ELLINGTON INCOME OPPORTUNITIES FUND

Class A Shares (EIOAX), Class C Shares (EIOCX),
Class I Shares (EIOMX)
of Beneficial Interest

April 30, 2026

Ellington Income Opportunities Fund (the "Fund") is a continuously offered, diversified, closed-end management investment company that is operated as an interval fund. The Fund will offer to repurchase its outstanding shares on a quarterly basis in accordance with the Fund's repurchase policy. While the repurchase amount for each offer is currently intended to be 10% of outstanding shares, in no case will such amount be less than 5%. The repurchase offers are expected to be made in March, June, September, and December of each year. The Fund expects that the maximum time between a repurchase request deadline and the next date on which the Fund expects to commence the next quarterly repurchase offer is approximately 90 days. Repurchase requests must be submitted by the deadline included in the Shareholder Notification as that term is defined in the "*Quarterly Repurchases of Shares*" section of this prospectus (the "Prospectus"). For more information on the Fund's repurchase policies and risks, please see the "*Repurchase Policy Risk*" on pages 9 and 29 and "*Quarterly Repurchases of Shares*" on page 37 of this Prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This Prospectus concisely provides the information that a prospective investor should know about the Fund before investing. You are advised to read this Prospectus carefully and to retain it for future reference. Additional information about the Fund, including a statement of additional information ("SAI") dated April 30, 2026 has been filed with the Securities and Exchange Commission ("SEC"). The table of contents of the SAI appears at Appendix A on page A-1 of this Prospectus. The SAI is available upon request and without charge by writing the Fund at c/o U.S. Bancorp Global Fund Services, LLC at 777 East Wisconsin Avenue, Milwaukee, WI 53202. You may also request a free copy of the Fund's SAI, annual and semi-annual reports when available, and other information about the Fund or make shareholder inquiries by calling 1-855-862-6092 or by visiting the Fund's website at www.ellingtonincomefund.com. The SAI, which is incorporated by reference into (legally made a part of) this Prospectus, is also available on the SEC's website at http://www.sec.gov. The address of the SEC's website is provided solely for the information of prospective shareholders and is not intended to be an active link.

Prospective investors should not construe the contents of this Prospectus or the SAI as legal, tax, or financial advice. Each prospective investor should consult his or her own professional advisers as to the legal, tax, financial, or other matters relevant to the suitability of an investment in the Fund for such investor.

Investment Objective. The Fund's investment objective is to seek total return, including capital gains and current income.

Securities Offered. The Fund engages in a continuous offering of three classes of shares of beneficial interest of the Fund: Class A, Class C, and Class I shares. The Fund has registered under the Investment Company Act of 1940, as amended (the "1940 Act") and the Securities Act of 1933 (the "Securities Act") and is authorized as a Delaware statutory trust to issue an unlimited number of shares.

The Fund is offering to sell, on a continuous basis, through its principal underwriter, Foreside Fund Services, LLC (the "Distributor"), under the terms of this Prospectus, $250,000,000 in shares of beneficial interest, at the net asset value ("NAV") per share of the relevant share class, plus any applicable sales load. The Distributor is not required to sell any specific number or dollar amount of the Fund's shares, but will use commercially reasonable efforts to sell the shares. See "Plan of Distribution." Any sales load will be deducted from the proceeds paid to the Fund. Class A shares are subject to a maximum sales load of 5.75% of the amount invested for Class A shares, and are not subject to any early withdrawal charges. Class C and Class I shares are not subject to a sales load or early withdrawal charges. The minimum initial investment by a shareholder for any of Class A, Class C and Class I shares is $2,500, and subsequent investments must be at least $100 for either Class A or Class C shares and $1,000 for Class I shares, unless waived in the discretion of the Fund or the Adviser (defined below).

Investing in the Fund's shares involves risks, including the following:

- **Shares of the Fund will not be listed on any securities exchange, which makes them inherently illiquid.**
- **There is no secondary market for the Fund's shares, and it is not anticipated that a secondary market will develop.**
- **The shares of the Fund are not redeemable.**
- **Although the Fund currently intends to offer to repurchase 10% of outstanding shares on a quarterly basis in accordance with the Fund's repurchase policy, the Fund is not required to repurchase shares at a shareholder's option nor will shares be exchangeable for units, interests or shares of any security.**
- **While the repurchase amount for each offer is currently anticipated to be 10% of outstanding shares, the Fund is not required to, and in the future the Fund may not, extend repurchase offers in excess of 5% of outstanding shares.**
- **Regardless of how the Fund performs, an investor may not be able to sell or otherwise liquidate his or her shares whenever such investor would prefer and, except to the extent permitted under the quarterly repurchase offer, will be unable to reduce his or her exposure on any market downturn.**
- **If and to the extent that a public trading market ever develops, shares of closed-end investment companies, such as the Fund, may have a tendency to trade frequently at a discount from their NAV per share and initial offering prices. An investment in the Fund's shares is not suitable for investors who cannot tolerate risk of loss or who require liquidity, other than liquidity provided through the Fund's repurchase policy.**

See "Risk Factors" beginning on page 19 of this Prospectus.

Investment Adviser
Princeton Fund Advisors, LLC

Investment Sub-Adviser
Ellington Global Asset Management, LLC

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PROSPECTUS SUMMARY

This summary does not contain all of the information that you should consider before investing in the shares. You should review the more detailed information contained or incorporated by reference in this prospectus (the "Prospectus") and in the statement of additional information ("SAI"), particularly the information set forth under the heading "Risk Factors."

The Fund

Ellington Income Opportunities Fund (the "Fund") is a continuously offered, diversified, closed-end management investment company. See "The Fund." The Fund is an interval fund that offers to make quarterly repurchases of each class of shares at the NAV of that class of shares. See "Quarterly Repurchases of Shares."

Closed-End Fund Structure. Closed-end funds differ from open-end management investment companies (commonly referred to as mutual funds) in that closed-end funds do not typically redeem their shares at the option of the shareholder. Rather, closed-end fund shares typically trade in the secondary market via a stock exchange. Unlike many closed-end funds, however, the Fund's shares are not listed on a stock exchange and are subject to restrictions on transfer. Instead, the Fund intends to make quarterly repurchase offers to shareholders by offering to repurchase 10% of the shares outstanding at NAV, which is discussed in more detail below. An investment in the Fund is suitable only for investors who can bear the risks associated with the quarterly repurchase offer and should be viewed as a long-term investment. The Fund, similar to a mutual fund, is subject to continuous asset in-flows, although not subject to the continuous out-flows.

Share Classes. The Fund offers three different classes of shares: Class A, Class C, and Class I shares. Class C shares not operational. Prior to June 3, 2024, the Fund's Class I shares were designated as "Class M" shares. The Fund has received exemptive relief from the SEC to issue multiple classes of shares, to be issued now or in the future, which may include asset-based distribution fees and early-withdrawal charges. An investment in any share class of the Fund represents an investment in the same assets of the Fund. However, the purchase restrictions and ongoing fees and expenses for each share class are different. The fees and expenses for the Fund are set forth in "Summary of Fund Expenses." If an investor has hired an intermediary and is eligible to invest in more than one class of shares, the intermediary may help determine which share class is appropriate for that investor. When selecting a share class, you should consider which share classes are available to you, how much you intend to invest, how long you expect to own shares, and the total costs and expenses associated with a particular share class.

Each investor's financial considerations are different. You should speak with your financial advisor to help you decide which share class is best for you. Not all financial intermediaries offer all classes of shares. If your financial intermediary offers more than one class of shares, you should carefully consider which class of shares to purchase.

Investor Suitability. An investment in the Fund involves a considerable amount of risk. It is possible that you will lose money. An investment in the Fund is suitable only for investors who can bear the risks associated with the limited liquidity of the shares and should be viewed as a long-term investment. Before making your investment decision, you should (i) consider the suitability of this investment with respect to your investment objectives and personal financial situation and (ii) consider factors such as your personal net worth, income, age, risk tolerance and liquidity needs.

Investment Objective and Policies

Investment Objective. The Fund's investment objective is to seek total return, including capital gains and current income.

Investment Policies. The Fund employs an opportunistic strategy to pursue value and current income across various types of mortgage-related, consumer-related, and corporate-related debt and other financial assets, including through investments primarily in securities and loans. The Fund pursues its investment objective by investing primarily in (1) residential mortgage-backed securities ("RMBS"), (2) commercial mortgage-backed securities ("CMBS"), commercial mortgage loans and other commercial real estate ("CRE") debt, (3) the debt and equity tranches of collateralized loan obligations ("CLOs"), including corporate and CRE CLOs, (4) corporate debt and equity securities and derivatives, including high yield ("junk") bonds, syndicated loans, credit-default swaps ("CDS"), tranches of CDS and enhanced equipment trust certificates ("EETCs"), (5) consumer loans and asset-backed securities ("ABS") backed by student loans, consumer loans, auto loans, single family rental cash flows, commercial receivables, aircraft and aircraft equipment loans, and other collateral and (6) equities of real estate investment trusts ("REITs") in the U.S. and other developed markets, loan originators, loan servicers, and other mortgage and housing industry related firms. The Fund may also invest in other asset classes and employ hedging strategies as described further below. The Fund invests in securities of issuers without restriction as to market capitalization, credit quality, structure or maturity. The majority of the Fund's investments is in investments that are not publicly traded, or are traded in over-the-counter markets that have less liquidity than exchange-traded securities. Consequently, at any time, the majority of the Fund's investments are illiquid. The RMBS in which the Fund invests may be backed by loans for which the principal and interest payments are not guaranteed, or are not fully guaranteed, by a U.S. government agency or a U.S. government-sponsored entity. Such RMBS are referred to herein as credit-sensitive RMBS.

