



TRILOMA EIG ENERGY INCOME FUND
An Unlisted Investment Company

This document includes

Statement of Additional Information dated November 16, 2016

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Triloma EIG Energy Income Fund (the “**Fund**”), formerly known as Triloma EIG Global Energy Fund, is a Delaware statutory trust that is registered under the Investment Company Act of 1940, as amended (the “**1940 Act**”), as a non-diversified, closed-end management investment company. The Fund’s investment objective is primarily to provide shareholders with current income; as secondary investment objectives, the Fund will seek to provide capital preservation and, to a lesser extent, long-term capital appreciation. The Fund will make the investments described in the Fund’s prospectus, dated November 16, 2016, as may be supplemented from time to time (the “**Prospectus**”), and which is incorporated herein by reference. There can be no assurance that the Fund will achieve its investment objectives.

Unless otherwise noted, the terms “we,” “us,” “our,” and “Fund” refer to Triloma EIG Energy Income Fund. “TFG” and “Triloma Financial Group” refer to Triloma Financial Group, LLC. We refer to Triloma Energy Advisors, LLC as “Triloma” and Triloma Securities, LLC as “Triloma Securities” or the “Dealer Manager.” We refer to EIG Global Energy Partners, LLC, which conducts its advisory business through a group of affiliated advisors, as “EIG Partners” and to EIG Credit Management Company, LLC as “EIG.”

Triloma serves as the Fund’s investment advisor. EIG serves as the Fund’s investment sub-advisor. Triloma and EIG are collectively referred to herein as the “Advisors.”

This Statement of Additional Information (this “**Statement of Additional Information**”) is not a prospectus and is authorized for distribution to prospective investors only if preceded or accompanied by the Prospectus. This Statement of Additional Information should be read in conjunction with the Prospectus, a copy of which may be obtained upon request and without charge by writing to the Fund at 201 North New York Avenue, Suite 250, Winter Park, FL 32789, by calling the Fund at (407) 636-7115 or by accessing the Fund’s website at www.trilomaenergy.com/perpetual. The Prospectus, and other information about the Fund, is also available on the Securities and Exchange Commission’s (the “**SEC**”) website (<http://www.sec.gov>). The address of the SEC’s website is provided solely for the information of prospective investors and is not intended to be an active link.

Capitalized terms used but not defined in this Statement of Additional Information have the meanings ascribed to them in the Prospectus.

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INVESTMENT OBJECTIVES, POLICIES AND RISKS

The following disclosure supplements the disclosure set forth under the caption “Types of Investments and Related Risks” in the Prospectus and does not, by itself, present a complete or accurate explanation of the matters disclosed. Prospective investors must refer also to “Types of Investments and Related Risks” in the Prospectus for a further discussion of the matters disclosed below.

Bank Loans and Participations

The Fund’s investment program may include significant amounts of bank loans and participations. These obligations are subject to unique risks, including (i) the possible avoidance of an investment transaction as a “preferential transfer,” “fraudulent conveyance” or “fraudulent transfer”, among other avoidance actions, under relevant bankruptcy, insolvency and/or creditors’ rights laws, (ii) so-called “lender liability” claims by the related obligor, (iii) environmental liabilities that may arise with respect to collateral securing the obligations, (iv) limitations on the ability of the Fund to directly enforce its rights with respect thereto and (v) the contractual nature of participations where the Fund takes on the credit risk of the related participant in addition to the actual borrower.

The Fund may acquire interests in loans either directly (by way of assignment) or indirectly (by way of participation). The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a contracting party under the loan agreement with respect to the loan; however, its rights can be more restricted than those of the assigning institution. Participations in a portion of a loan typically result in a contractual relationship only with the institution participating out the interest and not with the obligor. The Fund would, in such a case, have the right to receive payments of principal and interest to which it is entitled only from the institution selling the participation, and not directly from the obligor, and only upon receipt by such institution of such payments from the obligor. As the owner of a participation, the Fund generally will have no right to enforce compliance by the obligor with the terms of the loan agreement or to vote on amendments to the loan agreement, nor any rights of set-off against the obligor, and the Fund may not directly benefit from collateral supporting the loan in which it has purchased the participation. In addition, in the event of the insolvency of the selling institution, the Fund may be treated as a general creditor of such selling institution, and may not have any exclusive or senior claim with respect to the selling institution’s interest in, or the collateral with respect to, the applicable loan. Likewise, in the event of the insolvency of the obligor, the holder of a participation cannot itself submit a claim in any insolvency proceeding and must instead work through the institution participating out the interest, which may lead to additional expense and inefficiency. Consequently, the Fund will assume the credit risk of both the obligor and the institution selling the participation to the Fund. As a result, concentrations of participations from any one selling institution subject the Fund to an additional degree of risk with respect to defaults by such selling institution.

Debtor-in-Possession (“DIP”) Loans

The Fund may invest in or extend loans to companies that have filed for protection under Chapter 11 of the United States Bankruptcy Code, as amended. These DIP loans are most often working-capital facilities put into place at the outset of a Chapter 11 case to provide the debtor with both immediate cash and the ongoing working capital that will be required during the reorganization process. While such loans are generally viewed as less risky than many other types of loans as a result of their seniority in the debtor’s capital structure and because their terms will have been approved by a federal bankruptcy court order, the debtor’s reorganization efforts may fail and the proceeds of the ensuing liquidation of the DIP lender’s collateral might be insufficient to repay the DIP loan.

Zero Coupon and Paid-In-Kind (“PIK”) Bonds

The Fund may invest in zero coupon or PIK bonds. Because investors in zero coupon or PIK bonds receive no cash prior to the maturity or cash payment date applicable thereto, an investment in such securities generally has a greater potential for complete loss of principal and/or return than an investment in debt securities that make periodic interest payments. Such investments are more vulnerable to the creditworthiness of the issuer and any other parties upon which performance relies.

Lender Liability

Under common law principles that in some cases form the basis for lender liability claims, if a lender (i) intentionally takes an action that results in the undercapitalization of a borrower or issuer to the detriment of

other creditors of such borrower or issuer, (ii) engages in other inequitable conduct to the detriment of such other creditors or (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors (a remedy called “**equitable subordination**”). The Fund does not intend to engage in conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine; however, because of the nature of the debt obligations, the Fund may be subject to claims from creditors of an obligor that debt obligations of such obligor which are held by the Fund should be equitably subordinated.

Restricted and Illiquid Investments

The Fund may not be able to readily dispose of illiquid investments at prices that approximate those at which the Fund could sell such investments if they were more widely traded and, as a result of such illiquidity, the Fund may have to sell other investments or engage in borrowing transactions if necessary to raise cash to meet its obligations.

The Fund may purchase certain securities eligible for resale to qualified institutional buyers as contemplated by Rule 144A under the Securities Act of 1933, as amended (the “**Securities Act**,” and such securities, “**Rule 144A Securities**”). Rule 144A provides an exemption from the registration requirements of the Securities Act for the resale of certain restricted securities to certain qualified institutional buyers. One effect of Rule 144A is that certain restricted securities may be considered liquid, though no assurance can be given that a liquid market for Rule 144A Securities will develop or be maintained. However, where a substantial market of qualified institutional buyers has developed for certain unregistered securities purchased by the Fund pursuant to Rule 144A under the Securities Act, the Fund intends to treat such securities as liquid securities in accordance with procedures approved by the Board. Because it is not possible to predict with assurance how the market for Rule 144A Securities will develop, the Board will direct the Advisors to monitor carefully the Fund’s investments in such securities with particular regard to trading activity, availability of reliable price information and other relevant information. To the extent that, for a period of time, qualified institutional buyers cease purchasing restricted securities pursuant to Rule 144A, the Fund’s investing in such securities may have the effect of increasing the level of illiquidity in its investment portfolio during such period.

Rights Offerings and Warrants to Purchase

The Fund may participate in rights offerings and may purchase warrants, which are privileges issued by corporations enabling the owners to subscribe to and purchase a specified number of shares of the corporation at a specified price during a specified period of time. Subscription rights normally have a short life span to expiration. The purchase of rights or warrants involves the risk that the Fund could lose the purchase value of a right or warrant if the right to subscribe to additional shares is not exercised prior to the rights’ and warrants’ expiration. Also, the purchase of rights and/or warrants involves the risk that the effective price paid for the right and/or warrant added to the subscription price of the related security may exceed the value of the subscribed security’s market price such as when there is no movement in the level of the underlying security.

Equity Securities

The Fund may invest in equity securities including preferred stock, convertible securities and depositary receipts.

Preferred Stock. Preferred stock has a preference over common stock in liquidation (and generally dividends as well) but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to credit securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of the issuer’s preferred stock than in more senior credit securities with similar stated yield characteristics. Unlike interest payments on credit securities, preferred stock dividends are payable only if declared by the issuer’s board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

Convertible Securities. Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock or other equity security of the same or a different issuer within a particular period of time at a specified price or formula. A

convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities have characteristics similar to nonconvertible income securities in that they ordinarily provide a stable stream of income with generally higher yields than those of common stocks of the same or similar issuers, but lower yields than comparable nonconvertible securities. The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible security's investment value. Convertible securities rank senior to common stock in a corporation's capital structure but are usually subordinated to comparable nonconvertible securities. Convertible securities may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument.

Depository Receipts. The Fund may hold investments in sponsored and unsponsored American depository receipts ("ADRs"), European depository receipts ("EDRs"), global depository receipts ("GDRs") and other similar global instruments. ADRs typically are issued by a U.S. bank or trust company and evidence ownership of underlying securities issued by a non-U.S. corporation. EDRs, which are sometimes referred to as continental depository receipts, are receipts issued in Europe, typically by non-U.S. banks and trust companies, that evidence ownership of either non-U.S. or domestic underlying securities. GDRs are depository receipts structured like global debt issues to facilitate trading on an international basis. Unsponsored ADR, EDR and GDR programs are organized independently and without the cooperation of the issuer of the underlying securities. As a result, available information concerning the issuer may not be as current as for sponsored ADRs, EDRs and GDRs, and the prices of unsponsored ADRs, EDRs and GDRs may be more volatile than if such instruments were sponsored by the issuer. Investments in ADRs, EDRs and GDRs present additional investment considerations of Non-U.S. Securities.

