strategies. **Oaktree tactically manages** the allocation between the High Yield Bond and Senior Loan strategies based on market opportunities and the risk and reward trade-off between the two asset classes.



## 2. Tactical Closed-End Fund Income Strategy

# Introduction to Closed-End Funds (CEFs)

- Registered under the Investment Company Act of 1940
- Fixed number of shares issued in an IPO
- Market price deviates from Net Asset Value (NAV) (ability to purchase at a discount or premium)\*
- Market price fluctuations driven by supply and demand factors – “fear and greed”
- Unique source of alpha <sup>2</sup>
- NAV acts as an “anchor” – you know what it is worth
- Buying assets at a discount enhances the yield
- CEF investing is dominated by retail investors who may make decisions for non-fundamental reasons
- Limited research coverage

\*The price at which a closed-end fund trades often varies from its NAV. Some funds have market prices below their net asset values – referred to as a discount. Conversely, some funds have market prices above their net asset values – referred to as a premium.

# CEF Total Return Anatomy

## Net Asset Value Return

- Potential access to numerous asset classes
- Non-systematic risk can be limited due to significant diversification
- RiverNorth tactically manages asset class exposure

## Discount Narrowing

- Unique source of alpha or excess return
- Uncorrelated to most asset classes
- RiverNorth specializes in analyzing discount-narrowing catalysts

## Potential Enhanced Yield

- Leverage
- Owning assets at a discount can enhance the yield
- Return of capital (“ROC”) at a discount equals excess return

# The CEF Investment Opportunity

- Given the contemporaneous and observable market-based returns for both closed-end fund shares and the underlying asset portfolios through the NAV, RiverNorth believes that closed-end fund discounts and premiums provide an illustration of a market imperfection in capital-asset pricing.
- Closed-end funds pose one of the greatest challenges to the efficient market hypothesis because they seem to violate a fundamental principle of economics — the Law of One Price.
- RiverNorth believes the observable inefficiencies in the secondary market can provide the Fund the ability to generate additional return above beta (“alpha”) through discount narrowing.
- Purchasing income-producing securities at a discount potentially produces enhanced yield. For example, holding an income-producing closed-end fund trading at a 15% discount to its NAV will increase its yield by 17.6% vs. owning the underlying bonds directly.<sup>8</sup>

# Exploiting the Inefficiencies

## Investment strategies

### Mean Reversion

- Using proprietary quantitative models, RiverNorth seeks to identify mispricing in the closed-end fund market.
- An exemplary trade involves buying the mispriced closed-end fund and selling short a correlated closed-end fund or exchange-traded fund.

### Corporate Actions

- RiverNorth may pursue investments in closed-end funds that have announced or are likely to announce certain corporate actions.
- RiverNorth has developed trading strategies that focus on closed-end fund tender offers, rights offerings, shareholder distributions, open-endings/ liquidations and IPOs.

### Enhanced Yield

- While waiting for discount narrowing from Mean Reversion and Corporate Actions, the discounted closed-end fund portfolio may generate excess income compared to owning the underlying bonds outright.

### Institutional Ownership

- RiverNorth monitors institutional ownership of CEFs closely.
- Institutional owners can impact CEF discount levels due to things like merger activity and activism campaigns.
- While RiverNorth is not an activist, we will assess opportunities created by other institutional owners who are.

# 3. Senior Loan Strategy

# Introduction to Senior Loans

Why target senior loans?

## Risk-Adjusted Returns

- Favorable risk-adjusted return potential compared to alternatives in a low interest rate environment

## Top of Capital Structure

- Secured by first lien against assets that can provide potential downside mitigation

## Floating Rate Instruments

- Can increase in value in a rising interest environment, and vice versa
- Provide a hedge against inflation and diversification vs. fixed rate investments

# Key Elements of Oaktree's Senior Loan Investing Strategy

## Limiting Credit Losses

- **Risk-control orientation:**  
Oaktree's most important job as an investor is to understand the downside risks through a fundamental bottom-up credit analysis
- Maintain a **diverse portfolio** across companies and industries to help mitigate risk
- Oaktree has a record of **minimizing defaults** and **maximizing recoveries** when problems occur
- Engage an industry-leading credit investment platform with deep expertise through collaboration with Oaktree's industry-leading Distressed Debt team provides outstanding **valuation expertise** and **deep restructuring skills**

## Obtaining Preferential Access to Deal Flow

- **Strong access to investment opportunities** in both primary and secondary markets given Oaktree's broader investment platform
- **Longstanding relationships with leading investment banks** is recognized via deal allocations and access to **secondary trading opportunities**