The Fund may employ leverage, including borrowing from banks in an amount of up to 33-1/3% of the Fund's assets (defined as net assets plus borrowings). The Fund is authorized to borrow money in connection with its investment activities, to satisfy repurchase requests from Fund shareholders, and to otherwise provide the Fund with temporary liquidity. The Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when, in the opinion of the Sub-Adviser (as defined below), investment considerations warrant such action.

Investment Strategy and Criteria Used in Selecting Investments

Ellington Global Asset Management, LLC (the "Sub-Adviser") serves as the Fund's investment sub-adviser. The Sub-Adviser (together with its affiliated investment management entities, "Ellington") is known for its proprietary credit research and analytics, as well as its disciplined and analytical approach to fixed income investing. Ellington has portfolio management teams covering each of the Fund's targeted asset classes, as well as infrastructure supporting those resources. In managing the Fund's assets, the Sub-Adviser expects to draw on Ellington's analytical investment processes, financial and capital structuring skills, investment surveillance databases, and operational expertise. In addition, Ellington's broad-based deal flow and extensive relationships in the financial community provide access to a wide variety of asset acquisition and disposition opportunities, as well as up-to-date market information to assist in making asset management decisions. In addition to helping the Fund identify attractive sectors and assets within those sectors, the Sub-Adviser's investment processes also inform the Fund's hedging, financing, and liquidity management strategies.

The Sub-Adviser's investment selection process includes:

- Creating models and trading systems to support specific sectors and strategies;

- Sourcing opportunities (for purchase or sale) in over-the-counter markets, and utilizing an extensive network of dealer relationships (including with a wide range of regional dealers);

- Identifying in real time specific purchase and sale price targets using the Sub-Adviser's models and deep sector-specific expertise;

- Analyzing model output to continue to refine the Sub-Adviser's models; and

- Utilizing additional reviews by senior portfolio management or other oversight bodies to the extent required based on size or risk of the trade.

See "Investment Objectives, Policies and Strategies" for further information on the Fund's investment strategies and portfolio composition. The Fund's investment objective, non-fundamental policies and strategies, including its targeted asset classes, may be changed from time to time without a vote of the Fund's shareholders.

Summary of Risks

Investing in the Fund involves risks, including the risk that you may receive little or no return on your investment or that you may lose part or all of your investment. Therefore, before investing you should consider carefully the risks that you assume when you invest in the Fund's shares. The following is only a summary of certain of these risks; see "Risk Factors" for further information on the Fund's principal investment risks. There can be no assurance that the order of risks below should be taken as an indication of the potential magnitude or probability of the possible consequences of the risks summarized below.

Credit Risk. Issuers of debt securities held by the Fund may not make scheduled interest and principal payments, resulting in losses to the Fund. In addition, the credit quality (and/or credit rating) of a debt securities held by the Fund may decline if the applicable issuer's financial condition changes, which may lead to a decline in the market price of such investment.

Market Risk. An investment in the Fund's shares is subject to investment risk, including the possible loss of the entire amount invested. Global, national, regional and local reaction to any market events, natural disasters or a pandemic could impact the health of the economy, and the Fund, temporarily or for an extended period. An investment in the Fund's shares represents an indirect investment in the investments owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. In addition, the Fund is subject to the risk that geopolitical and other events will disrupt the economy on a national or global level. For instance, war, terrorism, international conflicts, market manipulation, government defaults, government shutdowns, political changes or diplomatic developments, tariffs and trade wars, climate-change and climate-related events, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters can all negatively impact the securities markets, which could cause the Fund to lose value. Such events could have severe negative impacts on markets worldwide. It is not known how long such impacts would last, but there could be a prolonged period of global economic slowdown, which may negatively impact the performance of the Fund's investments or decrease the liquidity of those investments. Therefore, the Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns.

Interest Rate Risk. Typically, a rise in interest rates causes a decline in the value of fixed income securities.

Subordinated and Lower-Rated Securities Risk. Certain securities that the Fund acquires are deemed by rating agencies to have substantial vulnerability to default in payment of interest and/or principal. Other securities the Fund acquires have the lowest quality ratings or are unrated. Many securities that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. Accordingly, the subordinated and lower-rated (or unrated) securities in which the Fund invests may experience significant price and performance volatility relative to more senior or higher-rated securities, and they are subject to greater risk of loss than more senior or higher-rated securities which, if realized, could materially adversely affect the Fund's financial condition and results of operations.

CLO Risk. CLOs are securities backed by an underlying portfolio of loans, typically syndicated loans or other loans to corporate borrowers. CLOs issue classes or "tranches" that vary in seniority, risk, and yield. CLOs may experience substantial credit losses and/or substantial declines in market value as result of actual collateral defaults (which may deteriorate the credit support supplied by the more subordinated tranches of the CLO), anticipated collateral defaults, or investor aversion to CLO securities as a class. The risks of investing in a CLO tranche generally reflect the credit and other risks of the assets underlying the CLO, as well as the seniority of the tranche within the CLO structure. CLOs also carry other risks including, but not limited to, interest rate risk and prepayment risk. CLO equity tranches are unrated, and CLO equity investors receive no principal payments, if any, until all CLO debt tranches are paid.

Credit Sensitive RMBS Risk. RMBS are materially affected by conditions in the residential mortgage market, the residential real estate market, the financial markets and the economy generally. Concerns about the residential mortgage market and a declining real estate market, as well as inflation, energy costs, geopolitical issues and the availability and cost of credit, have in the past contributed, and could in the future contribute, to increased volatility and diminished expectations for the economy and financial markets. The Fund's portfolio may include credit sensitive RMBS. The principal and interest on credit sensitive RMBS, unlike those on agency RMBS, are not guaranteed by government- sponsored entities. Therefore, credit sensitive RMBS are subject to many of the risks of the respective underlying mortgage loans such as the creditworthiness and solvency of the underlying borrowers. Residential mortgage loans are typically secured by single-family residential property and are subject to risks of delinquency and foreclosure and risks of loss. Certain RMBS that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. The exposure to defaults on the underlying mortgages is severely magnified in subordinated securities. Certain subordinated securities ("first loss securities") absorb all losses from default before any other class of securities is at risk. Such securities therefore are considered to be highly speculative investments. Also, the risk of declining real estate values, in particular, is amplified in subordinated RMBS, as are the risks associated with possible changes in the market's perception of the entity issuing or guaranteeing them, or by changes in government regulations and tax policies.

Residential Mortgage Loan Risk. A residential mortgage loan is directly exposed to losses resulting from default. Therefore, the value of the underlying property, the creditworthiness and financial position of the borrower and the priority and enforceability of the lien will significantly impact the value of such mortgage loan. In the event of a foreclosure, the Fund may assume direct ownership of the underlying real estate. The liquidation proceeds upon sale of such real estate may not be sufficient to recover the Fund's cost basis in the loan, and any costs or delays involved in the foreclosure or liquidation process may increase losses.

Consumer and Auto Loan Risk. The Fund may invest in consumer loans (or ABS backed by consumer loans), including debt consolidation loans, home improvement loans, personal loans, residential real estate investments, credit cards, and automobile loans. The performance of such investments is affected by, among other things, general economic conditions. Changes in economic conditions have adversely affected the performance and market value of such investments. Consumer loans are susceptible to

prepayment risks and default risks. Unsecured consumer loans are not secured by any collateral of the borrowers. The repayment of unsecured consumer loans is dependent upon the ability and willingness of the borrowers to repay. Other consumer loans, like automobile loans, may be secured by collateral, but the value of that collateral is not guaranteed. Automobile loans are not typically insured or guaranteed by any other person or entity. Increases in unemployment, decreases in home values or the values of other consumer assets or lack of availability of credit may lead to increased default rates and may also be accompanied by decreased consumer demand for automobiles and declining values of automobiles securing outstanding automobile loan contracts, which weakens collateral coverage and increases the amount of a loss in the event of default. Significant increases in the inventory of used automobiles during periods of economic recession or otherwise may also depress the prices at which repossessed automobiles may be sold or delay the timing of these sales. The occurrence of any of any of the foregoing risks could, among other things, adversely affect the consumer loans (or the ABS backed by consumer loans) in which the Fund may invest.