Cash Equivalents and Short-Term Debt Securities

For temporary defensive purposes, the Fund may invest up to 100% of its assets in cash equivalents and short-term debt securities. Short-term debt securities are defined to include, without limitation, the following:

(1) U.S. government securities, including bills, notes and bonds differing as to maturity and rates of interest that are either issued or guaranteed by the U.S. Treasury or by U.S. government agencies or instrumentalities. U.S. government securities include securities issued by: (a) the Federal Housing Administration, Farmers Home Administration, Export-Import Bank of the United States, Small Business Administration and Government National Mortgage Association, the securities of which are supported by the full faith and credit of the United States; (b) the Federal Home Loan Banks, Federal Intermediate Credit Banks and Tennessee Valley Authority, the securities of which are supported by the right of the agency to borrow from the U.S. Treasury; (c) the Federal National Mortgage Association, the securities of which are supported by the discretionary authority of the U.S. government to purchase certain obligations of the agency or instrumentality; and (d) the Student Loan Marketing Association, the securities of which are supported only by its credit. While the U.S. government provides financial support to such U.S. government-sponsored agencies or instrumentalities, no assurance can be given that it always will do so since it is not so obligated by law. The U.S. government, its agencies and instrumentalities do not guarantee the market value of their securities. Consequently, the value of such securities may fluctuate. The 2008 – 2009 economic crisis in the United States negatively impacted government-sponsored entities. As the real estate market has deteriorated through declining home prices and increasing foreclosure, government-sponsored entities, which back the majority of U.S. mortgages have experienced extreme volatility, and in some cases, a lack of liquidity. The Advisors will monitor developments and seek to manage the Fund's portfolio in a manner consistent with achieving the Fund's investment objectives, but there can be no assurance that it will be successful in doing so.

(2) Certificates of deposit issued against funds deposited in a bank or a savings and loan association. Such certificates are for a definite period of time, earn a specified rate of return and are normally negotiable. The issuer of a certificate of deposit agrees to pay the amount deposited plus interest to the bearer of the certificate on the date specified thereon. Certificates of deposit purchased by the Fund may not be fully insured by the Federal Deposit Insurance Corporation.

(3) Repurchase agreements, which involve purchases of debt securities. At the time the Fund purchases securities pursuant to a repurchase agreement, it simultaneously agrees to resell and redeliver such securities to the seller, who also simultaneously agrees to buy back the securities at a fixed price and time. This assures a predetermined yield for the Fund during its holding period, since the resale price is always greater than the

purchase price and reflects an agreed-upon market rate. Such actions afford an opportunity for the Fund to invest temporarily available cash. The Fund may enter into repurchase agreements only with respect to obligations of the U.S. government, its agencies or instrumentalities; certificates of deposit; or bankers' acceptances in which the Fund may invest. Repurchase agreements may be considered loans to the seller, collateralized by the underlying securities. The risk to the Fund is limited to the ability of the seller to pay the agreed-upon sum on the repurchase date; in the event of default, the repurchase agreement provides that the Fund is entitled to sell the underlying collateral. If the value of the collateral declines after the agreement is entered into, and if the seller defaults under a repurchase agreement when the value of the underlying collateral is less than the repurchase price, the Fund could incur a loss of both principal and interest. The Advisors will monitor the value of the collateral at the time the action is entered into and at all times during the term of the repurchase agreement. The Advisors will do so in an effort to determine that the value of the collateral always equals or exceeds the agreed-upon repurchase price to be paid to the Fund. If the seller were to be subject to a federal bankruptcy proceeding, the ability of the Fund to liquidate the collateral could be delayed or impaired because of certain provisions of the bankruptcy laws.

(4) Commercial paper, which consists of short-term unsecured promissory notes, including variable rate master demand notes issued by corporations to finance their current operations. Master demand notes are direct lending arrangements between the Fund and a corporation. There is no secondary market for such notes. However, they are redeemable by the Fund at any time. The Advisors will consider the financial condition of the corporation (e.g., earning power, cash flow and other liquidity ratios) and will continuously monitor the corporation's ability to meet all of its financial obligations, because the Fund's liquidity might be impaired if the corporation were unable to pay principal and interest on demand. Investments in commercial paper will be limited to commercial paper rated in the highest categories by a major rating agency and which mature within one year of the date of purchase or carry a variable or floating rate of interest.

The Fund's investments may be exposed to the credit risk of the counterparties with which, or the dealers, brokers and exchanges through which, the Fund deals, whether in exchange-traded or over-the-counter ("OTC") transactions. The counterparty risk for cleared derivatives is generally lower than for uncleared derivatives, but cleared contracts are not risk-free. The Fund may be subject to the risk of loss of Fund assets on deposit or being settled or cleared with a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Fund, the bankruptcy of an exchange clearing house or the bankruptcy of any other counterparty. In the case of any such bankruptcy, it is expected that all securities and other assets deposited with such broker or dealer will be clearly identified as being assets of the Fund and hence such entity should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this and the Fund might recover, even in respect of property specifically traceable to the Fund, only a pro rata share of all property available for distribution to all of the counterparty's customers and counterparties. Such an amount may be less than the amounts owed to the Fund. Such events would have an adverse effect on the Fund's NAV.

The Fund's investments may be structured through the use of OTC options and swaps or other indirect investment transactions. Such transactions may be entered into with a small number of counterparties resulting in a concentration of counterparty risk. The exercise of counterparty rights under such arrangements, including forced sales of securities, may have a significant adverse impact on the Fund and its NAV.

Other Portfolio Strategies

Collateralized Debt Obligations

The Fund may invest in collateralized debt obligations ("CDOs"), which include collateralized bond obligations ("CBOs") and other securitized products. CDOs are types of asset-backed securities. The risks of an investment in a CDO depend largely on the type of collateral securities and the class of the CDO in which the Fund invests. Normally, CBOs, CLOs, CDOs and other securitized products are privately offered and sold, and thus are not registered under the securities laws. As a result, investments in CDOs may be characterized by the Fund as illiquid securities. However, an active dealer market may exist for CDOs, allowing a CDO to qualify for transactions under Rule 144A of the Securities Act. In addition to the normal risks associated with fixed income securities and asset-backed securities generally discussed elsewhere in this Statement of Additional Information, CDOs carry additional risks, including, but not limited to: (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments; (ii) the risk that the collateral may default or decline in value or be downgraded, if rated by a NRSRO; (iii) the Fund is likely to invest in tranches of CDOs that are subordinate to other tranches; (iv) the structure and complexity of the transaction and the legal

documents could lead to disputes among investors regarding the characterization of proceeds; (v) the investment return achieved by the Fund could be significantly different than those predicted by financial models; (vi) the lack of a readily available secondary market for CDOs; (vii) risk of forced “fire sale” liquidation due to technical defaults such as coverage test failures; and (viii) the CDO’s manager may perform poorly.

Structured Products

The Fund may invest in structured products, consisting of credit-linked notes. Structured products are generally backed by an asset or a pool of assets (often senior secured loans) that serve as collateral. Holders of structured products bear the risks, including credit risk, of the underlying investments, index or reference obligation and are subject to prepayment and counterparty risks.

In some instances, structured products are issued in multiple tranches, offering investors various maturity and credit risk characteristics, often categorized as senior, mezzanine and subordinated/equity according to their degree of risk. If there are defaults or the relevant collateral otherwise underperforms, scheduled payments to senior tranches of such securities take precedence over those of mezzanine tranches, and scheduled payments to mezzanine tranches take precedence over those to subordinated/equity tranches.

The Fund may have the right to receive payments only from the structured product, and generally does not have direct rights against the issuer or the entity that sold the assets to be securitized. While certain structured products enable the investor to acquire interests in a pool of securities without the brokerage and other expenses associated with directly holding the same securities, investors in structured products generally pay their share of the structured product’s administrative and other expenses. Although it is difficult to predict whether the prices of indices and securities underlying structured products will rise or fall, these prices (and, therefore, the prices of structured products) will be influenced by the same types of political and economic events that affect issuers of securities and capital markets generally. If the issuer of a structured product uses shorter term financing to purchase longer term securities, the issuer may be forced to sell its securities at below market prices if it experiences difficulty in obtaining additional or on-going short-term financing, which may adversely affect the value of the structured products owned by the Fund.

Certain structured products may be thinly traded or have a limited trading market. Credit-linked notes are typically privately offered and sold. Structured products, and particularly subordinated interests thereof, are less liquid than many other types of securities and may be more volatile than the underlying assets. As a result, investments in credit-linked notes may be subject to liquidity risk and may be characterized by the Fund as illiquid securities.

Derivatives

General Limitations on Futures and Options Transactions. The Fund intends to file a notice of eligibility for exclusion from the definition of the term “commodity pool operator” with the U.S. Commodity Futures Trading Commission (the “CFTC”) and the National Futures Association, which regulate trading in the futures markets. Pursuant to CFTC Regulation 4.5, the Fund is not subject to regulation as a commodity pool under The Commodity Exchange Act (the “CEA”).

Various exchanges and regulatory authorities have undertaken reviews of options and futures trading in light of market volatility. Among the possible actions that have been presented are proposals to adopt new or more stringent daily price fluctuation limits for futures and options transactions and proposals to increase the margin requirements for various types of futures transactions.

Asset Coverage for Futures and Options Positions. The Fund will comply with the regulatory requirements of the SEC and the CFTC with respect to coverage of options and futures positions by registered investment companies and, if the guidelines so require, will segregate cash, U.S. government securities, high-grade liquid debt securities and/or other liquid assets permitted by the SEC and CFTC on the Fund’s records in the amount prescribed. Securities segregated on the Fund’s records cannot be sold while the futures or options position is outstanding, unless replaced with other permissible assets, and will be marked-to-market daily.

Options. The Fund may purchase put and call options on currencies or securities. A put option embodies the right of its purchaser to compel the writer of the option to purchase from the option holder an underlying currency or security or its equivalent at a specified price at any time during the option period. In contrast, a call option gives the purchaser the right to buy the underlying currency or security covered by the option or its equivalent from the writer of the option at the stated exercise price.

As a holder of a put option, the Fund will have the right to sell the currencies or securities underlying the option and as the holder of a call option, the Fund will have the right to purchase the currencies or securities underlying the option, in each case at their exercise price at any time prior to the option's expiration date. The Fund may seek to terminate its option positions prior to their expiration by entering into closing transactions. The ability of the Fund to enter into a closing sale transaction depends on the existence of a liquid secondary market. There can be no assurance that a closing purchase or sale transaction can be effected when the Fund so desires.