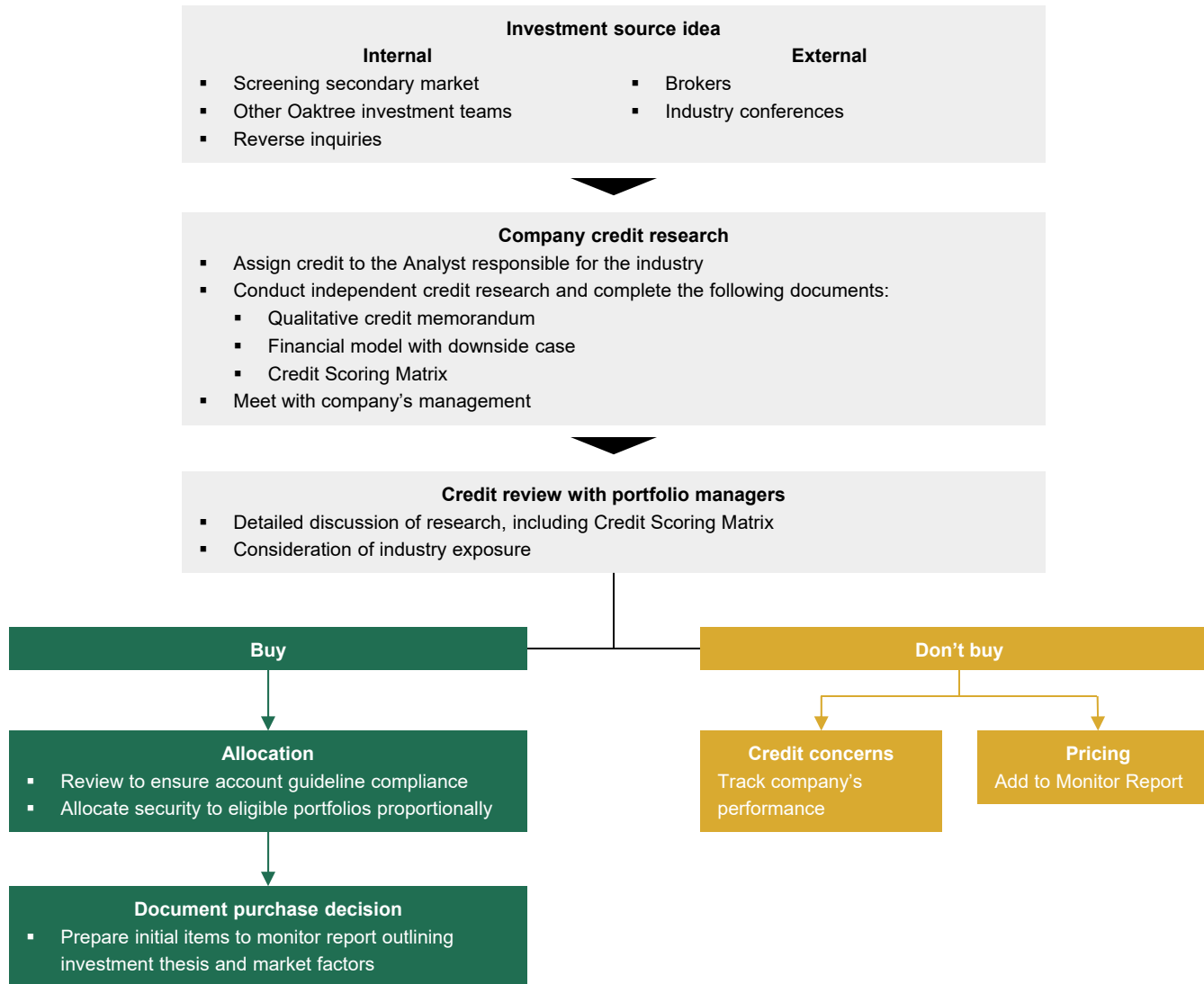
## Maintaining a Long-Term Investment Horizon

- Investments made with the assumption that they will be **held until maturity**
- Fund returns dependent on cash flow generated by underlying investments which **helps to mitigate the risk of short-term market volatility**
- **No attempts to time markets**



# Oaktree's Investment Process

## Initial Credit Review flowchart



## 4. High Yield Bond Strategy

# Oaktree Overview: Values

## Unchanged since Oaktree's founding in 1995

### Oaktree's Investment Philosophy

- Primacy of risk control
  - “If we avoid the losers, the winners will take care of themselves.”
- Emphasis on consistency
- Importance of market inefficiency
- Benefits of specialization
- Macro-forecasting not critical to investing
- Disavowal of market timing

### Business Principles

- Excellence in investing
- Proprietary, in-depth research
- Alignment of interests with clients
- Personnel practices that engender a collegial and professional culture
- Forthright communication
- Firm profitability is a byproduct of the above, not a goal

# Oaktree's Investment Philosophy

## Core Beliefs

- Oaktree views high yield bond investing as the conscious bearing of credit risk for profit
- Oaktree's business is lending money to lower-rated yet creditworthy corporations
- Avoidance of defaults is the most reliable source of superior performance

## Goals

- Achieve attractive risk-adjusted returns over extended periods
- Minimize credit loss and dampen volatility
- Earn solid results in good times; outstanding results in bad times

## Role

- Operate as a risk-controlled manager in an aggressive asset category
- Returns dependent only on contractual payments; no expectation of windfall profits
- Trading only to implement research, not for short-term gains

# Oaktree's Investment Approach

## Buy Discipline

- Investments are only made if
- The absolute amount of risk is acceptable to Oaktree.
  - The promised yield provides adequate compensation for the risk.
  - Oaktree feels that the investment's relationship between risk and return is among the best in the asset class.

## Sell Discipline

Oaktree's decision to sell a security is fundamentally based, relating to its price and Oaktree's assessment of its risk.

Specifically, there are three reasons for selling a bond:

- Oaktree is early in spotting actual or potential deterioration in credit quality.
- The bond's price has significantly appreciated, lowering its yield below Oaktree's minimum.
- Another bond is available which offers a better risk/reward trade-off.

## Trading

- Trading is viewed as a cost item as opposed to a value enhancer and, therefore, kept to a minimum.
- Oaktree generally purchases securities for the Fund that it is prepared to hold for the long term.

## Diversification

- The Fund's high yield bond portfolio is diversified as to company and industry.