ABS and Mortgage-Backed Securities ("MBS") Risk. When the Fund invests in ABS and MBS, the Fund is subject to the risk that, if the underlying borrowers fail to pay interest or repay principal, the assets backing these securities may not be sufficient to support payments on the securities. Prepayment risk is associated with MBS and ABS. If interest rates fall, the underlying debt may be repaid ahead of schedule, reducing the value of the Fund's investments. If interest rates rise, there may be fewer prepayments, which would cause the average bond maturity to rise, increasing the potential for the Fund to lose money. The value of these securities may be significantly affected by changes in interest rates, the market's perception of issuers, and the creditworthiness of the parties involved. The ability of the Fund to successfully utilize these instruments may depend on the ability of the Sub-Adviser to forecast interest rates and other economic factors correctly. These securities may have a structure that makes their reaction to interest rate changes and other factors difficult to predict, making their value highly volatile.

Certain MBS may be secured by pools of mortgages on single-family, multi-family properties, as well as commercial properties. Similarly, ABS may be secured by pools of loans, such as student loans, automobile loans, aircraft and aircraft equipment loans and credit card receivables. The credit risk on such securities is affected by homeowners or borrowers defaulting on their loans. Certain ABS and MBS that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. The exposure to defaults on the underlying mortgages is severely magnified in subordinated securities. Certain subordinated securities ("first loss securities") absorb all losses from default before any other class of securities is at risk. Such securities therefore are considered to be highly speculative investments.

CMBS and Other CRE Debt Risk. Investing in CRE debt entails various risks: credit risk, liquidity risk, interest rate risk, market risk, operations risk, structural risks, geographical concentration risk and legal risk. Credit risk on these assets arises primarily from the potential for losses due to delinquencies and defaults by the borrowers in payments on the underlying obligations, and the risk that the servicer fails to perform. The Fund relies on loan servicers to collect principal and interest payments and engage in loss mitigation efforts. To the extent a loan servicer fails to perform these tasks, the Fund's investments may be adversely affected. Operations risk refers to the risk that the income-generating properties of the property supporting the loan does not perform as expected. CMBS are subject to risks associated with their structure and execution, including the process by which principal and interest payments are allocated and distributed to investors, how credit losses affect the issuing vehicle and the return to investors in such CMBS, whether the collateral represents a fixed set of specific assets or accounts, whether the underlying collateral assets are revolving or closed-end, under what terms (including maturity of the CMBS) any remaining balance in the accounts may revert to the issuing entity, and the extent to which the entity that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors in such CMBS. In addition, concentrations of CMBS of a particular type, as well as

concentrations of CMBS issued or guaranteed by affiliated obligors, serviced by the same servicer or backed by underlying collateral located in a specific geographic region, may subject the CMBS to additional risk.

Prepayment Risk and Extension Risk. Fixed income securities and loans with uncertain principal repayment schedules can be subject to prepayment risk and/or extension risk. If the Fund holds a debt instrument with a higher interest rate than the then-prevailing market interest rate for similar instruments, and such investment prepays (or is anticipated to prepay), the Fund could suffer losses. Similarly, if the Fund holds a debt instrument with a lower interest rate than the then- prevailing market interest rate for similar instruments, and the expected life of such investment extends (or is anticipated to extend), the Fund could suffer losses.

Syndicated Loan Risk. The Fund may invest in syndicated loans, which are typically loans to corporate entities originated by one or more lenders, and then traded in the secondary market. The primary risk of a syndicated loan is the creditworthiness of the corporate borrower.

Derivatives Risk. The Fund may enter into swaps and other derivative instruments, such as credit derivatives. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, risk of non-performance by the counterparty (including risks relating to the financial soundness and creditworthiness of the counterparty), legal risk, and operational risk. In addition, the Fund may, in the future, invest in other types of derivative instruments that are currently not available in the marketplace, or otherwise not presently contemplated for use. Special risks may apply in the future that cannot be determined at this time. The regulatory and tax environment for derivative instruments in which the Fund may participate is evolving, and changes in the regulation or taxation of such financial instruments may have a material adverse effect on the Fund.

High Yield Risk. Lower-quality debt securities, known as "high yield" or "junk" bonds, are inherently speculative and present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds. Additionally, high yield issuers may seek bankruptcy protection which will delay resolution of bond holder claims and may eliminate or materially reduce liquidity. The Sub-Adviser's assessment of an issuer's credit quality may prove to be incorrect and the Fund could suffer losses.

Equity Risk. Corporate equity securities are susceptible to general stock market fluctuations and to volatile increases and decreases in value. The equity securities held by the Fund may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors affecting securities markets generally, the equity securities of a particular sector, or a particular company. Investments held by the Fund in companies with small market capitalizations are subject to unique risks. The earnings and prospects of small sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

REIT Risk. The value of the Fund's investments in REITs may change in response to changes in the real estate market such as declines in the value of real estate, lack of available capital or financing opportunities, and increases in property taxes or operating costs. While an investment in a REIT provides the Fund with indirect exposure to the assets of the REIT, it also exposes the Fund to the fees and expenses of the individual REITs in which the Fund invests.

Aircraft and Aviation Industry Risk. The Fund may invest in EETCs, ABS and certain other securities collateralized or otherwise backed by aircraft or aircraft equipment. Investments in securitizations and other financial instruments backed by aircraft and aircraft equipment are subject to a number or risks relating to the aviation industry including reduced leasing of aircraft and related equipment by commercial airlines and the commercial aviation industry generally, reduction in demand for any one aircraft or type of aircraft, the maintenance and operating history of the specific aircraft or components that back such securities, maintenance or performance issues with the model and type of aircraft that back such securities, and regulatory risk relating to the aviation industry. Adverse developments with respect to any of the foregoing may adversely affect the value of securities collateralized or otherwise backed by aircraft or aircraft equipment. In addition, the bankruptcy of the lessors or lessees of the aircraft or aircraft equipment that back such securities may complicate financial recoveries in connection with such securities and therefore have a negative impact on their value. Market events such as economic declines and recessions, geopolitical conflicts and the occurrence or threat of pandemics, terrorism or war may also have an adverse effect on the aviation industry generally and securities related to the same, especially when such market events cause declines in travel, increases in costs or future uncertainty for airlines, aircraft or the commercial aviation industry generally. For example, as a result of the COVID-19 pandemic, air travel substantially declined, and many airlines became dependent, at least in part, on government aid. There can be no assurance that future events will not have a negative impact on the aviation industry or securities collateralized or otherwise backed by aircraft or aircraft equipment.

Credit Risk Transfer Securities Risk. Credit risk transfer securities ("CRTs") are designed to transfer a portion of the mortgage credit risk on a pool of insured or guaranteed mortgage loans from the insurer or guarantor of such loans to CRT investors. In a CRT transaction, interest and/or principal of the CRT is written off following certain credit events, such as delinquencies, defaults, and/or realized losses, on the underlying mortgage pool. To date, the vast majority of CRTs consist of risk sharing transactions issued by the Government Sponsored Enterprises, or GSEs, such as Fannie Mae, and Freddie Mac.

Foreign Investment Risk. Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws, and potential difficulties in enforcing contractual obligations. The imposition of sanctions and compliance with those sanctions may impair the ability of a Fund to buy, sell, hold, or deliver securities or other assets of the sanctioned company, including those listed on U.S. or other exchanges.

Foreign Currency Risk. Investments held by the Fund and denominated in foreign currencies subject the Fund to foreign currency risk arising from fluctuations in exchange rates between such foreign currencies and the U.S. dollar. While the Sub-Adviser may attempt to hedge the Fund's foreign currency exposure, the Fund may not always choose to hedge such exposure or may not be able to hedge such exposure.

Management Risk. The Sub-Adviser's judgments about the attractiveness, value and potential appreciation of particular assets or asset classes in which the Fund invests may prove to be incorrect and may not produce the desired results. The management agreement between the Fund and the Adviser, and the sub-advisory agreement between the Adviser and Sub-Adviser, are subject to annual renewal by the Board of Trustees and may be terminated by the Adviser or Sub-Adviser upon notice or the occurrence of certain events as set forth in the respective agreements. If the agreements are not renewed or terminated, the Fund may need to engage other advisers or pursue other alternatives.

Short Selling Risks. The Fund may engage in short selling for hedging and speculative purposes. When an investor engages in a short sale, it sells securities that it does not own, and typically borrows the same securities, from a securities lender, for delivery to the purchaser on the sale date. Since the investor must at some later date repay the securities lender with the same securities that it originally borrowed, the investor typically purchases the same securities in the open market at a later date, in order to be able to re-deliver such securities to the securities lender. Short selling allows the investor to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities. A short sale may create the risk of an unlimited loss, in that the price of the underlying security might theoretically increase without limit, thus increasing the cost of purchasing the security in order to close out the securities borrowing.

Leveraging Risk. The use of leverage, such as borrowing money to purchase investments, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses.

Valuation Risk. Unlike publicly traded common stock which trades on national exchanges, illiquid investments must be valued by the Fund using fair value procedures. Fair valuation involves subjective judgments, and it is possible that the fair value determined for an investment may differ materially from the value that could be realized upon the disposition of the investment. Due to the lack of centralized information and trading, the valuation of loans and other non-exchange traded instruments carries more risk than that of publicly traded common stock.