Certain Considerations Regarding Options. The hours of trading for options may not conform to the hours during which the underlying securities are traded. To the extent that the options markets close before the markets for the underlying securities, significant price and rate movements can take place in the underlying markets that cannot be reflected in the options markets. The purchase of options is a highly specialized activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The purchase of options involves the risk that the premium and transaction costs paid by the Fund in purchasing an option will be lost as a result of unanticipated movements in prices of the securities on which the option is based. Imperfect correlation between the options and securities markets may detract from the effectiveness of attempted hedging. Options transactions may result in significantly higher transaction costs and portfolio turnover for the Fund.

Some, but not all, of the derivative instruments may be traded and listed on an exchange. There is no assurance that a liquid secondary market on an options exchange will exist for any particular option at any particular time, and for some options no secondary market on an exchange or elsewhere may exist. If the Fund is unable to effect a closing sale transaction with respect to options on securities that it has purchased, it would have to exercise the option in order to realize any profit and would incur transaction costs upon the purchase and sale of the underlying securities.

Futures Contracts. The Fund may enter into securities-related futures contracts, including security futures contracts, as an anticipatory hedge. The Fund's derivative investments may include sales of futures as an offset against the effect of expected declines in securities prices and purchases of futures as an offset against the effect of expected increases in securities prices. The Fund will not enter into futures contracts which are prohibited under the CEA and will, to the extent required by regulatory authorities, enter only into futures contracts that are traded on exchanges and are standardized as to maturity date and underlying financial instrument. A security futures contract is a legally binding agreement between two parties to purchase or sell in the future a specific quantity of a security or of the component securities of a narrow-based security index, at a certain price. A person who buys a security futures contract enters into a contract to purchase an underlying security and is said to be "long" the contract. A person who sells a security futures contract enters into a contract to sell the underlying security and is said to be "short" the contract. The price at which the contract trades (the "**contract price**") is determined by relative buying and selling interest on a regulated exchange.

Transaction costs are incurred when a futures contract is bought or sold and margin deposits must be maintained. In order to enter into a security futures contract, the Fund must deposit funds with its custodian in the name of the futures commodities merchant equal to a specified percentage of the current market value of the contract as a performance bond. Moreover, all security futures contracts are marked-to-market at least daily, usually after the close of trading. At that time, the account of each buyer and seller reflects the amount of any gain or loss on the security futures contract based on the contract price established at the end of the day for settlement purposes.

An open position, either a long or short position, is closed or liquidated by entering into an offsetting transaction (i.e., an equal and opposite transaction to the one that opened the position) prior to the contract expiration. Traditionally, most futures contracts are liquidated prior to expiration through an offsetting transaction and, thus, holders do not incur a settlement obligation. If the offsetting purchase price is less than the original sale price, a gain will be realized; if it is more, a loss will be realized. Conversely, if the offsetting sale price is more than the original purchase price, a gain will be realized; if it is less, a loss will be realized. The transaction costs must also be included in these calculations. However, there can be no assurance that the Fund will be able to enter into an offsetting transaction with respect to a particular futures contract at a particular time. If the Fund is not able to enter into an offsetting transaction, the Fund will continue to be required to maintain the margin deposits on the futures contract and the Fund may not be able to realize a gain in the value of its future position or prevent losses from mounting. This inability to liquidate could occur, for example, if trading is halted due to unusual trading activity in either the security futures contract or the underlying security; if trading is halted due to recent news events involving the issuer of the underlying security; if systems failures occur on

an exchange or at the firm carrying the position; or, if the position is on an illiquid market. Even if the Fund can liquidate its position, it may be forced to do so at a price that involves a large loss.

Under certain market conditions, it may also be difficult or impossible to manage the risk from open security futures positions by entering into an equivalent but opposite position in another contract month, on another market, or in the underlying security. This inability to take positions to limit the risk could occur, for example, if trading is halted across markets due to unusual trading activity in the security futures contract or the underlying security or due to recent news events involving the issuer of the underlying security.

There can be no assurance that a liquid market will exist at a time when the Fund seeks to close out a futures contract position. The Fund would continue to be required to meet margin requirements until the position is closed, possibly resulting in a decline in the Fund's NAV. In addition, many of the contracts discussed above are relatively new instruments without a significant trading history. As a result, there can be no assurance that an active secondary market will develop or continue to exist.

Security futures contracts that are not liquidated prior to expiration must be settled in accordance with the terms of the contract. Depending on the terms of the contract, some security futures contracts are settled by physical delivery of the underlying security. At the expiration of a security futures contract that is settled through physical delivery, a person who is long the contract must pay the final settlement price set by the regulated exchange or the clearing organization and take delivery of the underlying securities. Conversely, a person who is short the contract must make delivery of the underlying securities in exchange for the final settlement price. Settlement with physical delivery may involve additional costs.

Depending on the terms of the contract, other security futures contracts are settled through cash settlement. In this case, the underlying security is not delivered. Instead, any positions in such security futures contracts that are open at the end of the last trading day are settled through a final cash payment based on a final settlement price determined by the exchange or clearing organization. Once this payment is made, neither party has any further obligations on the contract.

As noted above, margin is the amount of funds that must be deposited by the Fund in order to initiate futures trading and to maintain the Fund's open positions in futures contracts. A margin deposit is intended to ensure the Fund's performance of the futures contract. The margin required for a particular futures contract is set by the exchange on which the futures contract is traded and may be significantly modified from time to time by the exchange during the term of the futures contract.

If the price of an open futures contract changes (by increase in the case of a sale or by decrease in the case of a purchase) so that the loss on the futures contract reaches a point at which the margin on deposit does not satisfy margin requirements, the broker will require an increase in the margin. However, if the value of a position increases because of favorable price changes in the futures contract so that the margin deposit exceeds the required margin, the broker will pay the excess to the Fund. In computing daily NAV, the Fund will mark to market the current value of its open futures contracts. The Fund expects to earn interest income on its margin deposits.

Because of the low margin deposits required, futures contracts trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures contract may result in an immediate and substantial loss or gain to the investor. For example, if at the time of purchase 10% of the value of the futures contract is deposited as margin, a subsequent 10% decrease in the value of the futures contract would result in a total loss of the margin deposit, before any deduction for the transaction costs, if the account were then closed out. A 15% decrease would result in a loss equal to 150% of the original margin deposit, before any deduction for the transaction costs, if the futures contracts were closed out. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount initially invested in the futures contract. However, the Fund would presumably have sustained comparable losses if, instead of the futures contract, it had invested in the underlying financial instrument and sold it after the decline.

In addition to the foregoing, imperfect correlation between the futures contracts and the underlying securities may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. Under certain market conditions, the prices of security futures contracts may not maintain their customary or anticipated relationships to the prices of the underlying security or index. These pricing disparities could occur, for example, when the market for the security futures contract is illiquid, when the primary market for the underlying security is closed, or when the reporting of transactions in the underlying security has been delayed.

In addition, the value of a position in security futures contracts could be affected if trading is halted in either the security futures contract or the underlying security. In certain circumstances, regulated exchanges are required by law to halt trading in security futures contracts. For example, trading on a particular security futures contract must be halted if trading is halted on the listed market for the underlying security as a result of pending news, regulatory concerns, or market volatility. Similarly, trading of a security futures contract on a narrow-based security index must be halted under circumstances where trading is halted on securities accounting for at least 50% of the market capitalization of the index. In addition, regulated exchanges are required to halt trading in all security futures contracts for a specified period of time when the Dow Jones Industrial Average (“DJIA”) experiences one-day declines of 10%, 20% and 30%. The regulated exchanges may also have discretion under their rules to halt trading in other circumstances, such as when the exchange determines that the halt would be advisable in maintaining a fair and orderly market.

A trading halt, either by a regulated exchange that trades security futures or an exchange trading the underlying security or instrument, could prevent the Fund from liquidating a position in security futures contracts in a timely manner, which could expose the Fund to a loss. Each regulated exchange trading a security futures contract may also open and close for trading at different times than other regulated exchanges trading security futures contracts or markets trading the underlying security or securities. Trading in security futures contracts prior to the opening or after the close of the primary market for the underlying security may be less liquid than trading during regular market hours.

Swap Agreements. The Fund may enter into swap agreements. In a standard “swap” transaction, two parties agree to exchange the returns, differentials in rates of return or some other amount earned or realized on the “notional amount” of predetermined investments or instruments, which may be adjusted for an interest factor. Some swaps are structured to include exposure to a variety of different types of investments or market factors, such as interest rates, commodity prices, non-U.S. currency rates, mortgage securities, corporate borrowing rates, security prices, indexes or inflation rates. Swap agreements may be negotiated bilaterally and traded OTC between two parties or, in some instances, must be transacted through a futures commission merchant and cleared through a clearinghouse that serves as a central counterparty. Certain risks are reduced (but not eliminated) if a fund invests in cleared swaps. Certain standardized swaps, including certain credit default swaps, are subject to mandatory clearing, and more are expected to be in the future. The counterparty risk for cleared derivatives is generally lower than for uncleared derivatives, but cleared contracts are not risk-free.

Swap agreements may increase or decrease the overall volatility of the investments of the Fund and the price of Fund Shares. The performance of swap agreements may be affected by a change in the specific interest rate, currency, or other factors that determine the amounts of payments due to and from the Fund. If a swap agreement calls for payments by the Fund, the Fund must be prepared to make such payments when due. In addition, if the counterparty’s creditworthiness declines, the value of a swap agreement would likely decline, potentially resulting in losses.

Generally, swap agreements have fixed maturity dates that are agreed upon by the parties to the swap. The agreement can be terminated before the maturity date only under limited circumstances, such as default by or insolvency of one of the parties and can be transferred by a party only with the prior written consent of the other party. The Fund may be able to eliminate its exposure under a swap agreement either by assignment or other disposition, or by entering into an offsetting swap agreement with the same party or a similarly creditworthy party. If the counterparty is unable to meet its obligations under the contract, declares bankruptcy, defaults or becomes insolvent, the Fund may not be able to recover the money it expected to receive under the contract.

A swap agreement can be a form of leverage, which can magnify the Fund’s gains or losses. In order to reduce the risk associated with leveraging, the Fund will segregate assets equal to the full notional value of the swap agreements, unless future SEC staff guidance permits asset segregation to a lesser extent.

Use of swaps can cause the Fund to be subject to additional regulatory requirements, which may generate additional Fund expenses.

The Fund will monitor any swaps with a view towards ensuring that the Fund remains in compliance with all applicable regulatory investment and tax requirements.

Equity Swaps. In a typical equity swap, one party agrees to pay another party the return on a security, security index or basket of securities in return for a specified interest rate. By entering into an equity index swap, the index receiver can gain exposure to securities making up the index of securities without actually purchasing those securities. Equity index swaps involve not only the risk associated with investment in the

securities represented in the index, but also the risk that the performance of such securities, including dividends, will not exceed the interest that the Fund will be committed to pay under the swap.