# Oaktree's Research Process

- **Oaktree's credit analysis is similar to equity research** in that it is forward-looking, but different in its preoccupation with preserving principal. It focuses exclusively on those factors expected to impact an issuer's financial position.
- **Oaktree's analysts employ a well-established credit scoring matrix** to rank potential investments. This process provides a systematic way of reviewing the key quantitative and qualitative variables impacting credit quality for each company. It has been successfully used and refined over several market cycles.
- **As a conservative investor, Oaktree prepares a sensitivity analysis** on the key factors impacting each issuer's cash flow generating capability. Since fixed income investments generally do not possess much upside potential, Oaktree is not concerned with how good things can get, only how bad.
- **As part of the review process, analysts meet** with each company's top management in order to gain a better understanding of management's goals and abilities.
- **Once Oaktree is satisfied with the issuer's credit quality**, Oaktree carefully reviews its capital structure and bond covenants.
- **Every bond purchase is documented in a credit memorandum.** Particular attention is paid to the initial investment thesis, the company's ability to generate free cash flow and the key risk factors to monitor going forward.
- **Every investment is reviewed and financial results analyzed at least quarterly.** All investments are ranked by the analysts based on their relative comfort with the credit. New holdings and "watch list" holdings which have not performed up to expectations are monitored most closely.

# 5. Fund Returns and Statistics

# Fund Information

As of 6.30.2024

	Class I (Institutional)	Class R (Retail)
<b>Ticker</b>	RNHIX	RNOTX
<b>CUSIP</b>	76881N806	76881N707
<b>Annual report expense ratio*</b>	1.35%	1.60%
<b>Total expense ratio*</b>	2.02%	2.27%
<b>Minimum initial investment</b>	\$100,000	\$5,000
<b>Minimum IRA initial investment</b>	\$100,000	\$1,000
<b>30-day SEC yield (subsidized) <sup>7</sup></b>	6.40%	6.15%
<b>30-day SEC yield (net) <sup>7</sup></b>	6.03%	5.77%
<b>Benchmarks</b>	<ul style="list-style-type: none"> <li>• BofA Merrill Lynch Non-Financial Developed High Yield Constrained Index <sup>3</sup></li> <li>• Credit Suisse Leveraged Loan Index <sup>4</sup></li> </ul>	
<b>Fund net assets</b>	\$54.2M	
<b>Estimated duration <sup>6</sup></b>	2.7 years	
<b>Status</b>	Open	
<b>Subsequent investments</b>	\$100	
<b>Sales load</b>	None	
<b>Income distributions</b>	Monthly	
<b>Capital gains distributions</b>	Annually	
<b>Average CEF discount of CEF sleeve</b>	-8.5%	

\*The expense ratio as disclosed in the Fund's annual report dated 9.30.2023 only includes the direct expenses paid by shareholders from their investment. The expense ratio as disclosed in the Fund's prospectus dated 1.28.2024 is required to include the indirect expenses of investing in underlying funds.



# Fund Performance

Total returns for period ending 6.30.2024

	Q2 2024	1 Year	3 Year*	5 Year*	10 Year*	Since Inception*†
<b>RiverNorth/Oaktree High Income Fund (RNHIX)</b>	1.02%	9.80%	2.93%	3.47%	3.49%	4.01%
<b>RiverNorth/Oaktree High Income Fund (RNOTX)</b>	0.96%	9.66%	2.72%	3.24%	3.23%	3.76%
<b>ICE BofA Non-Financial Developed High Yield Constrained Index <sup>3</sup></b>	0.94%	9.83%	0.61%	3.01%	3.35%	4.11%
<b>Credit Suisse Leveraged Loan Index <sup>4</sup></b>	0.95%	10.04%	5.65%	5.17%	4.48%	4.67%
<b>All Taxable Fixed Income (NAV) <sup>5</sup></b>	1.07%	11.23%	0.68%	3.12%	4.20%	4.72%
<b>All Taxable Fixed Income (Price) <sup>5</sup></b>	2.24%	16.23%	0.30%	4.36%	5.33%	5.42%

\*Annualized

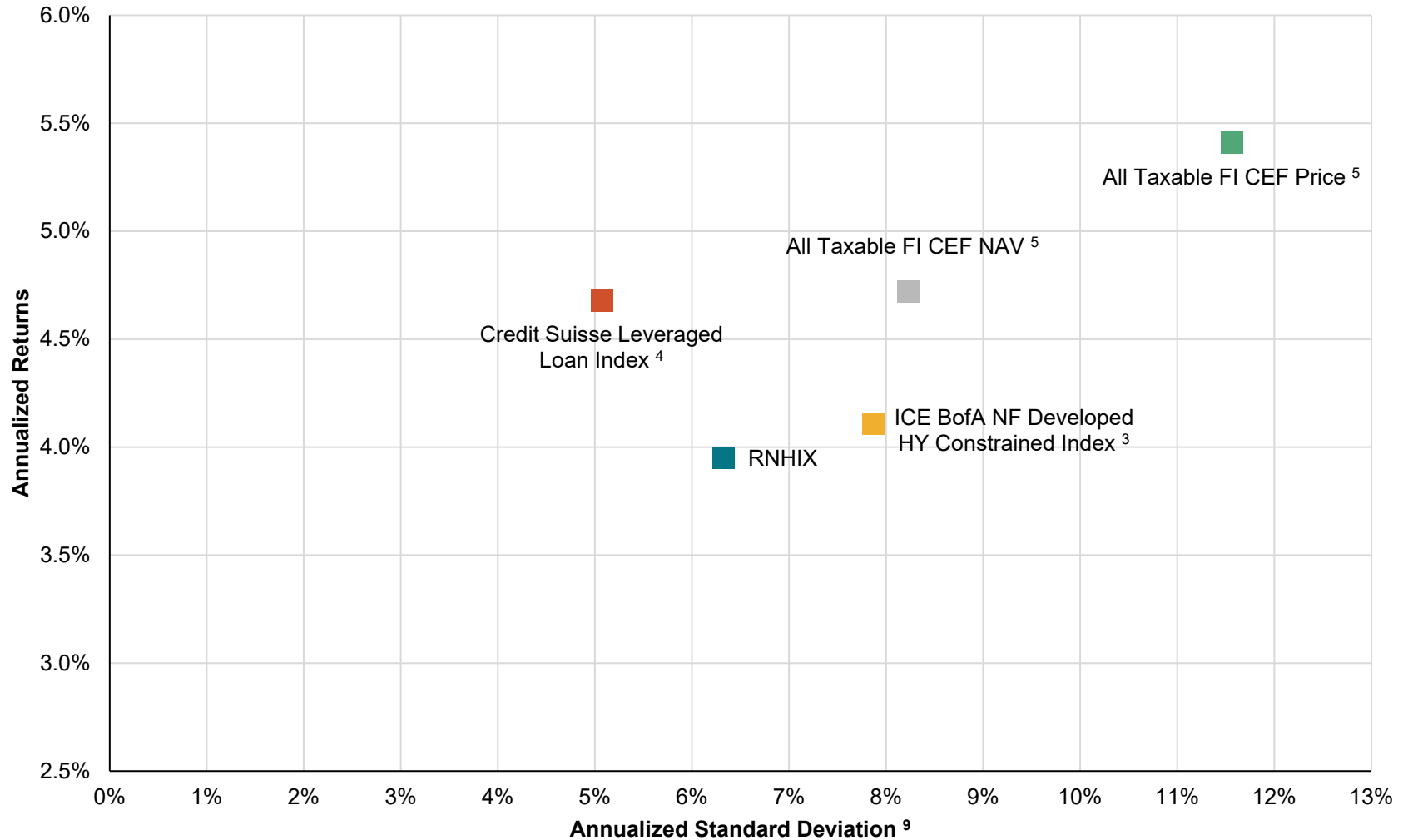
†Inception Date: 12.28.2012.