Investment Liquidity Risk. Investment liquidity risk exists when particular investments of the Fund would be difficult to sell, possibly preventing the Fund from selling such illiquid investments at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices. Most of the Fund's loan assets are illiquid. This includes, without limitation, the Fund's investments in syndicated loans, residential mortgage loans, consumer loans, and commercial mortgage loans. Many of the Fund's investments, including its investments in RMBS, CMBS, ABS, high yield bonds and CLOs may also be illiquid. Many of the Fund's investments in derivative contracts, and in foreign investments, may all be illiquid. As a result, the Fund may have difficulty selling many of its investments in all of these, and other, sectors. The lack of a liquid market for the Fund's illiquid investments could decrease the Fund's NAV.

Issuer Risk. The value of a specific investment can perform differently from the market as a whole for reasons related to the issuer, such as, in the case of corporate issuers, management performance, financial leverage and reduced demand for the issuer's properties and services.

Limited Liquidity of Fund Shares Risk. There currently is no secondary market for the Fund's shares and the Fund expects that no secondary market will develop. Liquidity is provided to shareholders only through the Fund's quarterly repurchase offers. There is no guarantee, and there is no assurance that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

Distribution Policy Risk. All or a portion of a distribution from the Fund may consist of a return of capital, as opposed to representing a distribution of income generated by the Fund. Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their shares. A shareholder's tax basis will be adjusted even if they sell their shares at a loss.

Repurchase Policy Risk. Quarterly repurchases by the Fund of its shares typically will be funded from available cash or sales of portfolio investments. The sale of investments to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's NAV.

Qualified Dividend Income Risk. Given the Fund's investment strategies, it is not anticipated that a significant portion, if any, of the Fund's income will be eligible to be designated as qualified dividend income under the Internal Revenue Code. As a result, there can be no assurance as to what portion of the Fund's distributions will be designated as qualified dividend income.

See "Risk Factors" for further information on the Fund's principal investment risks.

Management of the Fund

The services necessary for the Fund's daily operations are provided by various service providers. See "Management of the Fund."

Investment Adviser. Princeton Fund Advisors, LLC (the "Adviser"), located at 8500 Normandale Lake Blvd., Suite 1900, Minneapolis, MN 55437, serves as the Fund's investment adviser pursuant to a management agreement with the Fund with an initial two-year term and is subject to annual renewal by the Board of Trustees thereafter. The Adviser is registered with the Securities and Exchange Commission ("SEC") as an investment adviser under the Investment Advisers Act of 1940, as amended ("Advisers Act"). The Adviser is a Delaware limited liability company formed in 2011 for the purpose of providing investment management services to institutional investors such as the Fund. The Adviser is entitled to receive a monthly fee at the annual rate of 1.85% of the Fund's average daily net assets (the "Management Fee").

The Adviser and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Adviser has agreed, until at least April 30, 2027, to waive its Management Fee and to pay or absorb the ordinary operating expenses of the Fund (excluding (i) interest expenses, and any fees and expenses incurred in connection with credit facilities, if any, obtained by the Fund; (ii) transaction costs and other expenses incurred in connection with the acquisition, financing, maintenance, and disposition of the Fund's investments and prospective investments, including without limitation bank and custody fees, brokerage commissions, legal, data, consulting and due diligence costs, servicing and property management costs; (iii) acquired fund fees and expenses; (iv) taxes; and (v) extraordinary expenses) to the extent that its management fees plus applicable distribution and shareholder servicing fees and the Fund's ordinary operating expenses would otherwise exceed, on a year-to-date basis, 2.85%, 3.60%, and 2.60% per annum of the Fund's average daily net assets attributable to Class A, Class C, and Class I shares, respectively. "Extraordinary expenses" are expenses incurred outside of the ordinary course of business, including, without limitation, litigation or indemnification expenses, excise taxes, and costs incurred in connection with holding and/or soliciting proxies for a meeting of investors. The Expense Limitation Agreement may not be terminated by the Adviser, but it may be terminated by the Board of Trustees, on 60 days written notice to the Adviser. The Adviser may waive or reimburse additional fees of the Fund in its discretion.

Any waiver or reimbursement by the Adviser is subject to repayment by the Fund within the three years from the date the Adviser waived any payment or reimbursed any expense, if (after taking the repayment into account) the Fund is able to make the repayment without exceeding the expense limitation in place at the time of the waiver and at the time of the reimbursement payment. See "Management of the Fund."

Investment Sub-Adviser. Ellington Global Asset Management, LLC, located at 53 Forest Avenue, Suite 301, Old Greenwich, CT 06870, serves as the Fund's investment sub-adviser pursuant to a sub-advisory agreement with the Adviser, which has an initial two-year term and is subject to annual renewal by the Board of Trustees thereafter. The Sub-Adviser is registered with the SEC as an investment adviser under the Advisers Act. The Sub-Adviser is a Delaware limited liability company formed for the purpose of providing investment management services to pooled investment vehicles and institutional managed

accounts, such as the Fund. The Sub-Adviser is a division of Ellington, which was formed in 1995. As compensation, the Sub-Adviser is paid 60% of the Net Advisory Fee. The "Net Advisory Fee" is the amount of the Management Fee minus (i) fees and expenses waived or reimbursed pursuant to the Expense Limitation Agreement, and (ii) any other expenses agreed in writing to be shared by the Adviser and the Sub-Adviser. The Sub-Adviser is paid by the Adviser, not the Fund.

Administrator, Accounting Agent and Transfer Agent. U.S. Bancorp Fund Services, LLC doing business as U.S. Bancorp Global Fund Services, LLC serves as the administrator, accounting agent and transfer agent of the Fund.

Custodian. U.S. Bank National Association serves as custodian (the "Custodian") for securities and cash of the Fund's portfolio.

Repurchases of Shares

The Fund is an interval fund and, as such, has adopted a fundamental policy to make quarterly repurchase offers, at NAV, of no less than 5% of the shares outstanding. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer because shareholders, in total, may wish to sell more than 5% of the Fund's shares. Notwithstanding the foregoing, the Fund currently intends to make quarterly repurchase offers of 10% of the shares outstanding. While the repurchase amount for each offer is currently anticipated to be 10% of outstanding shares, the Fund is not required to, and in the future the Fund may not, extend repurchase offers in excess of 5% of outstanding shares. Liquidity is provided to shareholders only through the Fund's quarterly repurchases. Following a quarterly repurchase offer, the Fund is required to maintain liquid securities, cash or access to a bank line of credit in amounts sufficient to meet the quarterly redemption amount. See "Quarterly Repurchases of Shares."

Distributions

The Fund's distribution policy is to make quarterly distributions to shareholders. If, for any distribution, investment company taxable income (which term includes net short-term capital gain), if any, and net tax-exempt income, if any, is less than the amount of the distribution, then the difference will generally be a tax-free return of capital distributed from the Fund's assets. The Fund's final distribution for each calendar year will include any remaining investment company taxable income and net tax-exempt income undistributed during the year, as well as all net capital gain realized during the year. If the total distributions made in any calendar year exceed investment company taxable income, net tax-exempt income and net capital gain, such excess distributed amount would be treated as ordinary dividend income to the extent of the Fund's current and accumulated earnings and profits. Distributions to a shareholder in excess of the earnings and profits would first be a tax-free return of capital to the extent of such shareholder's adjusted tax basis in the shares. After such adjusted tax basis is reduced to zero, the distribution would constitute capital gain for such shareholder (assuming the shares are held as capital assets).

U.S. Federal Income Tax Matters

The Fund intends to elect to be treated and to qualify each year for taxation as a "regulated investment company" ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended ("Code"). In order for the Fund to qualify as a RIC, it must meet an income and asset diversification test each year. If the Fund so qualifies and satisfies certain distribution requirements, the Fund (but not its shareholders) will not be subject to federal income tax to the extent it distributes its investment company taxable income and net capital gains (the excess of net long-term capital gains over net short-term capital loss) in

a timely manner to its shareholders in the form of dividends or capital gain distributions. The Code imposes a 4% nondeductible excise tax on RICs, such as the Fund, to the extent they do not meet certain distribution requirements by the end of each calendar year. The Fund generally anticipates meeting these distribution requirements. See "U.S. Federal Income Tax Matters."

Dividend Reinvestment Policy

Unless a shareholder elects otherwise, the shareholder's distributions will be reinvested in additional shares under the Fund's dividend reinvestment policy. Shareholders who elect not to participate in the Fund's dividend reinvestment policy will receive all distributions in cash paid to the shareholder of record (or, if the shares are held in street or other nominee name, then to such nominee). See "Dividend Reinvestment Policy."