When-Issued and Forward Commitment Securities

The Fund may purchase securities on a “when-issued” basis and may purchase or sell securities on a “forward commitment” basis in order to acquire the security or to hedge against anticipated changes in interest rates and prices. When such transactions are negotiated, the price, which is generally expressed in yield terms, is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. When-issued securities and forward commitments may be sold prior to the settlement date, but the Fund will enter into when-issued and forward commitments only with the intention of actually receiving or delivering the securities, as the case may be. If the Fund disposes of the right to acquire a when-issued security prior to its acquisition or disposes of its right to deliver or receive against a forward commitment, it might incur a gain or loss. At the time the Fund enters into a transaction on a when-issued or forward commitment basis, it will designate on its books and records cash or liquid credit securities equal to at least the value of the when-issued or forward commitment securities, unless future SEC staff guidance permits designation or segregation to a lesser extent. The value of these assets will be monitored daily to ensure that their marked to market value will at all times equal or exceed the corresponding obligations of the Fund. There is always a risk that the securities may not be delivered and that the Fund may incur a loss. Settlements in the ordinary course, which may take substantially more than five business days, are not treated by the Fund as when-issued or forward commitment transactions and accordingly are not subject to the foregoing restrictions.

Securities purchased on a forward commitment or when-issued basis are subject to changes in value (generally changing in the same way, i.e., appreciating when interest rates decline and depreciating when interest rates rise) based upon the public’s perception of the creditworthiness of the issuer and changes, actual or anticipated, in the level of interest rates. Securities purchased with a forward commitment or when-issued basis may expose the Fund to risks because they may experience such fluctuations prior to their actual delivery. Purchasing securities on a when-issued basis can involve the additional risks that the yield available in the market when the delivery takes place actually may be higher than that obtained in the transaction itself. Purchasing securities on a forward commitment or when-issued basis when the Fund is fully invested may result in greater potential fluctuation in the value of the Fund’s net assets and its NAV per share.

The risks and effect of settlements in the ordinary course on the Fund’s NAV are not the same as the risks and effect of when-issued and forward commitment securities.

The purchase price of when-issued and forward commitment securities are expressed in yield terms, which reference a floating rate of interest, and is therefore subject to fluctuations of the security’s value in the market from the date of the Fund’s commitment (the “**Commitment Date**”) to the date of the actual delivery and payment for such securities (the “**Settlement Date**”). There is a risk that, on the Settlement Date, the Fund’s payment of the final purchase price, which is calculated on the yield negotiated on the Commitment Date, will be higher than the market’s valuation of the security on the Settlement Date. This same risk is also borne if the Fund disposes of its right to acquire a when-issued security, or its right to deliver or receive, a forward commitment security, and there is a downward market movement in the value of the security from the Commitment Date to the Settlement Date. In some instances, no income accrues to the Fund during the period from the Commitment Date to the Settlement Date. On the other hand, the Fund may incur a gain if the Fund invests in when-issued and forward commitment securities and correctly anticipates the rise in interest rates and prices in the market.

The settlements of secondary market purchases of senior loans in the ordinary course, on a settlement date beyond the period expected by loan market participants (i.e., T+7 for par loans and T+20 for distressed loans, in other words more than seven or twenty business days beyond the trade date, respectively) are subject to the delayed compensation mechanics prescribed by the Loan Syndications and Trading Association (“**LSTA**”). For par loans, income accrues to the buyer of the senior loan (the “**Buyer**”) during the period beginning on the last date by which the senior loan purchase should have settled (T+7) to and including the actual settlement date. Should settlement of a par senior loan purchase in the secondary market be delayed beyond the T+7 period prescribed by the LSTA, the Buyer is typically compensated for such delay through a payment from the seller of the senior loan (this payment may be netted from the wire released on settlement date for the purchase price of the senior loan paid by the Buyer). In brief, the adjustment is typically calculated by multiplying the notional amount of the trade by the applicable margin in the Loan Agreement pro-rated for the number of business days (calculated using a year of 360 days) beyond the settlement period prescribed by the LSTA, plus any amendment

or consent fees that the Buyer should have received. Furthermore, the purchase of a senior loan in the secondary market is typically negotiated and finalized pursuant to a binding trade confirmation, and therefore, the risk of non-delivery of the security to the Fund is reduced or eliminated when compared with such risk when investing in when-issued or forward commitment securities.

Reverse Repurchase Agreements

The Fund may enter into reverse repurchase agreements with respect to its portfolio investments subject to the investment restrictions set forth herein. Reverse repurchase agreements involve the sale of securities held by the Fund with an agreement by the Fund to repurchase the securities at an agreed upon price, date and interest payment. At the time the Fund enters into a reverse repurchase agreement, it may designate on its books and records liquid instruments having a value not less than the repurchase price (including accrued interest). If the Fund establishes and maintains such a segregated account, a reverse repurchase agreement will not be considered a borrowing by the Fund; however, under certain circumstances in which the Fund does not establish and maintain such a segregated account, such reverse repurchase agreement will be considered a borrowing for the purpose of the Fund's limitation on borrowings. The use by the Fund of reverse repurchase agreements involves many of the same risks of leverage since the proceeds derived from such reverse repurchase agreements may be invested in additional securities. Reverse repurchase agreements involve the risk that the market value of the securities acquired in connection with the reverse repurchase agreement may decline below the price of the securities the Fund has sold but is obligated to repurchase. Also, reverse repurchase agreements involve the risk that the market value of the securities retained in lieu of sale by the Fund in connection with the reverse repurchase agreement may decline in price. If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether to enforce the Fund's obligation to repurchase the securities, and the Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision. Also, the Fund would bear the risk of loss to the extent that the proceeds of the reverse repurchase agreement are less than the value of the securities subject to such agreement.

Economic Recession or Downturn Risk

Adverse economic conditions may also decrease the value of any collateral securing the Fund's investments. A prolonged recession may further decrease the value of such collateral and result in losses of value in the Fund's portfolio and a decrease in the Fund's revenues, net income and NAV. Unfavorable economic conditions also could increase the Fund's funding costs, limit the Fund's access to the capital markets or result in a decision by lenders not to extend credit to it on terms it deems acceptable. These events could prevent the Fund from increasing investments and harm the Fund's operating results.

Legal and Regulatory Risks

Legal and regulatory changes could occur which may materially adversely affect the Fund. The regulation of the U.S. and non-U.S. securities and futures markets and investment funds such as the Fund has undergone substantial change in recent years, and such change may continue.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (the "**Dodd-Frank Act**") has initiated a significant revision of the U.S. financial regulatory framework for derivatives instruments that will continue to unfold over several years and has impacted, and will likely continue to impact, the use of derivatives. The regulations that have been implemented pursuant to the Dodd-Frank Act have or will impose restrictions on parties that utilize derivatives, including the Fund and its counterparties. In particular, Title VII of the Dodd-Frank Act sets forth a new legislative framework for derivatives in which the Fund may invest. Title VII of the Dodd-Frank Act makes broad changes to the OTC derivatives market, grants significant new authority to the SEC and the CFTC to regulate OTC derivatives and market participants, and requires clearing and exchange trading of many OTC derivatives transactions. The new law and the CFTC's and SEC's new regulations may negatively impact the Fund's ability to meet its investment objectives either through limits or requirements imposed on it or upon its counterparties. New requirements, even if not directly applicable to the Fund, may increase the cost of the Fund's investments and cost of doing business, which could adversely affect investors. Certain of the implementing regulations have not yet been finalized. Accordingly, the ultimate impact of the Dodd-Frank Act, including on the derivatives instruments in which the Fund may invest, is not yet certain.

With respect to Europe, the Financial Stability Board, which monitors and makes recommendations about the global financial system, has issued reports that recommend strengthening oversight and regulation of the so-called "shadow banking" system in Europe, broadly described as credit intermediation involving entities and

activities outside the regular banking system. While at this stage it is difficult to predict the scope of any new regulations, if such regulations were to extend the regulatory and supervisory requirements, such as capital and liquidity standards, currently applicable to banks, or the Fund were considered to be engaged in “shadow banking,” the regulatory and operating costs associated therewith could adversely impact the implementation of the Fund’s investment strategies and returns.

Inflation and Deflation Risk

Inflation risk is the risk that the value of certain assets or income from the Fund’s investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Shares and distributions on the Shares can decline. In addition, during any periods of rising inflation, the dividend rates or borrowing costs associated with the Fund’s use of leverage would likely increase, which would tend to further reduce returns to investors.

Deflation risk is the risk that prices throughout the economy decline over time, or the opposite of inflation. Deflation may have an adverse effect on the creditworthiness of companies and may make company defaults more likely, which may result in a decline in the value of the Fund’s portfolio.

INVESTMENT RESTRICTIONS

The Fund’s stated fundamental investment restrictions, which may only be changed by the affirmative vote of a majority of the outstanding voting securities of the Fund, are listed below. As defined by the 1940 Act, the vote of a “majority of the outstanding voting securities of the Fund” means the vote, at an annual or special meeting of the Fund’s shareholders duly called, (a) of 66⅔% or more of the voting securities present at such meeting, if the holders of more than 50% of the outstanding voting securities of the Fund are present or represented by proxy; or (b) of more than 50% of the outstanding voting securities of the Fund, whichever is less. The Fund may not:

- (1) invest 25% or more of the value of its total assets in the securities, other than U.S. Government securities, of issuers engaged in any single industry, except that the Fund will invest more than 25% of its total assets in companies conducting their principal business in industries within the energy and infrastructure sectors;
- (2) borrow money, except to the extent permitted by the 1940 Act (which currently limits borrowing to no more than 33⅓% of the value of the Fund’s total assets);
- (3) issue senior securities, except to the extent permitted by Section 18 of the 1940 Act (which currently limits the issuance of a class of senior securities that is indebtedness to no more than 33⅓% of the value of the Fund’s total assets or, if the class of senior security is stock, to no more than 50% of the value of the Fund’s total assets);
- (4) underwrite securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, in connection with the disposition of its portfolio securities;
- (5) make loans of money or securities to other persons, except as permitted by the Act;
- (6) purchase or sell commodities or commodity contracts, except that it may purchase and sell non-U.S. currency, options, futures and forward contracts, including those related to indices, swaps and options on indices, and may invest in commodity pools and other entities that purchase and sell commodities and commodity contracts; or
- (7) purchase, hold or deal in real estate, except that it may: (a) invest in securities and/or other instruments of issuers that invest in real estate or interests therein or that are engaged in or operate in the real estate industry, and (b) hold and sell real estate acquired by the Fund as a result of the ownership of securities and/or other instruments.