The expense ratio as disclosed in the Fund's annual report dated 9.30.2023 is 1.35% (RNHIX) and 1.60% (RNOTX). The adviser has contractually agreed to defer the collection of fees and/or reimburse expenses, but only to the extent necessary to limit Total Annual Fund Operating Expenses (excluding brokerage fees and commissions; borrowing costs, such as (a) interest and (b) dividends on securities sold short; taxes; indirect expenses incurred by the Underlying Funds in which the Fund invests; and extraordinary expenses) to 1.35% (RNHIX) and 1.60% (RNOTX) of the average daily net assets of the Fund through 1.31.2023. The total expense ratio as disclosed in the Fund's prospectus dated 1.28.2024 is 2.02% (RNHIX) and 2.27% (RNOTX).

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling 888.848.7569 or [www.rivernorth.com](http://www.rivernorth.com). Total return measures net investment income and capital gain or loss from portfolio investments. All performance shown assumes reinvestment of dividends and capital gains distributions.

# Risk-Adjusted Returns

As of 6.30.2024



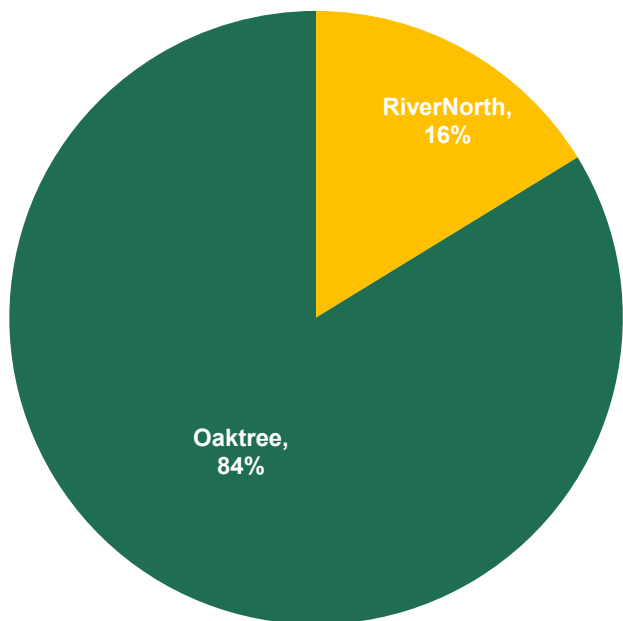
Source: RiverNorth Capital Management, LLC. Morningstar, Inc. Time period represented is Fund inception through 6.30.2024.

Past performance is not a guarantee of future results. See slide 37 for Footnotes and Further Information.