FUND EXPENSES

Shareholder Transaction Expenses	**Class A**	**Class C**	**Class I**
Maximum Sales Load (as a percent of offering price)	5.75%	None	None
Early Withdrawal Charges on Shares Repurchased Within 365 Days of Purchase (as a percent of original purchase price)	None	None	None
Annual Expenses (as a percentage of net assets attributable to shares)			
Management Fees	1.85%	1.85%	1.85%
Interest Payments on Borrowed Funds	0.90%	0.90%	0.90%
Shareholder Servicing Expenses	0.25%	0.25%	None
Distribution Fee	None	0.75%	None
Other Expenses	2.60%	2.60%	2.60%
Acquired Fund Fees and Expenses	0.03%	0.03%	0.03%
Total Annual Expenses	5.63%	6.38%	5.38%
Fee Waiver and Reimbursement[(1)]	-2.42%	-1.69%	-1.69%
Total Annual Expenses (after fee waiver and reimbursement)	3.21%	4.69%	3.69%

(1) The Adviser and the Fund have entered into an expense limitation and reimbursement agreement under which the Adviser has agreed, until at least April 30, 2027, to waive its Management Fee and to pay or absorb the ordinary operating expenses of the Fund (excluding (i) interest expense, and any fees and expenses incurred in connection with credit facilities, if any, obtained by the Fund; (ii) transaction costs and other expenses incurred in connection with the acquisition, financing, maintenance, and disposition of the Fund's investments and prospective investments, including without limitation bank and custody fees, brokerage commissions, legal, data, consulting and due diligence costs, servicing and property management costs; (iii) acquired fund fees and expenses; (iv) taxes; and (v) extraordinary expenses), to the extent that its management fees plus applicable distribution and shareholder servicing fees and the Fund's ordinary operating expenses would otherwise exceed, on a year-to-date basis, 2.85%, 3.60%, and 2.60% per annum of the Fund's average daily net assets attributable to Class A, Class C, and Class I shares, respectively. The

Expense Limitation Agreement may not be terminated by the Adviser, but it may be terminated by the Board of Trustees, on 60 days written notice to the Adviser. Any waiver or reimbursement by the Adviser is subject to repayment by the Fund within the three years from the date the Adviser waived any payment or reimbursed any expense, if (after taking the repayment into account) the Fund is able to make the repayment without exceeding the expense limitation in place at the time of the waiver and at the time of the reimbursement payment. See "Management of the Fund."

The Fund Expenses Table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. You may qualify for sales charge discounts on purchases of Class A shares if you and your family invest, or agree to invest in the future, at least $25,000 in the Fund. More information about these and other discounts is available from your financial professional and in "Purchasing Shares" starting on page 47 of this Prospectus. In addition to the fees and expenses described in the Fund Expenses Table, if you elect to sell your shares pursuant to a repurchase offer, and you request that the repurchase proceeds be paid by wire transfer, you will be assessed an outgoing wire transfer fee at prevailing rates charged by the Custodian, currently $25.00.

The following example illustrates the hypothetical expenses that you would pay on a $1,000 investment. The example assumes annual expenses attributable to shares remain unchanged from the levels described in the Fund Expenses Table above (and only accounts for the expense limitation and reimbursement agreement through its expiration on April 30, 2026) and shares earn a 5% annual return:

Share Class	1 Year	3 Years	5 Years	10 Years
Class A Shares	$ 88	$ 195	$ 301	$ 561
Class C Shares	$ 47	$ 173	$ 296	$ 588
Class I Shares	$ 37	$ 146	$ 254	$ 519

The purpose of the above table is to help a holder of shares understand the fees and expenses that such holder would bear directly or indirectly. **The example should not be considered a representation of actual future expenses. Actual expenses may be higher or lower than those shown.**

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Fund's financial performance. Information is shown since the commencement of the Fund's operations on November 13, 2018. The financial data for all periods presented is derived from the Fund's financial statements which have been audited by RSM US LLP, the Fund's independent registered public accounting firm, whose report, along with the Fund's financial statements, is included in the Fund's annual report to shareholders, which is available upon request. Class C shares of the Fund are not operational.

Ellington Income Opportunities Fund
FINANCIAL HIGHLIGHTS - Class I

	For the Year Ended				
	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Per Share Data [2]					
Net Asset Value, beginning of fiscal period	$ 8.62	$ 8.86	$ 8.30	$ 9.56	$ 9.25
Activity from Investment Operations:					
Net investment income/(loss)	0.94	1.10	1.06	0.64	0.43
Net realized and unrealized gain/(loss) on investments	(0.46)	(0.02)	0.34	(1.29)	0.43
Total increase from investment operations	0.48	1.08	1.40	(0.65)	0.86
Less Distributions and Dividends to Unitholders:					
Net investment income	(0.82)	(1.32)	(0.84)	(0.61)	(0.55)
Net realized gain/loss	—	—	—	—	—
Total distributions and dividends to shareholders	(0.82)	(1.32)	(0.84)	(0.61)	(0.55)
Net Asset Value, end of fiscal period	$ 8.28	$ 8.62	$ 8.86	$ 8.30	$ 9.56
Total Investment Return [1][2]	5.69%	12.81%	17.57%	(6.98)%	9.40%
Supplemental Data and Ratios					
Net assets, end of fiscal period (in 000s)	$ 37,097	$ 33,827	$ 26,812	$ 29,634	$ 44,172
Ratio of expenses to average net assets before waiver	5.35%	6.56%	7.98%	5.39%	4.70%
Ratio of expenses to average net assets after waiver	3.66%	4.52%	5.29%	3.75%	2.86%
Ratio of net investment income/(loss) to average net assets before waiver	9.16%	10.21%	9.69%	5.13%	2.67%
Ratio of net investment income/(loss) to average net assets after waiver	10.85%	12.24%	12.37%	6.77%	4.51%
Portfolio turnover rate	92.50%	53.48%	17.19%	40.45%	46.81%
Senior Securities, exclusive of treasury securities [3]	3,476,000	4,656,000	8,498,000	14,225,000	10,693,000
Asset coverage ratio of senior securities [4]	1173%	830%	417%	309%	515%
Asset coverage, per $1,000 of senior securities principal amount [5]	11,728	8,304	4,174	3,093	5,145

(1) Information presented relates to a unit outstanding for the period presented and assumes the reinvestment of dividends and capital gain distributions. Had the adviser not waived a portion of fees, total returns would have been lower.

(2) Effective April 20, 2024, the operating expense limitation increased from 2.20% to 2.60%.

(3) Total amount of each class of senior securities outstanding at principal value at the end of the period presented.

(4) Asset coverage ratio for a class of senior securities representing indebtedness calculated as the Fund's total assets, less all liabilities and indebtedness not represented by senior securities, divided by total senior securities represented indebtedness.

(5) This asset coverage ratio is multiplied by $1,000 to determine asset coverage, per $1,000 of senior securities principal amount.

	For the Year Ended		For the Period Ended
	December 31, 2020	December 31, 2019	December 31, 2018 [1]
Per Share Data [2]			
Net Asset Value, beginning of fiscal period	$ 10.23	$ 9.97	$ 10.00
Activity from Investment Operations:			
Net investment income/(loss)	0.50	0.54	0.05
Net realized and unrealized gain/(loss) on investments	(0.89)	0.36	(0.04)
Total increase from investment operations	(0.39)	0.90	0.01
Less Distributions and Dividends to Unitholders:			
Net investment income	(0.59)	(0.54)	(0.04)
Net realized gain/loss	—	(0.10)	—
Total distributions and dividends to shareholders	(0.59)	(0.64)	(0.04)
Net Asset Value, end of fiscal period	$ 9.25	$ 10.23	$ 9.97
Total Investment Return [2]	(3.56) %	9.16 %	0.06%[3]
Supplemental Data and Ratios			
Net assets, end of fiscal period (in 000s)	$ 28,733	$ 26,184	$ 11,203
Ratio of expenses to average net assets before waiver	4.51 %	6.50 %	10.07%[4]
Ratio of expenses to average net assets after waiver	2.51 %	2.62 %	2.20%[4]
Ratio of net investment income/(loss) to average net assets before waiver	3.39 %	2.04 %	-4.32%[4]
Ratio of net investment income/(loss) to average net assets after waiver	5.39 %	5.92 %	3.55%[4]
Portfolio turnover rate	34.71 %	64.79 %	5.18%[3]
Senior Securities, exclusive of treasury securities	10,344,000	1,619,000	-
Asset coverage ratio of senior securities	379 %	1,726%	-
Asset coverage per $1,000 of senior securities principal amount	3,791	17,262	-

[1] *Class I commenced operations on November 13, 2018. Prior to June 3, 2024, Class I shares were designated as "Class M" shares.*

[2] *Information presented relates to a unit outstanding for the period presented and assumes the reinvestment of dividends and capital gain distributions. Had the adviser not waived a portion of fees, total returns would have been lower.*

[3] *Not annualized*

[4] *All income and expenses are annualized for periods less than one full year with the exception of organizational costs.*

Ellington Income Opportunities Fund
FINANCIAL HIGHLIGHTS - Class A

	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Per Share Data [1]					
Net Asset Value, beginning of fiscal period	$ 8.76	$ 8.99	$ 8.40	$ 9.68	$ 9.35
Activity from Investment Operations:					
Net investment income/(loss)	1.00	1.08	1.02	0.55	0.41
Net realized and unrealized gain/(loss) on investments	(0.53)	(0.02)	0.35	(1.27)	0.40
Total increase from investment operations	0.47	1.06	1.37	(0.72)	0.81
Less Distributions and Dividends to Unitholders:					
Net investment income	(0.81)	(1.29)	(0.78)	(0.56)	(0.48)
Net realized gain/loss	—	—	—	—	—
Total distributions and dividends to shareholders	(0.81)	(1.29)	(0.78)	(0.56)	(0.48)
Net Asset Value, end of fiscal period	$ 8.42	$ 8.76	$ 8.99	$ 8.40	$ 9.68
Total Investment Return [1][2]	5.44 %	12.39%	16.89%	(7.52)%	8.69%
Supplemental Data and Ratios					
Net assets, end of fiscal period (in 000s)	$ 193	$ 183	$ 163	$ 139	$ 150
Ratio of expenses to average net assets before waiver	5.60 %	6.81%	8.23%	5.37%	4.98%
Ratio of expenses to average net assets after waiver	3.18 %	4.88%	5.89%	4.07%	3.54%
Ratio of net investment income/(loss) to average net assets before waiver	8.91 %	9.96%	9.44%	4.62%	2.44%
Ratio of net investment income/(loss) to average net assets after waiver	11.33 %	11.88%	11.78%	5.91%	3.88%
Portfolio turnover rate	92.50 %	53.48%	17.19%	40.45%	46.81%
Senior Securities, exclusive of treasury securities [3]	3,476,000	4,656,000	8,498,000	14,225,000	10,693,000
Asset coverage ratio of senior securities [4]	1173 %	830%	417%	309%	515%
Asset coverage, per $1,000 of senior securities principal amount [5]	11,728	8,304	4,174	3,093	5,145

(1) Information presented relates to a unit outstanding for the period presented and assumes the reinvestment of dividends and capital gain distributions. Had the adviser not waived a portion of fees, total returns would have been lower.