MANAGEMENT OF THE FUND

Pursuant to the Fund’s declaration of trust and bylaws, the Fund’s business and affairs are managed under the direction of the Board, which has overall responsibility for monitoring and overseeing the Fund’s management and operations. The officers of the Fund conduct and supervise the Fund’s daily business operations.

Board of Trustees and Executive Officers

Board Leadership Structure

The Board consists of five members, three of whom are considered Independent Trustees, one whom is considered an interested person of EIG and one whom is considered an interested person of Triloma. Among other things, the Board sets broad policies for the Fund and appoints the Fund’s officers. The role of the Board, and of any individual Trustee, is one of oversight and not of management of the Fund’s day-to-day affairs. Each Trustee will serve until his or her successor is duly elected and qualified. The Trustees are subject to removal or replacement in accordance with Delaware law and the Fund’s declaration of trust. The Trustees serving on the Board were elected by the organizational shareholder of the Fund.

Board Role in Risk Oversight

Through its direct oversight role, and indirectly through its committees, the Board performs a risk oversight function for the Fund consisting of, among other things, the following activities: (1) at regular and special Board meetings, and on an ad hoc basis as needed, receiving and reviewing reports related to the Fund’s performance and operations; (2) reviewing and approving, as applicable, the Fund’s compliance policies and procedures; (3) meeting with members of the Advisors’ portfolio management teams to review investment strategies, techniques and the processes used to manage related risks; (4) meeting with, or reviewing reports prepared by, the representatives of key service providers, including the Advisors and the Fund’s administrator, distributor, transfer agent, custodian and independent registered certified public accounting firm, to review and discuss the Fund’s activities and to provide direction with respect thereto; and (5) engaging the services of the Fund’s chief compliance officer to test the compliance procedures of the Fund and its service providers. However, not all risks that may affect the Fund can be identified or processes and controls developed to eliminate or mitigate their occurrence or effects, and some risks are beyond the control of the Fund and its service providers.

Trustees

Information regarding the members of the Board is set forth below. The Trustees have been divided into two groups—Interested Trustees and Independent Trustees. As set forth in the Fund’s declaration of trust, a Trustee’s term of office shall continue until his or her death, resignation or removal.

NAME	AGE	TRUSTEE SINCE	NUMBER OF REGISTERED INVESTMENT COMPANIES IN FUND COMPLEX OVERSEEN BY TRUSTEE
<i>Interested Trustees</i>			
Barry L. Goff	54	2015	2
Brian T. Gilmore	46	2015	2
<i>Independent Trustees</i>			
Jack A. Cuneo	68	2015	2
David W. Rothschild	67	2015	2
Bruce E. Waits	60	2015	2

The address for each Trustee is 201 North New York Avenue, Suite 250, Winter Park, FL 32789, unless otherwise indicated.

Interested Trustees

Barry L. Goff. Mr. Goff serves as our Trustee. Mr. Goff also currently serves as an investment committee member of Triloma. Mr. Goff co-founded and has served as a principal and officer of various affiliates of Triloma Financial Group since 2012. Mr. Goff is responsible for the overall management of private equity and real estate investment opportunities at Triloma Financial Group. From 2003 to 2011, Mr. Goff served as a managing director of Tavistock Group, the private investment vehicle of Forbes Billionaire Joe Lewis. During

that time Mr. Goff also served as the chief executive officer of Tavistock Restaurants, where he and his team assembled and operated a portfolio of almost 100 restaurants for Tavistock Group. While with Tavistock Group, from 2009 to 2011, Mr. Goff also organized and led Tavistock Capital Group, a team focused exclusively on originating and investing in various U.S.-based distressed asset opportunities, including the purchase of the senior secured debt of a restaurant operating company, the acquisition of a \$491 million face value residential loan pool in a joint venture with the FDIC, and the acquisition of the St. Regis Hotel & Residences, a recently-developed world class property located in the heart of Buckhead in Atlanta, Georgia. Prior to joining Tavistock, Mr. Goff spent five years at CNL Financial Group serving as the Chief Investment Officer and President of CNL Restaurant Properties, Inc., where he was responsible for more than \$1.4 billion of real estate investments and over \$100 million of legacy equity and mezzanine funds. Previously, Mr. Goff practiced law for ten years in Atlanta, Los Angeles and Orlando, Florida. Mr. Goff received a B.S. degree from the University of Central Florida, a J.D. from the University of Florida Levin College of Law, and an L.L.M. from New York University School of Law.

Brian T. Gilmore. Mr. Gilmore serves as our Trustee. Mr. Gilmore also currently serves as a Senior Vice President of EIG Partners and is one of EIG Partners' investment professionals responsible for the origination, evaluation, negotiation and acquisition of energy and infrastructure investments on a global basis. He is also a portfolio manager for EIG's Global Project Funds. Mr. Gilmore joined EIG Partners in 2002 from Banc of America Securities where he was a Vice President focusing on mergers and acquisitions in the Energy and Power Group. Previously, he was an Associate in the Project and Structured Finance group at Deutsche Banc Securities and also worked for National Economic Research Associates and Cambridge Energy Research Associates. Mr. Gilmore received an AB from Vassar College and an MBA from the University of Chicago.

Independent Trustees

Jack A. Cuneo. Mr. Cuneo serves as our Trustee. Mr. Cuneo has over 40 years of experience in the real estate industry and had been involved in a wide range of real estate investment activity including acquisitions, development, joint venture structuring, property sales, work outs and private equity financing for REITs and real estate operating companies. Mr. Cuneo was the founder, President and Chief Executive Officer of Chambers Street Properties (NYSE: CSG) until his retirement in March 2015. Prior to Chambers Street, he was the Chairman, President and CEO of CB Richards Ellis Realty Trust from March 2004 to June 2012, and an Executive Managing Director of CBRE Global Investors from July 2008 until June 2012. Mr. Cuneo also spent 26 years at Merrill Lynch where he served from 1997 to 2000 as Chairman and CEO of Merrill Lynch Hubbard, a real estate investment subsidiary which provided real estate investment programs for individual investors. Mr. Cuneo was a Managing Director of the Global Real Estate and Hospitality Group at Merrill Lynch from 2000 to 2002 where he led private equity, and advisory activities. Mr. Cuneo is a member of The Urban Land Institute, and the Policy Advisory Board at the Haas School of Business, at the University of California, Berkeley. Mr. Cuneo received a B.A. from City College of New York.

David W. Rothschild. Mr. Rothschild serves as our Trustee. Mr. Rothschild has been engaged in the private practice of law in Canada primarily focusing on national and international business transactions involving Japanese corporations; complex commercial litigation; aboriginal transactions involving business, energy start-ups and infrastructure projects. Since 2012, Mr. Rothschild has served as a consultant supporting various energy and infrastructure projects with the Mohawk Council of Kahnawake and the Kahnawake Economic Development Corporation. From 2000 until 2012, Mr. Rothschild served as an independent Investment Committee member to three energy and infrastructure funds managed by EIG Global Energy Partners. From 1996 to 2012, Mr. Rothschild was a partner with Davis, LLP and co-managing partner of its Montreal Office. Prior to joining Davis, Mr. Rothschild was the co-founding partner of Hara Rothschild, Eastern Canada's only boutique firm focused exclusively on Japan, and served as a partner of various other law firms including Fasken's, Gottlieb & Associates, and Fraser & Beatty. Mr. Rothschild received a B.A. from Bishop's University and a License en Droit from the Université de Sherbrooke.

Bruce E. Waits. Mr. Waits serves as our Trustee. Since 2006, Mr. Waits has been engaged in the private practice of law in Texas serving large energy companies where he focuses on structuring tax efficient domestic and international commercial transactions, project review, documentation and tax planning, representation before the IRS and non-U.S. tax authorities, plus a wide range of other tax-related legal services. From 2000 to 2006, Mr. Waits was the General Tax Counsel for Chevron Phillips Chemical Company where he established and managed the tax department and was responsible for the company's worldwide tax functions including project structuring, tax planning, controversies, legislation, compliance and tax accounting. Prior to joining Chevron Phillips, Mr. Waits spent 12 years with Phillips Petroleum Company where he began as a Senior Tax Attorney

and was eventually promoted to General Tax Counsel with management responsibilities for worldwide tax planning and structuring, litigation and legislation. Previously, Mr. Waits worked seven years for the IRS, spent three years in public accounting and for two years was tax director of the First National Bank of Oklahoma City, at that time the largest bank in the state of Oklahoma. Mr. Waits earned a B.S. degree in business administration from Northeastern State University, a J.D. from the Tulsa University College of Law, and an LL.M. in tax from the New York University School of Law. Mr. Waits is licensed to practice law in the state of Oklahoma and Texas and is a member of the Oklahoma, Texas and American Bar Associations. Mr. Waits is also licensed as a certified public accountant in Oklahoma and Arkansas and has served in various committee leadership positions for the Tax Executives Institute, American Petroleum Institute and American Chemistry Council.

Executive Officers

The following persons serve as the Fund’s executive officers in the following capacities:

<u>Name</u>	<u>Age</u>	<u>Positions Held</u>
Deryck A. Harmer	35	President and Chief Executive Officer
Elizabeth Strouse	42	Chief Financial Officer
Hope L. Newsome	38	Secretary and Chief Compliance Officer

The address for each executive officer is 201 North New York Avenue, Suite 250, Winter Park, FL 32789.

Compensation of Trustees

The table below sets forth the compensation received by the Trustees from the Fund for the fiscal period ending December 31, 2015:

<u>Name of Trustee</u>	<u>Aggregate Compensation from the Fund</u>
Barry L. Goff	\$ 0
Brian T. Gilmore	\$ 0
Jack A. Cuneo	\$8,252.86
David W. Rothschild	\$8,287.77
Bruce E. Waits	\$9,219.95

Our independent Trustees will receive compensation in connection with their service. Each independent Trustee is expected to receive from the Fund annual cash retainer fees, fees for attending in-person or by telephone Board meetings and committee meetings and annual fees for serving as a committee chairperson, determined based on the Fund’s net assets as of the end of each fiscal quarter. These Trustees are Jack A. Cuneo, David W. Rothschild and Bruce E. Waits. Bruce E. Waits also receives an additional annual fee for serving as the chairman of the audit committee. Amounts payable under the arrangement will be determined and paid quarterly in arrears as follows:

<u>Fund Net Assets</u>	<u>Annual Cash Retainer</u>	<u>Audit Committee Chairman Retainer</u>
\$0 to \$100 million	\$12,500	\$ 3,125
\$100 million to \$300 million	25,000	4,688
\$300 million to \$500 million	34,375	6,250
\$500 million to \$1 billion	46,875	9,375
> \$1 billion	71,875	12,500

The Fund will also reimburse each of the Trustees for all reasonable and authorized business expenses in accordance with the Fund’s policies as in effect from time to time, including reimbursement of reasonable out-of-pocket expenses incurred in connection with attending each in-person Board meeting and each committee meeting not held concurrently with a Board meeting.