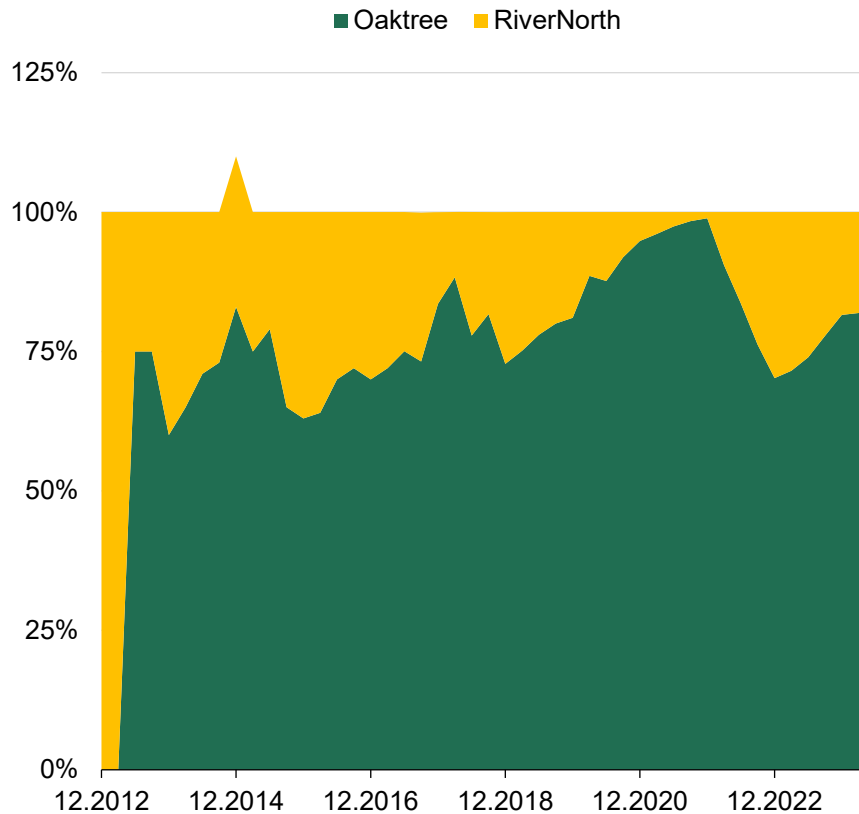
# Strategy Weights

As of 6.30.2024

### Current



### Historical



In some cases, the total does not add up to 100% due to leverage.

Inception: 12.30.2010. Portfolio detail characteristics are estimates made by the adviser and are subject to change.

# Portfolio Detail

As of 6.30.2024

Asset Class Allocation	6.30.2024	3.31.2024
High yield	50%	46%
Developed foreign debt	20%	21%
Bank loans	13%	15%
Investment company bonds	9%	11%
Cash	5%	2%
US government	1%	2%
Investment Grade	1%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Strategy Weights	6.30.2024	3.31.2024
RiverNorth	16%	18%
Oaktree	84%	82%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Investment Vehicle Allocation	6.30.2024	3.31.2024
Oaktree sleeve	82%	81%
Investment company debt	9%	11%
Closed-end funds	5%	6%
Cash	3%	1%
<b>Total</b>	<b>99%</b>	<b>99%</b>

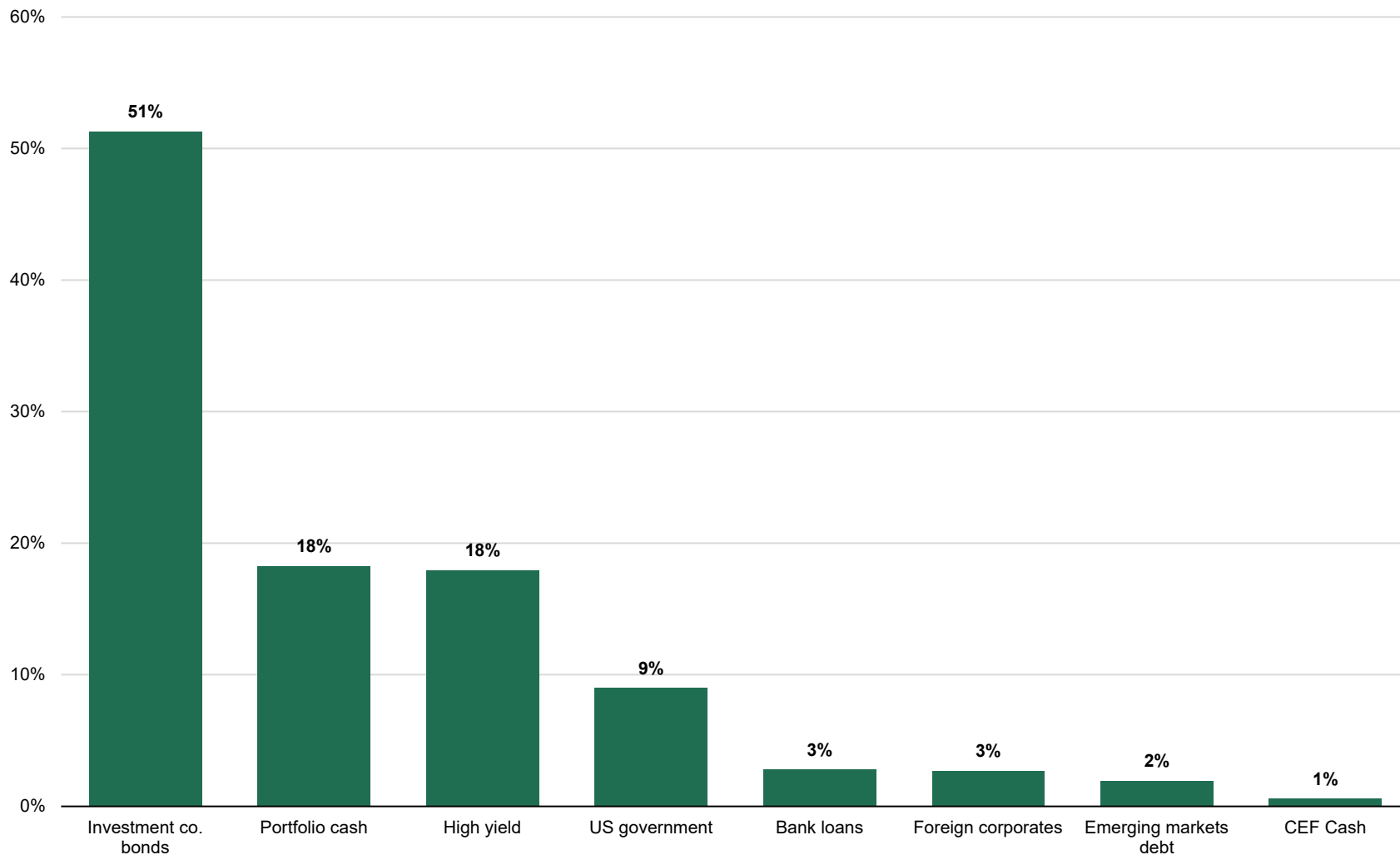
Fixed Income Credit Quality	6.30.2024	3.31.2024
High yield	86%	83%
Investment grade	11%	15%
Not rated	3%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source: RiverNorth Capital Management, LLC

Portfolio allocations are estimates made by the adviser and are subject to change. The allocation tables do not add up to 100% as they reflect the estimated leverage utilized by the underlying funds and exclude cash accruals. Past performance is not a guarantee of future results.