(2) The total investment return does not reflect the application of a sales load

(3) Total amount of each class of senior securities outstanding at principal value at the end of the period presented.

(4) Asset coverage ratio for a class of senior securities representing indebtedness calculated as the Fund's total assets, less all liabilities and indebtedness not represented by senior securities, divided by total senior securities represented indebtedness.

(5) This asset coverage ratio is multiplied by $1,000 to determine asset coverage, per $1,000 of senior securities principal amount.

	For the Year Ended December 31, 2020	For the Period Ended December 31, 2019 [1]
Per Share Data [2]		
Net Asset Value, beginning of fiscal period	$ 10.33	$ 10.47
Activity from Investment Operations:		
Net investment income/(loss)	0.45	(0.04)
Net realized and unrealized gain/(loss) on investments	(0.90)	0.05
Total increase from investment operations	(0.45)	0.01
Less Distributions and Dividends to Unitholders:		
Net investment income	(0.53)	(0.05)
Net realized gain/loss	—	(0.10)
Total distributions and dividends to shareholders	(0.53)	(0.15)
Net Asset Value, end of fiscal period	$ 9.35	$ 10.33
Total Investment Return [2][5]	(4.20)%	0.12%[3]
Supplemental Data and Ratios		
Net assets, end of fiscal period (in 000s)	$ 138	$ 144
Ratio of expenses to average net assets before waiver	4.69%	5.68%[4]
Ratio of expenses to average net assets after waiver	3.09%	3.27%[4]
Ratio of net investment income/(loss) to average net assets before waiver	3.09%	1.73%[4]
Ratio of net investment income/(loss) to average net assets after waiver	4.69%	4.14%[4]
Portfolio turnover rate	34.71%	64.79%[3]
Senior Securities, exclusive of treasury securities	10,344,000	1,619,000
Asset coverage ratio of senior securities	379%	1,726%
Asset coverage, per $1,000 of senior securities principal amount	3,791	17,262

[1] *Class A commenced operations on December 17, 2019.*

[2] *Information presented relates to a unit outstanding for the period presented and assumes the reinvestment of dividends and capital gain distributions. Had the adviser not waived a portion of fees, total returns would have been lower.*

[3] *Not annualized.*

[4] *All income and expenses are annualized for periods less than one full year with the exception of organizational costs.*

[5] *The total investment return does not reflect the application of a sales load.*

THE FUND

The Fund is a continuously offered, diversified, closed-end management investment company that is operated as an interval fund. The Fund was organized as a Delaware statutory trust on August 16, 2018. The Fund's principal office is located at 8500 Normandale Lake Blvd., Suite 1900, Minneapolis, MN 55437, and its telephone number is 952-897-5390.

USE OF PROCEEDS

The net proceeds of the continuous offering of shares, after payment of the sales load (if applicable), are invested in accordance with the Fund's investment objectives and policies (as stated below) as soon as practicable after receipt. There is no minimum threshold amount that must be raised prior to the Fund's investment of net proceeds. The Fund pays its organizational and offering expenses incurred with respect to its continuous offering. Pending investment of net proceeds in accordance with the Fund's investment objectives and policies, the Fund invests in money market or short-term, fixed-income mutual funds. Investors should expect, therefore, that before the Fund has fully invested proceeds in accordance with its investment objectives and policies, the Fund's assets would earn interest income at a modest rate which may be less than the Fund's distribution rate. As a result, the Fund's distributions during this period may consist, in whole or in part, of a return of capital. Any invested capital that is returned to the shareholder will be reduced by the Fund's fees and expenses.

INVESTMENT OBJECTIVES, POLICIES AND STRATEGIES

Investment Objectives and Policies

The Fund's investment objective is to seek total return, including capital gains and current income. The Fund's investment objective, non-fundamental policies and strategies, including its targeted asset classes, may be changed from time to time without a vote of the Fund's shareholders.

The Fund employs an opportunistic strategy to pursue value and current income across various types of mortgage-related, consumer-related and corporate-related debt and other financial assets, through investments primarily in securities and loans. The Fund pursues its investment objective by investing primarily in (1) RMBS; (2) CMBS, commercial mortgage loans and other CRE debt, (3) the debt and equity tranches of CLOs, including corporate and CRE CLOs, (4) corporate debt and equity securities and derivatives, including high yield ("junk") bonds, syndicated loans, CDS, tranches of CDS and EETCs, (5) consumer loans and ABS backed by student loans, consumer loans, auto loans, single family rental cash flows, commercial receivables, aircraft and aircraft equipment loans, and other collateral and (6) equities in REITs in the U.S. and other developed markets, loan originators, loan servicers, and other mortgage and housing industry related firms. The Fund may also invest in other asset classes and employ hedging strategies as described below. The Fund invests in securities or other interests of issuers without restriction as to market capitalization, credit quality, structure or maturity. The majority of the Fund's investments are in investments that are not publicly traded or are traded in over-the-counter markets that have less liquidity than exchange-traded securities. Consequently, at any time the majority of the Fund's investments are illiquid. Most of the RMBS in which the Fund invests are backed by loans for which the principal and interest payments are not guaranteed, or are not fully guaranteed, by a U.S. government agency or a U.S. government-sponsored entity. Such RMBS are referred to herein as credit sensitive RMBS.

The Fund may employ leverage, including borrowing from banks, in an amount of up to 33-1/3% of the Fund's assets (defined as net assets plus borrowings). Leverage is primarily used to manage cash flows and increase the Fund's ability to purchase investments to potentially take advantage of market

opportunities. The Fund is authorized to borrow money in connection with its investment activities, subject to the limits of the asset coverage requirement of the 1940 Act. The Fund also may borrow money to satisfy repurchase requests from Fund shareholders and to otherwise provide the Fund with temporary liquidity. The 1940 Act requires a registered investment company to satisfy an asset coverage requirement of 300% of its indebtedness, including amounts borrowed, measured at the time indebtedness is incurred. This means that the value of the Fund's total indebtedness may not exceed one-third of the value of its total assets, including the value of the assets purchased with the proceeds of its indebtedness.

Investment Strategy and Criteria Used in Selecting Investments

Selection Process

The Sub-Adviser is known for its proprietary credit research and analytics, as well as its disciplined and analytical approach to fixed income investing. Ellington has portfolio management teams covering each of the Fund's targeted asset classes, as well as infrastructure supporting those resources. In managing the Fund's assets, the Sub-Adviser draws on Ellington's analytical investment processes, financial and capital structuring skills, investment surveillance databases, and operational expertise. In addition, Ellington's broad-based deal flow and extensive relationships in the financial community should provide access to a wide variety of asset acquisition and disposition opportunities, as well as up-to-date market information to assist in making asset management decisions. In addition to helping the Fund identify attractive sectors and assets within those sectors, the Sub-Adviser's investment processes also inform the Fund's hedging, financing, and liquidity management strategies.

The Sub-Adviser's investment selection process includes:

- Creating models and trading systems to support specific sectors and strategies;
- Sourcing opportunities (for purchase or sale) in over-the-counter markets, and utilizing an extensive network of dealer relationships (including with a wide range of regional dealers);
- Identifying in real time specific purchase and sale price targets using the Sub-Adviser's models and deep sector-specific expertise;
- Analyzing model output to continue to refine the Sub-Adviser's models; and
- Utilizing additional reviews by senior portfolio management or other oversight bodies to the extent required based on size or risk of the trade.

The Sub-Adviser's analytic expertise also informs its processes for (i) identifying attractive sectors and strategies; and (ii) selecting suitable hedges.

With regards to the capabilities provided by its investment surveillance process, the Sub-Adviser has invested substantially in systems, research infrastructure, and personnel in order to build analytic tools and analyze opportunities in many of the Fund's targeted asset classes, through consideration of individual credits and/or statistical analysis based on extensive databases of loan credit and prepayment performance. For these assets, this allows the Sub-Adviser to take a highly analytical approach to pricing risk and reward. In addition to considering loan-level fundamental analysis, the Sub-Adviser seeks to model the optionality inherent in many securitized structures through its proprietary models. These models support the Sub-Adviser's efforts to construct portfolios that generate attractive risk adjusted returns through credit cycles, including producing substantial carry. These analytic tools also support the Sub-Adviser's effort to trade actively, helping identify opportunities to buy and sell strategically.