The Fund does not pay compensation to Trustees who also serve in an executive officer capacity for the Fund, Triloma or EIG.

Board Committees

In addition to serving on the Board, Trustees may also serve on one or more of the following committees which have been established by the Board to handle certain designated responsibilities. The Board has

designated a chairman of each committee. Subject to applicable law, the Board may establish additional committees, change the membership of any committee, fill all vacancies and designate alternate members to replace any absent or disqualified member of any committee, or to dissolve any committee as it deems necessary and in the Fund’s best interest.

Audit Committee

The audit committee is responsible for selecting, engaging and discharging the Fund’s independent accountants, reviewing the plans, scope and results of the audit engagement with the Fund’s independent accountants, approving professional services provided by the Fund’s independent accountants (including compensation therefor), reviewing the independence of the Fund’s independent accountants and reviewing the adequacy of the Fund’s internal controls over financial reporting. The members of the audit committee are Jack A. Cuneo, David W. Rothschild and Bruce E. Waits. Bruce E. Waits serves as the chairman of the audit committee. The Board has determined that Bruce E. Waits is an “audit committee financial expert” as defined under SEC rules.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee selects and nominates Trustees for membership on the Board, selects nominees to fill vacancies on the Board or a committee thereof, develops and recommends to the Board a set of corporate governance principles and oversees the evaluation of the Board. The nominating and corporate governance committee considers candidates suggested by its members and other Trustees, as well as the Fund’s management and Shareholders. The members of the nominating and corporate governance committee are Jack A. Cuneo, David W. Rothschild and Bruce E. Waits. Jack A. Cuneo serves as chairman of the nominating and corporate governance committee.

Compensation Committee

The compensation committee assists the Board by evaluating the compensation of the Trustees. This committee is also responsible for the review of the compensation arrangements for each of the Trustees. The members of the compensation committee are Jack A. Cuneo, David W. Rothschild and Bruce E. Waits. David W. Rothschild serves as chairman of the Board’s compensation committee.

Trustee Beneficial Ownership of Shares

The following table shows the dollar range of Shares beneficially owned by each Trustee as of December 31, 2015 and the aggregate dollar range of equity securities in all registered investment companies overseen by each Trustee in the family of investment companies that includes the Fund.

Name of Trustee	Dollar Range of Equity Securities in the Fund ⁽¹⁾	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies ⁽¹⁾
<i>Interested Trustees</i>		
Barry L. Goff	\$1 – \$10,000	\$10,001 – \$50,000
Brian T. Gilmore	\$50,001 – \$100,000	\$50,001 – \$100,000
<i>Independent Trustees</i>		
Jack A. Cuneo	\$10,001 – \$50,000	\$10,001 – \$50,000
David W. Rothschild	None	None
Bruce E. Waits	\$50,001 – \$100,000	\$100,001 – \$500,000

(1) Dollar ranges are as follows: None, \$1 – \$10,000, \$10,001 – \$50,000, \$50,001 – \$100,000, \$100,001 – \$500,000, \$500,001 – \$1,000,000, or Over \$1,000,000.

Shareholder Communications

Shareholders may send communications to the Board. Shareholders should send communications intended for the Board by addressing the communication directly to the Board (or individual Trustees) and/or otherwise clearly indicating in the salutation that the communication is for the Board (or individual Trustees) and by sending the communication to the Fund’s offices at 201 North New York Avenue, Suite 250, Winter Park, FL 32789. Other Shareholder communications received by the Fund not directly addressed and sent to the Board

will be reviewed and generally responded to by management, and will be forwarded to the Board only at management's discretion based on the matters contained therein.

Codes of Ethics

The Fund, Triloma and EIG have each adopted a code of ethics pursuant to Rule 17j-1 under the 1940 Act that establish procedures for personal investments and restrict certain personal securities transactions. Personnel subject to these codes may invest in securities for their personal investment accounts, including securities that may be purchased or held by the Fund, so long as such investments are made in accordance with the applicable code's requirements. The codes of ethics are attached as exhibits to the registration statement of which this Statement of Additional Information is a part. Shareholders may also read and copy these codes of ethics at the SEC's Public Reference Room located at 100 F Street, NE, Washington, DC 20549. Shareholders may obtain information on the operation of the Public Reference Room by calling the SEC at (202) 551-8090. In addition, the codes of ethics will be available on the EDGAR Database on the SEC's website at <http://www.sec.gov>. Shareholders may also obtain copies of the code of ethics, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street, NE, Washington, DC 20549-0102.

The Advisor

Triloma, an investment advisor registered with the SEC under the Advisers Act, serves as the Fund's investment advisor. Triloma is an affiliate of Triloma Financial Group, a private investment management firm providing individuals with unique alternative investment opportunities.

For more information on the services provided by Triloma to the Fund, see "Management of the Fund" in the Prospectus.

The Investment Advisory Agreement will continue in effect for a period of two years from its effective date. If not sooner terminated, the Investment Advisory Agreement will continue in effect for successive periods of twelve months thereafter, provided that each continuance is specifically approved at least annually by both (1) the vote of a majority of the Board or the vote of a majority of the outstanding securities of the Fund entitled to vote and (2) by the vote of a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting on such approval. In addition, the Investment Advisory Agreement has termination provisions that allow the parties to terminate the agreement without penalty. The Investment Advisory Agreement may be terminated at any time, without penalty, by Triloma, upon 120 days' notice to the Fund, as applicable.

The Sub-Advisor

Triloma has engaged EIG to act as the Fund's investment sub-advisor pursuant to the Investment Sub-Advisory Agreement. EIG has primary responsibility for the day-to-day management of the Fund's investment portfolio. The investment process is a collaborative effort between Triloma and EIG, and the Fund benefits from the combined business and specific industry knowledge, transaction expertise and deal-sourcing capabilities. EIG, an investment advisor registered with the SEC under the Advisers Act, is a Delaware limited liability company with principal offices located at 1700 Pennsylvania Ave NW, Suite 800, Washington, DC 20006. For more information regarding EIG, see "The Sub-Advisor" in the Prospectus.

The Investment Sub-Advisory Agreement may be terminated at any time, without penalty, by EIG, upon 120 days' notice to the Fund, as applicable.

The Administrator

Pursuant to the Fund Administration Agreement, Triloma oversees the day-to-day operations of the Fund, including maintaining and preserving certain records, preparing and filing various materials with state and U.S. federal regulators, providing general ledger accounting, fund accounting, legal services, investor relations and other administrative services and arranging for payment of the Fund's expenses. In addition, Triloma has contracted with SEI Investments Global Funds Services (the "Sub-Administrator") to provide certain fund administration services.

Portfolio Management

Other Accounts Managed by Portfolio Managers

The portfolio managers primarily responsible for the day-to-day management of the Fund also manage other registered investment companies, other pooled investment vehicles and other accounts, as indicated below. The following table identifies, as of December 31, 2015: (i) the number of other registered investment companies, pooled investment vehicles and other accounts managed by each portfolio manager; and (ii) the total assets of such companies, vehicles and accounts, and the number and total assets of such companies, vehicles and accounts with respect to which the advisory fee is based on performance.

	<u>Number of Accounts</u>	<u>Assets of Accounts (in thousands)</u>	<u>Number of Accounts Subject to a Performance Fee</u>	<u>Assets Subject to a Performance Fee (in thousands)</u>
Barry L. Goff				
Registered Investment Companies	0	\$ 0	0	\$ 0
Pooled Investment Vehicles Other Than Registered Investment Companies	0	\$ 0	0	\$ 0
Other Accounts	0	\$ 0	0	\$ 0
Deryck A. Harmer				
Registered Investment Companies	0	\$ 0	0	\$ 0
Pooled Investment Vehicles Other Than Registered Investment Companies	0	\$ 0	0	\$ 0
Other Accounts	0	\$ 0	0	\$ 0
Michael I. Wood				
Registered Investment Companies	0	\$ 0	0	\$ 0
Pooled Investment Vehicles Other Than Registered Investment Companies	0	\$ 0	0	\$ 0
Other Accounts	0	\$ 0	0	\$ 0
R. Blair Thomas				
Registered Investment Companies	2	\$ 663	2	\$ 663
Pooled Investment Vehicles Other Than Registered Investment Companies	48	\$13,499,148	36	\$12,338,959
Other Accounts	7	\$ 1,209,735	7	\$ 1,209,735
William C. Sonneborn				
Registered Investment Companies	2	\$ 663	2	\$ 663
Pooled Investment Vehicles Other Than Registered Investment Companies	48	\$13,499,148	36	\$12,338,959
Other Accounts	7	\$ 1,209,735	7	\$ 1,209,735
Randall S. Wade				
Registered Investment Companies	2	\$ 663	2	\$ 663
Pooled Investment Vehicles Other Than Registered Investment Companies	48	\$13,499,148	36	\$12,338,959
Other Accounts	7	\$ 1,209,735	7	\$ 1,209,735
Rob H. Johnson				
Registered Investment Companies	2	\$ 663	2	\$ 663
Pooled Investment Vehicles Other Than Registered Investment Companies	3	\$ 246,458	2	\$ 145,561
Other Accounts	1	\$ 1,200,000	1	\$ 1,200,000

* All assets reported above are gross assets (including unfunded commitments) as of December 31, 2015.

Compensation of Portfolio Managers

Each of Triloma Financial Group's senior executives' compensation, including each of the investment personnel who render services to us on behalf of Triloma, consists primarily of base pay and a discretionary bonus, profit participation, equity interest or other performance based incentive compensation. Senior executives also participate in benefit plans and programs generally available to all employees of Triloma Financial Group.

In general, the amount of the compensation will be based on a combination of factors that may include: the market levels of compensation for such position; an individual's contribution, performance and execution of managerial responsibilities, client interactions and support of colleagues; the overall performance of Triloma including the revenues or profitability derived from the management of the Fund; and the overall performance and profitability of Triloma Financial Group.