# Portfolio Detail – Tactical CEF Income Sleeve Composition

As of 6.30.2024



Allocations less than 0.5% are excluded. See slide 38 for Asset Class Definitions.

Source: RiverNorth. Sector allocations are based on most recently available public information and are subject to change. Allocations should not be considered a recommendation to buy or sell any security.

# Portfolio Detail – High Yield & Senior Loan Sleeve Composition

As of 6.30.2024

Sector (Top 10)	Exposure	Country of Risk	Exposure
Hotels, Restaurants & Leisure	10%	USA	73%
Oil, Gas & Consumable Fuels	8%	United Kingdom	5%
Media	7%	Canada	4%
Diversified Telecom Services	6%	Italy	3%
Software	6%	France	3%
Commercial Services & Supplies	4%	Germany	3%
Containers & Packaging	3%	Netherlands	2%
Energy Equipment & Services	3%	Cash	2%
Chemicals	3%	Luxembourg	2%
Trading Companies & Distributors	2%	Other	2%
<b>Total</b>	<b>53%</b>	Spain	1%
		Sweden	1%
		Hong Kong	1%
		<b>Total</b>	<b>100%</b>

\*Other is the summation of countries where exposure rounds to less than 1%.

Totals may not add to 100% due to rounding. Portfolio detail statistics are estimates made by the adviser and are subject to change.

Sector and country of risk exposures are subject to change and should not be considered a recommendation to buy or sell any security. Sector exposure represents the top 10 industries.

## 6. Additional Information

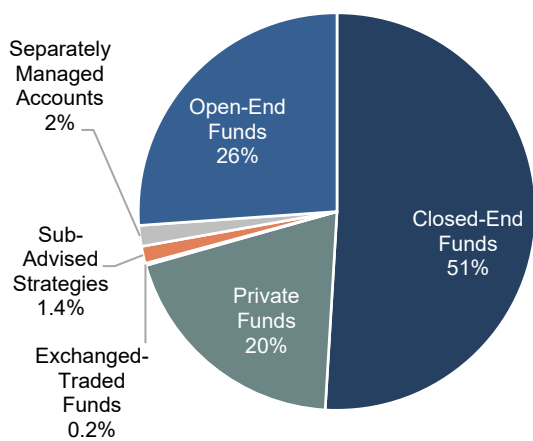
# About RiverNorth

As of 6.30.2024

## Company Overview

- Founded in 2000, RiverNorth is an investment management firm that specializes in opportunistic strategies in niche markets where the potential to exploit inefficiencies is greatest
  - Offices: West Palm Beach, FL (Headquarters), Chicago, IL
  - 20 professionals
  - \$5.0B in AUM\*
- Institutional investment manager to registered funds, private funds, and separately managed accounts

### AUM Breakdown by Structure



	Ticker	Inception	AUM (\$M)
<b>Open End Funds</b>			
RiverNorth Core Opportunity Fund	RNCIX/RNCOX	Dec 2006	46
RiverNorth/DoubleLine Strategic Income Fund	RNSIX/RNDLX	Dec 2010	1,211
RiverNorth/Oaktree High Income Fund	RNHIX/RNOTX	Dec 2012	54
<b>Closed-End Funds</b>			
RiverNorth Opportunities Fund, Inc.	RIV	Dec 2015	370
RiverNorth Capital and Income Fund, Inc.	RSF	Sep 2016	116
RiverNorth/DoubleLine Strategic Opportunity Fund, Inc.	OPP	Sep 2016	336
RiverNorth Opportunistic Municipal Income Fund, Inc.	RMI	Oct 2018	174
RiverNorth Managed Duration Municipal Income Fund, Inc.	RMM	Jul 2019	529
RiverNorth Flexible Municipal Income Fund, Inc.	RFM	Mar 2020	170
RiverNorth Flexible Municipal Income Fund II, Inc.	RFMZ	Feb 2021	622
RiverNorth Managed Duration Municipal Income Fund II, Inc.	RMMZ	Feb 2022	241
<b>Private Funds</b>			
RiverNorth Capital Partners, L.P.		Aug 2007	89
RiverNorth Institutional Partners, L.P.**		Jan 2010	501
RiverNorth Institutional Partners Offshore, Ltd.		Nov 2018	64
RiverNorth Select Partners, L.P.		Jan 2024	143
RiverNorth SPAC Arbitrage Fund, L.P.		Dec 2019	190
<b>Exchange-Traded Funds</b>			
RiverNorth Patriot ETF		Jan 2022	4
RiverNorth Enhanced Pre-Merger SPAC ETF		July 2022	5
<b>Indexes***</b>			
RiverNorth Taxable Closed-End Fund Index			
RiverNorth Municipal Closed-End Fund Index			

See slide 37 for Footnotes and Further Information. The open-end mutual funds are distributed by ALPS Distributors, Inc. ALPS Distributors, Inc. is not affiliated with RiverNorth Capital Management, LLC.