Targeted Assets

Credit Sensitive RMBS. RMBS are securities that represent an interest in a pool of residential real estate mortgage loans or similar residential housing-related loans. The Sub-Adviser seeks to select U.S. and non-U.S. RMBS for which the underlying collateral is not guaranteed by a U.S. government agency or U.S. government sponsored entity, and for which the Sub-Adviser can apply its credit-selection expertise to identify securities it expects to deliver attractive risk-adjusted returns. Among the types of RMBS in which the Fund may invest are legacy (i.e., issued before the financial crisis of 2008) and more recently issued U.S. private label RMBS, legacy and more recently issued non-U.S. private label RMBS (including U.K. non-conforming RMBS), non-qualifying-mortgage (or "non-QM") RMBS, residential non-performing and re-performing loan (or "NPL/RPL") securitizations, manufactured housing securitizations (or "MH"), and credit risk transfer securities (or "CRTs"). The credit sensitive RMBS strategy may also invest in servicing rights, either directly ("master servicing rights") or indirectly ("excess servicing rights").

CMBS, CRE CLOs Commercial Mortgage Loans and Other CRE Debt. CMBS are a type of MBS that is secured by a single commercial mortgage loan or a pool of commercial real estate loans. The Fund may invest in CMBS, CRE CLOs, as well as commercial loans and other commercial real estate debt, including small balance commercial mortgage loans and bridge loans. The Sub-Adviser may originate commercial loans and other commercial real estate debt or purchase such assets in the secondary market. The CMBS, CRE CLO, commercial mortgage loan, and other commercial real estate portfolio may include both U.S. and non-U.S. investments.

CLOs. The Fund may invest in debt and equity tranches of U.S. and non-U.S. CLOs that are primarily backed by corporate syndicated loans issued to primarily U.S. and European corporate entities. The Fund may also invest in tranches of CLOs sponsored by the Sub-Adviser, subject to applicable legal restrictions.

Corporate Debt and Equity Securities, CDS, and Indices and Tranches of CDS. The Fund may invest in corporate debt and equity securities, including distressed debt and equity securities, high yield bonds, syndicated loans, single name CDS referencing corporate entities, indices of CDS (such as CDX), tranches of such indices (such as CDX tranches) and EETCs. With respect to single name CDS, the Sub-Adviser often uses signals based on quantitative factors to identify attractive positions for the portfolio. In some cases, the Fund invests in corporate debt instruments when the Sub-Adviser believes that the current credit ratings overestimate the actual credit risk of the instrument, in the expectation that the credit ratings will be upgraded, creating the opportunity for a favorable disposition and total return. The portfolio of corporate debt and equity securities, CDS, and indices and tranches of CDS may include both U.S. and non-U.S. investments.

Consumer Loans, Auto Loans, and ABS. The Sub-Adviser may partner with originators and enter into forward flow agreements to purchase consumer loans and auto loans. The Sub-Adviser analyzes available historical performance data to evaluate potential partners and, when applicable, to set loan purchase criteria. The Fund may also invest in secondary market purchases of pools of consumer and auto loans, including charged-off loans and distressed loans. In addition, the Fund may invest in ABS backed by consumer loans, auto loans, single-family rental properties, student loans, credit card receivables, aircraft and aircraft equipment loans or other assets. The consumer loan, auto loan, and ABS portfolio may include both U.S. and non-U.S. investments.

Equity Securities of REITs, Originators, Servicers, and Other Mortgage and Housing Industry Firms. REITs are companies that own real estate ("property REITs") or finance real estate ("mortgage

REITs"). Within the Sub-Adviser's mortgage REIT equity strategy, the Sub-Adviser seeks attractive opportunities by analyzing core earnings estimates and evaluating price to book ratios in both absolute terms and relative to their peer groups. The Fund may also invest in mortgage originators and servicers that may have a large portion of their equity capital invested in mortgage servicing. The Sub-Adviser may also seek opportunities to invest in other firms in the mortgage and housing industry. Positions in REIT and other mortgage and housing industry firms may include both common shares and preferred stock, as well as both U.S. and non-U.S. investments.

Residential Mortgage Loans. The Fund may invest in residential real estate mortgage loans that have not been securitized, including non-performing and re-performing residential mortgage loans, or "residential NPLs and RPLs," residential transition loans, non-QM residential mortgage loans, second lien loans, and home equity lines of credit.

Other Investment and Hedging Strategies. The Fund may also invest in a wide range of other U.S. and non-U.S. securities, derivatives and financial instruments. These may include, but are not limited to U.S. and non-U.S. positions in:

- commercial, residential, or mixed-use real property and other real assets;
- mortgage-related and non-mortgage-related derivatives;
- real estate-related assets, including tax lien certificates that represent unpaid taxes due on a property and are sold at auction by taxing jurisdictions as a method to collect delinquent real estate taxes;
- litigation financing arrangements (either directly or through special purpose vehicles), including where the Fund provides immediate funds or credit facilities to cover litigation expenses in exchange for a portion of the award or settlement or for interest and principal payments;
- exchange traded funds ("ETFs"), or total return swaps thereon, representing indices of equity securities or equity-related instruments or other indices;
- total return swaps on corporate debt indices (including indices of high yield bonds and leveraged loans);
- options on CDS, CDS indices, or other debt or equity indices;
- interest rate swaps and options, and interest rate related futures (such as Eurodollar and Treasury futures);
- treasury securities (long or short);
- asset-backed CDS indices (such as CMBX, long or short); and
- vehicles or entities that themselves hold, manage, trade, or originate mortgages or other loans, as well as MBS or ABS.

The Fund may originate loans in any of the relevant targeted asset classes described above. In addition, the Fund may invest in "warehouse" arrangements for which the underlying investments include any of the targeted assets described above. Furthermore, certain of the Fund's investments in securitizations may

be subject to transferability restrictions resulting from U.S. or European regulations with respect to risk retention.

The Fund may, but is not required to, employ various strategies, utilizing long or short positions in a wide range of instruments, to seek to mitigate market, credit, interest rate, currency, and other risks in the portfolio.

Other Information Regarding Investment Strategy. The Fund may, from time to time, take defensive positions that are inconsistent with the Fund's principal investment strategy, including in response to adverse market, economic, political or other conditions. During such times, the Sub-Adviser may determine that the Fund should invest up to 100% of its assets in cash or cash equivalents, including money market instruments, prime commercial paper, repurchase agreements, Treasury bills and other short-term obligations of the U.S. Government, its agencies or instrumentalities. In these and in other cases, the Fund may not achieve its investment objective. The Sub-Adviser may invest the Fund's cash balances in any investments it deems appropriate. The Sub-Adviser expects that such investments will be made, without limitation and as permitted under the 1940 Act, in money market funds, repurchase agreements, U.S. Treasury and U.S. agency securities, municipal bonds and bank accounts. Any income earned from such investments is ordinarily reinvested by the Fund in accordance with its investment program. Many of the considerations entering into recommendations and decisions of the Sub-Adviser and the Fund's portfolio managers are subjective.

The Fund is subject to certain regulatory restrictions in making its investments. In addition, the Fund generally is not permitted to co-invest alongside affiliates of the Adviser or Sub-Adviser in privately negotiated transactions unless it obtains an exemptive order from the SEC or the transaction is otherwise permitted under existing regulatory guidance. For example, the Fund may co-invest with such accounts consistent with guidance promulgated under the no-action position of the SEC set forth in Mass Mutual Life Ins. Co. (SEC No-Action Letter, June 7, 2000), on which the Fund may rely in order to co-invest in a single class of privately placed securities so long as certain conditions are met, including that the Adviser or Sub-Adviser, acting on its behalf and on behalf of other clients, negotiates no term other than price.

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") may vary (potentially greatly) from year to year and will not be a limiting factor when the Sub-Adviser deems portfolio changes appropriate. The Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when, in the opinion of the Sub-Adviser, investment considerations warrant such action. These policies may have the effect of increasing the annual rate of portfolio turnover of the Fund. Higher rates of portfolio turnover may result in higher transaction costs and may generate short-term capital gains taxable as ordinary income. If securities are not held for the applicable holding periods, dividends paid on them will not qualify for the advantageous federal tax rates. See "U.S. Federal Income Tax Matters" herein.

Given the Fund's investment strategies, it is not anticipated that a significant portion, if any, of the Fund's income will be eligible to be designated as qualified dividend income under the Code. As a result, there can be no assurance as to what portion of the Fund's distributions will be designated as qualified dividend income. See "U.S. Federal Income Tax Matters" herein.