EIG's firm-wide compensation structure, which covers investment personnel who render services to the Fund, consists of a salary, bonus and carried interest participation. Carry allocations and other forms of compensation are generally commensurate with the seniority and expected contribution that the respective employees make to the success of the firm and the funds it manages.

Triloma's and EIG's investment personnel are not employed by the Fund and receive no direct compensation from the Fund in connection with their investment management activities.

Securities Ownership of Portfolio Managers

The following table shows the dollar range of equity securities in the Fund beneficially owned by each member of Triloma's and EIG's investment committee as of December 31, 2015.

<u>Name of Investment Committee Member</u>	<u>Dollar Range of Equity Securities in the Fund⁽¹⁾</u>
Barry L. Goff	\$1 – \$10,000
Deryck A. Harmer	\$50,001 – \$100,000
Michael I. Wood	\$10,001 – \$50,000
R. Blair Thomas	\$50,001 – \$100,000
William C. Sonneborn	\$50,001 – \$100,000
Randall S. Wade	\$50,001 – \$100,000
Rob H. Johnson	\$50,001 – \$100,000

(1) Dollar ranges are as follows: None, \$1 – \$10,000, \$10,001 – \$50,000, \$50,001 – \$100,000, \$100,001 – \$500,000, \$500,001 – \$1,000,000, or Over \$1,000,000.

Potential Conflicts of Interest

Triloma, EIG and their respective affiliates will be subject to certain conflicts of interest as a result of EIG serving as the Fund's investment sub-adviser. These conflicts will arise primarily from the involvement of Triloma, EIG and their respective affiliates in other activities that may conflict with those of the Fund. Shareholders should be aware that individual conflicts will not necessarily be resolved in favor of the Fund's interest.

The Fund may compete with certain affiliates of Triloma and EIG for investments, subjecting Triloma and EIG and its affiliates to certain conflicts of interest in evaluating the suitability of investment opportunities and making or recommending acquisitions on the Fund's behalf. The personnel of EIG and Triloma allocate their time between identifying investment opportunities and making investment recommendations and performing similar functions for other business activities in which they may be involved. Triloma, EIG and their respective affiliates may give advice and recommend securities to other clients, in accordance with the investment objectives and strategies of such other clients, which may differ from advice given to, or the timing or nature of the action taken with respect to, the Fund so long as it is their policy, to the extent practicable, to recommend for allocation and/or allocate investment opportunities to the Fund on a fair and equitable basis relative to their other clients, even though their investment objectives may overlap with those of the Fund.

The Fund's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in the Fund and/or sources of investment opportunities and counterparties therein. This may influence Triloma and EIG in deciding whether to select such a service provider. Notwithstanding the foregoing,

investment transactions for the Fund that require the use of a service provider will generally be allocated to service providers on the basis of best execution (and possibly to a lesser extent in consideration of such service provider's provision of certain investment-related services that Triloma and EIG believe to be of benefit to the Fund). The officers, directors, members, managers and employees of Triloma or EIG may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law and internal policies, or otherwise determined from time to time by Triloma or EIG.

PORTFOLIO TRANSACTIONS AND BROKERAGE ALLOCATION

The Fund anticipates investing substantially all of its net assets in private transactions that will not involve brokerage commissions or markups. The Fund did not incur any brokerage commissions in 2015. The Advisors have responsibility for decisions to buy and sell securities and other instruments for the Fund, the selection of brokers and dealers to effect the transactions and the negotiation of prices and any brokerage commissions or markups on such transactions. While the Advisors are primarily responsible for the placement of the Fund's portfolio business, the policies and practices in this regard are subject to review by the Board.

As most transactions made by the Fund are principal transactions at net prices, the Fund generally incurs little or no brokerage costs. The portfolio securities in which the Fund expects to invest normally will be purchased directly from the issuer or in the OTC market from an underwriter or market maker for the securities. Purchases from underwriters of portfolio securities include a commission or concession paid by the issuer to the underwriter and purchases from dealers serving as market makers include a spread or markup to the dealer between the bid and ask price. Sales to dealers generally will be effected at bid prices. The Fund may also purchase certain money market instruments directly from an issuer, in which case no commissions or discounts are paid (although the Fund may indirectly bear fees and expenses of any money market funds in which it invests), or may purchase and sell listed securities on an exchange, which are effected through brokers who charge a commission for their services.

To the extent it executes securities transactions for the Fund, the Advisors will seek to obtain the best execution of orders. Commission rates are a component of price and are considered along with other relevant factors. In determining the broker or dealer to be used and the commission rates to be paid, the Advisors will consider the utility and reliability of brokerage services, including execution capability and performance, financial responsibility, investment information, market insights, other research provided by such brokers, and access to analysts, management and idea generation. Accordingly, the commissions charged by any such broker may be greater than the amount another firm might charge if the Advisors determine in good faith that the amount of such commissions is reasonable in relation to the value of the brokerage services and research information provided by such brokers. Consistent with the requirements of best execution, brokerage commissions on accounts may be directed to brokers in recognition of investment research and information furnished as well as for services rendered in execution of orders by such brokers. By allocating transactions in this manner, the Advisors may be able to supplement their research and analysis with the views and information of brokerage firms. Triloma may also allocate a portion of its brokerage business to firms whose employees participate as brokers in the introduction of investors to Triloma or who agree to bear the expense of capital introduction, marketing or related services by third parties.

Eligible research or brokerage services provided by brokers through which portfolio transactions for the Fund are executed may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, online quotations, news and research services, financial publications and other products and services (e.g., software based applications for market quotes and news, database programs providing investment and industry data) providing lawful and appropriate assistance to the portfolio managers and their designees in the performance of their investment decision-making responsibilities on behalf of the Fund and other accounts which they and their affiliates manage (collectively, "**Soft Dollar Items**"). Triloma and its affiliates generally will use such products and services (if any) for the benefit of all of their accounts. Soft Dollar Items may be provided directly by brokers, by third parties at the direction of brokers or purchased on behalf of the Fund and its affiliates with credits or rebates provided by brokers. Any Soft Dollar Items obtained in connection with portfolio transactions for the Fund are intended to fall within the "safe harbor" of Section 28(e) of the Exchange Act. As noted above, because most of the Fund's transactions will likely be principal transactions, the Fund will likely not incur significant brokerage commissions (although it will be subject to mark ups and mark downs imposed by dealers). Section 28(e) generally only applies with respect to brokerage commissions; as such, the Fund may not benefit from any significant amount of Soft Dollar Items.

The Advisors may also place portfolio transactions, to the extent permitted by law, with brokerage firms affiliated with the Fund or the Advisors, as applicable, if they reasonably believe that the quality of execution and the commission are comparable to that available from other qualified firms. Similarly, to the extent permitted by law and subject to the same considerations on quality of execution and comparable commission rates, the Advisors may direct an executing broker to pay a portion or all of any commissions, concessions or discounts to a firm supplying research or other services.

The Advisors may place portfolio transactions at or about the same time for other advisory accounts, including other investment companies. The Advisors seek to allocate portfolio transactions equitably whenever concurrent decisions are made to purchase or sell investments for the Fund and another advisory account. In some cases, this procedure could have an adverse effect on the price or the amount of investments available to the Fund. In making such allocations among the Fund and other advisory accounts, the main factors considered by the Advisors are the respective sizes of the Fund and other advisory accounts, the respective investment objectives, the relative size of portfolio holdings of the same or comparable investments, the availability of cash for investment, the size of investment commitments generally held and opinions of the persons responsible for recommending the investment.

The placing and execution of orders for the Fund also is subject to restrictions under U.S. securities laws, including certain prohibitions against trading among the Fund and its affiliates (including Triloma, EIG or their respective affiliates). Certain broker-dealers, through which the Fund may effect securities transactions, may be affiliated persons (as defined in the 1940 Act) of the Fund or affiliated persons of such affiliates. The Board has adopted certain policies incorporating the standards of Rule 17e-1 issued by the SEC under the 1940 Act which require that the commissions paid to affiliates of the Fund be reasonable and fair compared to the commissions, fees or other remuneration received or to be received by other brokers in connection with comparable transactions involving similar securities during a comparable period of time. The rule and procedures also contain review requirements and require the Advisors to furnish reports to the Trustees and to maintain records in connection with such reviews. In addition, the Fund may purchase securities in a placement for which affiliates of the Advisors have acted as agent to or for issuers, consistent with applicable rules adopted by the SEC or regulatory authorization, if necessary. The Fund will not purchase securities from or sell securities to any affiliate of Triloma or EIG acting as principal. The Advisors are prohibited from directing brokerage transactions on the basis of the referral of clients or the sale of shares of advised investment companies.

DESCRIPTION OF CAPITAL STRUCTURE

The following description is based on relevant portions of the Delaware Statutory Trust Act and on the Fund's declaration of trust and bylaws. This summary is not intended to be complete. Please refer to the Delaware Statutory Trust Act and the Fund's declaration of trust and bylaws, copies of which have been filed as exhibits to the registration statement of which this prospectus is a part, for a more detailed description of the provisions summarized below.

Shares of Beneficial Interest

The Fund's declaration of trust authorizes the Fund's issuance of an unlimited number of shares of beneficial interest, par value \$0.001 per share. There is currently no market for Shares and the Fund does not expect that a market for Shares will develop in the foreseeable future. Pursuant to the Fund's declaration of trust and as permitted by Delaware law, Shareholders are entitled to the same limitation of personal liability extended to stockholders of private corporations organized for profit under the General Corporation Law of the State of Delaware (the "DGCL") and therefore generally will not be personally liable for the Fund's debts or obligations.

Shares

Under the terms of the Fund's declaration of trust, all Shares, when consideration for Shares is received by the Fund, will be fully paid and nonassessable. Distributions may be paid to Shareholders if, as and when authorized and declared by the Board. Shares will have no preference, preemptive, appraisal, conversion, exchange or redemption rights, and will be freely transferable, except where their transfer is restricted by law or contract. The Fund's declaration of trust provides that the Board shall have the power to repurchase or redeem Shares. In the event of the Fund's dissolution, after the Fund pays or adequately provides for the payment of all claims and obligations of the Fund, and upon the receipt of such releases, indemnities and refunding agreements deemed necessary by the Board, each Share will be entitled to receive, according to its respective rights, a pro rata portion of the Fund's assets available for distribution, subject to any preferential rights of holders of the

Fund's outstanding preferred shares, if any. Each Share is entitled to one vote on all matters on which a vote of Shareholders is required by the 1940 Act, the Fund's declaration of trust or a resolution of the Board. There will be no cumulative voting in the election or removal of Trustees. Under the Fund's declaration of trust, the Fund is not required to hold annual meetings of Shareholders. The Fund only expects to hold Shareholder meetings to the extent required by the 1940 Act or pursuant to special meetings called by the Board or a majority of Shareholders.