# About Oaktree

As of 6.30.2024



- Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets
  - Assets under management of \$193 billion<sup>1</sup> in contrarian, value-oriented, risk-controlled investment strategies
- Oaktree manages assets for a wide variety of clients including many of the most significant investors in the world
  - 65 of the 100 largest U.S. pension plans
  - The main pension fund of 39 states in the United States
  - More than 525 corporations around the world
  - Over 275 endowments and foundations globally, and 16 sovereign wealth funds

<sup>1</sup> As of June 30, 2024

# Portfolio Manager Biographies: RiverNorth

## **Patrick Galley, CFA – Chief Executive Officer & Chief Investment Officer**

Patrick joined RiverNorth in 2004 and serves as Chief Executive Officer and Chief Investment Officer. Patrick is responsible for strategic planning and business development and oversees all portfolio management activities at RiverNorth. In addition, Patrick serves as the President and Chairman of all RiverNorth proprietary funds. Prior to joining RiverNorth, Patrick was Vice President at Bank of America in the Global Investment Bank's Portfolio Management group where he specialized in analyzing and structuring corporate transactions for investment management firms in addition to closed-end and open-end funds, hedge funds, fund of funds, structured investment vehicles and insurance/reinsurance companies. Patrick graduated with honors from Rochester Institute of Technology with a B.S. in Finance. He is a CFA Charterholder and member of the CFA Institute and the CFA Society of Chicago.

## **Steve O'Neill, CFA – Portfolio Manager**

Steve joined RiverNorth in 2007 and serves as Portfolio Manager. Steve co-manages the firm's closed-end fund trading strategies and helps to oversee the firm's closed-end fund investment analysts. Prior to joining RiverNorth, Steve was Assistant Vice President at Bank of America in the Global Investment Bank's Portfolio Management group where he specialized in the corporate real estate, asset management, and structured finance industries. Steve graduated Magna Cum Laude from Miami University of Ohio with a B.S. in Finance and a minor in Economics. He is a CFA Charterholder and member of the CFA Institute and the CFA Society of Chicago.

# Portfolio Manager Biographies: Oaktree

## Sheldon Stone – Principal and Co-Portfolio Manager

Mr. Stone is a Principal and the head of Oaktree's High Yield Bond area. In this capacity, he serves as a co-portfolio manager of Oaktree's U.S. High Yield Bond and Global High Yield Bond strategies. Mr. Stone, a co-founding member of Oaktree in 1995, established TCW's High Yield Bond department with Howard Marks in 1985 and ran the department for ten years. Prior to joining TCW, Mr. Stone worked with Mr. Marks at Citibank for two years where he performed credit analysis and managed high yield bond portfolios. From 1978 to 1983, Mr. Stone worked at The Prudential Insurance Company where he was a director of corporate finance, managing a fixed income portfolio exceeding \$1 billion. Mr. Stone holds a B.A. degree from Bowdoin College and an M.B.A. in accounting and finance from Columbia University. Mr. Stone serves as a Trustee of Colonial Williamsburg Foundation, an Adjunct Professor at the University of Southern California and serves on the investment committee of Bowdoin College.

## Ronnie Kaplan, CFA – Managing Director and Portfolio Manager

Mr. Kaplan joined Oaktree in 2016 and is a managing director and portfolio manager for the U.S. Senior Loan strategy. Before joining Oaktree, he was a portfolio manager, managing director and analyst with Levine Leichtman Capital Partners. There, Mr. Kaplan managed a fixed income portfolio investing in leveraged loans and high yield securities. Prior thereto, he was an analyst for the credit opportunities strategy at Wolf Point Capital Management. Additional investment experience, in the distressed debt area, includes serving as vice president at PPM America, Inc.; Bank One, NA; and Renaissance Financial Restructuring. Mr. Kaplan began his career as a senior analyst with Bankers Trust Corporation. He received a B.S. degree *cum laude* in economics from The Wharton School at the University of Pennsylvania and is a CFA charterholder.

## David Rosenberg – Managing Director and Co-Portfolio Manager

Mr. Rosenberg serves as Oaktree's Head of Liquid Performing Credit and a co-portfolio manager of the U.S. High Yield Bond, Global High Yield Bond and Investment Grade Solutions strategies. He also serves as a co-portfolio manager of the Global Credit strategy and is a founding member of its Investment Committee. Mr. Rosenberg joined Oaktree in 2004 following graduation from the University of Southern California with an M.B.A. in business administration. Before attending graduate school, he served as an associate in the Franchise Systems Finance group at J.P. Morgan. Mr. Rosenberg also holds an M.P.A. in professional accounting with a concentration in finance and a B.A. degree in business administration from the University of Texas at Austin. He is a Certified Public Accountant (inactive).

# Portfolio Manager Biographies: Oaktree

## **Madelaine Jones, CFA – Managing Director and Co-Portfolio Manager**

Ms. Jones joined Oaktree's London office in 2003 and serves as portfolio manager for the European High Yield Bond and European Senior Loan strategies, and co-portfolio manager for the Global High Yield Bond strategy. She is also a member of the firm's EMEA Diversity & Inclusion Committee. Before joining Oaktree, Ms. Jones spent more than three years at Deutsche Bank AG in London as a senior associate in the Leveraged Debt Origination Group specializing in loan, mezzanine and high yield bond financings to support European leveraged buyouts. Prior thereto, she spent two years in the Acquisition Finance Group at Natwest Group plc. Ms. Jones received a B.A. degree in economics from the University of Durham, England. She is a CFA charterholder.

## **Anthony Shackleton, FCA – Managing Director and Co-Portfolio Manager**

Mr. Shackleton joined Oaktree's London office in 2004 and serves as co-portfolio manager for the European High Yield Bond and Global High Yield Bond strategies and is a member of the Global Credit Investment Committee. Mr. Shackleton previously worked at PricewaterhouseCoopers LLP in the UK, where he qualified as a Chartered Accountant. Mr. Shackleton is a graduate of the University of Oxford.

## **Alap Shah – Managing Director and Co-Portfolio Manager**

Mr. Shah is a managing director and co-portfolio manager for Oaktree's U.S. High Yield Bond and Global High Yield Bond strategies. Mr. Shah joined Oaktree in 2012 after working at Pacific Life, where he served as a director and senior credit analyst for high yield bonds and senior loans. Prior to Pacific Life, Mr. Shah received his M.B.A. from Northwestern University. Before completing his M.B.A., he served as a manager in KPMG's Financial Advisory Services group, senior consultant at Huron Consulting and consultant at Arthur Andersen. Mr. Shah received a B.A. degree in economics from the University of California, Irvine.

# Footnotes and Further Information

Slide	Notes
6	1. Duration is a measure of the sensitivity of the price (the value of the principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining rates mean rising bond prices.
10	2. Alpha is a measure of a fund's actual returns and expected performance, given its level of risk (as measured by beta). Beta reflects the sensitivity of a fund's return to fluctuations in the market index. A beta of 0.5 reflects half of the market's volatility as represented by the Fund's primary benchmark, while a beta of 2.0 reflects twice the volatility.
24, 25, 26	<p>3. The ICE BofA Developed Markets High Yield Constrained Index contains all securities in the ICE BofA Global High Yield index from developed markets countries but cap issuer exposure at 2%. Developed markets is defined as an FX-G10 member, a Western European nation, or a territory of the U.S. or a Western European nation. The index tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets. Qualifying securities must have a below investment grade rating (based on an average from Nationally Recognized Statistical Rating Organizations ("NRSRO")). The index cannot be invested in directly and does not reflect fees and expenses.</p> <p>4. The CS Leveraged Loan Index tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&amp;P ratings of Baa1/BB+ or Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries. The index cannot be invested in directly and does not reflect fees and expenses.</p> <p>5. The All Taxable Fixed Income Closed-End Fund (CEF) Index is a peer grouping of all listed closed-end funds Morningstar categorizes as "Taxable Fixed Income".</p>
24	<p>6. Estimated duration: a measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed as a number of years. Duration is estimated by the adviser using certain assumptions based on third-party data and is subject to change.</p> <p>7. 30-Day SEC Yield (net) reflects the dividends and interest earned during the period, after the deduction of the Funds' expenses. Unsubsidized SEC Yield: The yield excludes contractual expense reimbursements, resulting in a lower yield. The Fund pays periodic distributions consisting of dividend income, return of capital, and capital gains. However, the tax characteristics of these distributions cannot be fully determined until after the end of year when the Fund's underlying investments designate or reclassify the composition of their payments. In the interim, the Fund estimates return of capital rates based on the previous year's distribution. As a result, a portion of the quoted SEC Yield may consist of an estimated amount of return of capital.</p>
12	8. Assume a bond is trading at par with a yield of 10%. Purchasing the bond at a discount of 15% would equate to a yield of 11.76% ( $10\%/85\%=11.76\%$ ) or a 17.6% increase in yield.
26	9. Standard deviation is a measure of the volatility of a fund's returns.
32	<p>*Firm AUM reflects managed assets which includes the effects of leverage and investments in affiliated funds.</p> <p>**RNIP fund assets are not inclusive of an offshore feeder fund. The offshore fund invests 100% of its assets in RNIP.</p> <p>***The RiverNorth Taxable Closed-End Fund Index measures the performance of the taxable closed-end fund market through a representative 75 funds. The RiverNorth Municipal Closed-End Fund Index measures the performance of the municipal closed-end fund market through a representative 50 funds. The indexes rebalance every 12 months and are calculated using the total return of the underlying investments. See <a href="http://rivernorth.com">rivernorth.com</a> for more information. The RiverNorth Closed-End Fund Indexes are indexes only and cannot be invested in directly.</p>

# Asset Class Definitions

**ABS:** asset-backed securities are based on the expected cash flows from debts such as auto loans, credit card receivables, among others.

**Agency MBS:** mortgage securities whose principal and interest are effectively guaranteed by the U.S. Government agency including Fannie Mae (FNMA) or Freddie-Mac (FHLMC).

**Bank loan:** a debt financing obligation issued by a bank or similar financial institution to a company or individual that holds legal claim to the borrower's assets above all other debt obligations.

**BDC:** an equity investment in a business development company. A business development company is a type of closed-end fund that invests in small to medium sized or distressed companies with the goal of financial development.

**Cash:** cash holding includes the value of assets that can be converted into cash immediately.

**CEF cash:** cash exposure from look through to underlying closed-end funds

**CMBS:** commercial Mortgage-Backed are mortgages on commercial property.

**Convertible:** a bond that can be converted into a predetermined amount of the company's equity at certain times during its life, usually at the discretion of the bondholder.

**Developed foreign:** debt issued by governments of developed foreign countries.

**Emerging market debt:** bonds issued by less developed countries.

**Equity:** common stock of US companies.

**Foreign corporates:** corporate debt issued by developed foreign countries.

**High yield:** a high paying bond with a lower credit rating than investment-grade corporate bonds, Treasury bonds and municipal bonds.

**Investment co. bond:** a debt investment in a business development company. A business development company is a type of closed-end fund that invests in small to medium sized or distressed companies with the goal of financial development.

**Investment grade:** investment grade corporate credit. Bonds issued by corporations to raise money in order to expand its business. Credit distribution is determined from the highest available credit rating from any Nationally Recognized Statistical Rating Organization, such as Fitch. A bond rated BBB or higher would be considered Investment Grade.

**Non-agency MBS:** mortgage loans securitized through private banking/lending institutions, not by the government. They have no government guarantee.

**Other:** securities that do not fit into any of the other categories (i.e., mortgage REITS).

**Preferreds:** preferred stock is legally structured as equity but does not offer voting rights. Although preferred stocks are not debt instruments, investors often treat them as such because of their income payouts and higher capital-structure placement.

**US Government:** debt owed by the U.S. Federal government.

# RIVERNORTH®

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