Preferred Shares and Other Securities

The Fund's declaration of trust provides that the Board may, subject to the Fund's investment policies and restrictions and the requirements of the 1940 Act, authorize and cause the Fund to issue securities of the Fund other than Shares (including preferred shares, debt securities or other senior securities), by action of the Board without the approval of Shareholders. The Board may determine the terms, rights, preferences, privileges, limitations and restrictions of such securities as the Board sees fit.

Preferred shares could be issued with rights and preferences that would adversely affect Shareholders. Preferred shares could also be used as an anti-takeover device. Every issuance of preferred shares will be required to comply with the requirements of the 1940 Act. The 1940 Act requires, among other things, that (i) immediately after issuance and before any distribution is made with respect to the Shares and before any purchase of Shares is made, such preferred shares together with all other senior securities must not exceed an amount equal to 50% of the Fund's total assets after deducting the amount of such distribution or purchase price, as the case may be, and (ii) the holders of preferred shares, if any are issued, must be entitled as a class to elect two Trustees at all times and to elect a majority of the Trustees if distributions on such preferred shares are in arrears by two years or more. Certain matters under the 1940 Act require the separate vote of the holders of any issued and outstanding preferred shares.

Limitation on Liability of Trustees and Officers; Indemnification and Advance of Expenses

Pursuant to the Fund's declaration of trust, Trustees and officers of the Fund will not be subject in such capacity to any personal liability to the Fund or Shareholders, unless the liability arises from bad faith, willful misfeasance, gross negligence or reckless disregard for the Trustee's or officer's duty.

Except as otherwise provided in the Fund's declaration of trust, the Fund will indemnify and hold harmless any current or former Trustee or officer of the Fund against any liabilities and expenses (including reasonable attorneys' fees relating to the defense or disposition of any action, suit or proceeding with which such person is involved or threatened), while and with respect to acting in the capacity of a Trustee or officer of the Fund, except with respect to matters in which such person did not act in good faith in the reasonable belief that his or her action was in the best interest of the Fund, or in the case of a criminal proceeding, matters for which such person had reasonable cause to believe that his or her conduct was unlawful. In accordance with the 1940 Act, the Fund will not indemnify any Trustee or officer for any liability to which such person would be subject by reason of his or her willful misfeasance, bad faith, gross negligence or reckless disregard of the duties of his or her position. The Fund will provide indemnification to Trustees and officers prior to a final determination regarding entitlement to indemnification as described in the declaration of trust.

The Fund has entered into the Investment Advisory Agreement with Triloma. The Investment Advisory Agreement provides that, in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard for its obligations and duties thereunder, Triloma is not liable for any error of judgment or mistake of law or for any loss the Fund suffers.

Triloma has also entered into the Investment Sub-Advisory Agreement with EIG. The Investment Sub-Advisory Agreement provides that, in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard for its obligations and duties thereunder, EIG is not liable for any error of judgment or mistake of law or for any loss the Fund suffers.

Pursuant to the Fund's declaration of trust, the Fund will advance the expenses of defending any action for which indemnification is sought if the Fund receives a written undertaking by the indemnitee which provides that the indemnitee will reimburse the Fund unless it is subsequently determined that the indemnitee is entitled to such indemnification.

Number of Trustees; Appointment of Trustees; Vacancies; Removal

The Fund's declaration of trust provides that the number of Trustees shall be no less than two and no more than 10, as determined in writing by a majority of the Trustees then in office. As set forth in the declaration of trust, a Trustee's term of office shall continue until his or her death, resignation, removal, bankruptcy or adjudicated incompetence. Subject to the provisions of the 1940 Act, individuals may be appointed by the Trustees at any time to fill vacancies on the Board by the appointment of such persons by a majority of the Trustees then in office. Each Trustee shall hold office until his or her successor shall have been appointed pursuant to the Fund's declaration of trust. For as long as the Fund is advised by Triloma Energy Advisors, LLC and sub-advised by EIG Credit Management Company, LLC, pursuant to an investment advisory agreement and investment sub-advisory agreement, respectively, the Board shall include one individual selected by the Advisor and one individual selected by the Sub-Advisor, subject to approval by the remaining Trustees. To the extent that the 1940 Act requires that Trustees be elected by Shareholders, any such Trustees will be elected by a plurality of all Shares voted at a meeting of Shareholders at which a quorum is present.

The Fund's declaration of trust provides that any Trustee may be removed (provided that after the removal the aggregate number of Trustees is not less than the minimum required by the declaration of trust) (1) with or without cause, at any meeting of Shareholders by a vote of 75% of the outstanding Shares or (2) with or without cause, by at least two-thirds (66⅔%) of the remaining Trustees.

Action by Shareholders

The Fund's declaration of trust provides that Shareholder action can be taken only at a meeting of Shareholders or by unanimous written consent in lieu of a meeting. Subject to the 1940 Act, the Fund's declaration of trust or a resolution of the Board specifying a greater or lesser vote requirement, the affirmative vote of a majority of Shares present in person or represented by proxy at a meeting and entitled to vote on the subject matter shall be the act of the Shareholders with respect to any matter submitted to a vote of the Shareholders.

Amendment of Declaration of Trust and Bylaws

Subject to the provisions of the 1940 Act, pursuant to the Fund's declaration of trust, the Board may amend the declaration of trust without any vote of Shareholders. Pursuant to the Fund's declaration of trust and bylaws, the Board has the exclusive power to amend or repeal the bylaws or adopt new bylaws at any time.

Pass-Through Voting on Fund Matters

Whenever the Fund is requested to vote on matters pertaining to the Fund as a shareholder, the Fund will hold a meeting of Shareholders and vote its interest in the Fund for or against such matters proportionately to the instructions to vote for or against such matters received from Shareholders. The Fund shall vote Fund Shares for which it receives no voting instructions in the same proportion as the Shares for which it receives voting instructions.

No Appraisal Rights

In certain extraordinary transactions, some jurisdictions provide the right to dissenting Shareholders to demand and receive the fair value of their shares, subject to certain procedures and requirements set forth in such statute. Those rights are commonly referred to as appraisal rights. The Fund's declaration of trust provides that Shareholders shall not be entitled to appraisal rights.

Conflict with Applicable Laws and Regulations

The Fund's declaration of trust provides that if and to the extent that any provision of the Fund's declaration of trust conflicts with any provision of the 1940 Act, the provisions under the Internal Revenue Code of 1986, as amended, applicable to the Fund as a regulated investment company or other applicable laws and regulations, the conflicting provision shall be deemed never to have constituted a part of the Fund's declaration of trust; provided, however, that such determination shall not affect any of the remaining provisions of the declaration of trust or affect the validity of any action taken or omitted to be taken prior to such determination.

PROXY VOTING POLICY AND PROXY VOTING RECORD

The Fund has delegated its proxy voting responsibility to EIG. The proxy voting policies and procedures of EIG are set forth below. The guidelines are reviewed periodically by the Independent Trustees, and, accordingly, are subject to change.

Generally, client accounts being managed or advised by EIG invest in private securities (although on occasion client accounts may hold publicly traded securities). Regardless of how EIG obtains voting authority in portfolio securities (at time of acquisition or upon certain triggering events), EIG always endeavors to vote in such a way as to satisfy the goals and objectives of the particular client and pursuant to any written arrangements with a client account. Consistent with the requirements of Rule 206(4)-6 of the Investment Advisers Act of 1940 (the "Advisers Act"), before voting portfolio securities, EIG will follow the following procedures:

- EIG will consider all the relevant facts and circumstances surrounding the matter to be voted upon and any documents provided in connection with such matter, and will establish that: (i) there is a clear understanding of the vote at hand, (ii) any potential conflicts of interest are identified and communicated to the client prior to voting, and (iii) disclosure is provided as to how clients may obtain information on how their securities were voted.
- EIG will provide complete proxy voting policies and procedures to clients upon request.

Shareholder action may be required or solicited with respect to portfolio securities on matters including those relating to class actions (including matters relating to opting in or opting out of a class, and approving class settlements), bankruptcy or reorganizations. EIG will take all actions deemed appropriate by EIG with regard to such securities.

CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

As of November 9, 2016, the following persons are the only persons owning of record or beneficially 5% or more of the outstanding Shares of the Fund.

<u>Name</u>	<u>Address</u>	<u>Percentage of Ownership in the Fund</u>
Catherine M. Engelman Trust	Winter Park, FL	5.40%
Hurt Family Partnership Ltd	201 E Pine Street, FL 15, Orlando, FL 32801-2728	5.52%
Nickolai Dolya & Christina Dolya JTWROS	Winter Park, FL	23.36%
Mosler Holdings LLC	2239 Abrams Road, Eustis, FL 32726-7115	5.36%

INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

An independent registered certified public accounting firm for the Fund performs an annual audit of the Fund's financial statements. The Board has engaged PricewaterhouseCoopers LLP, located at 4040 W Boy Scout Blvd, Suite 1000, Tampa, FL 33607 to serve as the Fund's independent registered certified public accounting firm.

LEGAL COUNSEL

The Board has engaged Dechert LLP, located at 1095 Avenue of the Americas, New York, New York 10036 to serve as the Fund's legal counsel.

ADDITIONAL INFORMATION

A registration statement on Form N-2, including amendments thereto, relating to the Shares offered hereby, has been filed by the Fund with the SEC. The Prospectus and this Statement of Additional Information do not contain all of the information set forth in the registration statement, including any exhibits and schedules thereto. For further information with respect to the Fund and the Shares offered hereby, reference is made to the registration statement. A copy of the registration statement may be reviewed and copied at the SEC's Public Reference Room located at 100 F Street, NE, Washington, DC 20549 or on the EDGAR database on the SEC's website (<http://www.sec.gov>). Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (202) 551-8090. Prospective investors can also request copies of these materials,

upon payment of a duplicating fee, by electronic request at the SEC's e-mail address (publicinfo@sec.gov) or by writing the Public Reference Section of the SEC, Washington, D.C. 20549-1520.

FINANCIAL STATEMENTS

The Fund's audited financial statements for the period from July 24, 2015 (commencement of operations) to December 31, 2015, which are included in the Fund's annual report to Shareholders, are incorporated herein by reference.