RISK FACTORS

An investment in the Fund's shares is subject to risks. The value of the Fund's investments will increase or decrease based on changes in the prices of the investments it holds. This will cause the value of the Fund's shares to increase or decrease. You could lose money by investing in the Fund. By itself, the Fund does not constitute a complete investment program. Before investing in the Fund you should consider

carefully the following principal risks the Fund faces, together with the other information contained in the Prospectus. If any of these risks discussed in this Prospectus occurs, the Fund's results of operations could be materially and adversely affected. There may be additional risks that the Fund does not currently foresee or consider material. You may wish to consult with your legal or tax advisors before deciding whether to invest in the Fund.

Credit Risk. There is a risk that debt issuers will not make payments, resulting in losses to the Fund. In addition, the credit quality of a debt instrument by the Fund may be lowered if an issuer's financial condition changes. Lower credit quality may lead to greater volatility in the price of a debt instrument and thereby in shares of the Fund. Lower credit quality also may affect liquidity and make it difficult to sell the debt instrument. Default, or the market's perception that an issuer is likely to default, could reduce the value of a debt instrument, thereby reducing the value of your investment in Fund shares. In addition, default may cause the Fund to incur expenses in seeking recovery of principal or interest on its portfolio holdings.

Market Risk. An investment in the Fund is subject to investment risk, including the possible loss of the entire amount invested. An investment in the Fund represents an indirect investment in the securities and other investments owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. Global, national, regional and local reaction to any market events, natural disasters or a pandemic could impact the health of the economy, and the Fund, temporarily or for an extended period. The value of your shares at any point in time may be worth less than the value of your original investment, even after taking into account any reinvestment of dividends and distributions. In addition, the Fund is subject to the risk that geopolitical and other events will disrupt the economy on a national or global level. For instance, war, terrorism, market manipulation, government defaults, government shutdowns, political changes or diplomatic developments, tariffs and trade wars, climate-change and climate-related events, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters can all negatively impact the securities markets, which could cause the Fund to lose value. Such events could have severe negative impacts on markets worldwide. It is not known how long such impacts would last, but there could be a prolonged period of global economic slowdown, which may negatively impact the performance of the Fund's investments or decrease the liquidity of those investments. Therefore, the Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns.

Interest Rate Risk. Typically, a rise in interest rates causes a decline in the value of debt securities and loans, and as a result the value of your investment in the Fund will fluctuate with changes in interest rates. In general, the market price of debt securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default), prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments) and extension risk (the debtor may pay its obligation later than expected, increasing a securities maturity). These risks could affect the value of a particular investment, possibly causing the Fund's NAV and total return to be reduced and fluctuate more than other types of investments.

Subordinated and Lower-Rated Securities Risk. Certain securities that the Fund acquires are deemed by rating agencies to have substantial vulnerability to default in payment of interest and/or principal. Other securities the Fund acquires have the lowest quality ratings or are unrated. Many securities that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. The exposure to defaults on the underlying mortgages is severely magnified in subordinated securities. Certain subordinated securities ("first loss securities") absorb all losses from default before any other class of securities is at risk. Such securities therefore are considered to be highly speculative investments. Also, the risk of declining real estate values, in particular, is amplified in

subordinated RMBS, as are the risks associated with possible changes in the market's perception of the entity issuing or guaranteeing them, or by changes in government regulations and tax policies. Accordingly, the subordinated and lower-rated (or unrated) securities in which the Fund invests may experience significant price and performance volatility relative to more senior or higher-rated securities, and they are subject to greater risk of loss than more senior or higher-rated securities which, if realized, could materially adversely affect the Fund's financial condition and results of operations.

CLO Risk. CLOs are securities backed by an underlying portfolio of loan obligations. CLOs issue classes or "tranches" that vary in risk and yield and may experience substantial losses due to actual defaults, decrease of market value due to collateral defaults and removal of subordinate tranches, market anticipation of defaults and investor aversion to CLO securities as a class. Investments in CLO securities may be riskier and less transparent than direct investments in the underlying loans and debt obligations. The risks of investing in CLOs depend largely on the tranche invested in and the type of the underlying loans in the tranche of the CLO in which the Fund invests. The tranches in a CLO vary substantially in their risk profile, and debt tranches are more senior than equity tranches. The senior tranches are relatively safer because they have first priority on the collateral in the event of default. As a result, the senior tranches of a CLO generally have a higher credit rating and offer lower coupon rates than the junior tranches, which offer higher coupon rates to compensate for their higher default risk. The CLOs in which the Fund may invest may incur, or may have already incurred, debt that is senior to the Fund's investment. CLOs also carry risks including, but not limited to, interest rate risk and credit risk. Investments in CLOs may be subject to certain tax provisions that could result in the Fund incurring tax or recognizing income prior to receiving cash distributions related to such income. CLOs that fail to comply with certain U.S. tax disclosure requirements may be subject to withholding requirements that could adversely affect cash flows and investment results. Any unrealized losses the Fund experiences with respect to its CLO investments may be an indication of future realized losses. Equity tranches are unrated and equity investors receive no principal payments, if any, until all debt obligations are paid.

Credit Sensitive RMBS Risk. RMBS are materially affected by conditions in the residential mortgage market, the residential real estate market, the financial markets and the economy generally. Concerns about the residential mortgage market and a declining real estate market, as well as inflation, energy costs, geopolitical issues and the availability and cost of credit, have in the past contributed, and could in the future contribute, to increased volatility and diminished expectations for the economy and financial markets. In particular, the residential mortgage markets have experienced a variety of difficulties and challenging economic conditions in the past, including defaults, credit losses, and liquidity concerns. Certain commercial banks, investment banks, and insurance companies incurred extensive losses from exposure to the residential mortgage market as a result of these difficulties and conditions. These factors have impacted investor perception of the risks associated with RMBS, other real estate-related securities and various other asset classes in which the Fund may invest. As a result, values for RMBS, other real estate-related securities and various other asset classes in which the Fund may invest have experienced, and may in the future experience, significant volatility. Certain RMBS that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. The exposure to defaults on the underlying mortgages is severely magnified in subordinated securities. Certain subordinated securities ("first loss securities") absorb all losses from default before any other class of securities is at risk. Such securities therefore are considered to be highly speculative investments. Also, the risk of declining real estate values, in particular, is amplified in subordinated RMBS, as are the risks associated with possible changes in the market's perception of the entity issuing or guaranteeing them, or by changes in government regulations and tax policies.

The principal and interest on credit sensitive RMBS, unlike those on agency RMBS, are not guaranteed by government-sponsored entities such as Fannie Mae and Freddie Mac or, in the case of Ginnie Mae, the U.S. government. Therefore, credit sensitive RMBS are subject to many of the risks of the respective

underlying mortgage loans such as the creditworthiness and solvency of the underlying borrowers. Residential mortgage loans are typically secured by single-family residential property and are subject to risks of delinquency and foreclosure and risks of loss. The ability of a borrower to repay a loan secured by a residential property is dependent upon the income or assets of the borrower. A number of factors, including a general economic downturn, acts of God, terrorism, social unrest and civil disturbances, may impair borrowers' abilities to repay their mortgage loans.

***Residential Mortgage Loan Risk*.** Residential mortgage loans, including residential NPLs, are subject to increased risks of loss. Unlike agency RMBS, residential mortgage loans generally are not guaranteed by the U.S. government or any government sponsored entity, though in some cases they may benefit from private mortgage insurance. Additionally, by directly acquiring residential mortgage loans, the Fund does not receive the structural credit enhancements that benefit senior tranches of RMBS. A residential mortgage loan is directly exposed to losses resulting from default. Therefore, the value of the underlying property, the creditworthiness and financial position of the borrower and the priority and enforceability of the lien will significantly impact the value of such mortgage. In the event of a foreclosure, the Fund may assume direct ownership of the underlying real estate. The liquidation proceeds upon sale of such real estate may not be sufficient to recover the Fund's cost basis in the loan, and any costs or delays involved in the foreclosure or liquidation process may increase losses. Residential mortgage loans are also subject to property damage caused by hazards, such as earthquakes or environmental hazards, not covered by standard property insurance policies, or "special hazard risk," and to reduction in a borrower's mortgage debt by a bankruptcy court, or "bankruptcy risk."

***Consumer and Auto Loan Risk*.** The Fund may invest in consumer loans (or ABS backed by consumer loans), including debt consolidation loans, home improvement loans, personal loans, residential real estate investments, credit cards, and automobile loans. The performance of such investments will be affected by general economic conditions. Changes in economic conditions have adversely affected the performance and market value of such investments. Consumer loans are susceptible to prepayment risks. Prepayments on the loans will be influenced by the prepayment provisions of the loans and may also be affected by a variety of economic, geographic and other factors, including changes in interest rates and the availability of alternative financings. Certain consumer loans, such as auto loans and student loans, generally will not contain prepayment penalties. A reduction in interest rates may increase prepayments on consumer loans, which would result in a reduction in yield to maturity for holders of such loans if purchased at a premium. An increase in interest rates or other factors may slow prepayments which would result in a reduction in yield to maturity for holders of such consumer loans if purchased at a discount. Consumer loans are susceptible to default risks. Unsecured consumer loans are not secured by any collateral of the borrowers. The repayment of unsecured consumer loans is dependent upon the ability and willingness of the borrowers to repay; if the borrower defaults on an unsecured consumer loan, only net amounts, if any, recovered through collection efforts will be available with respect to that loan. Other consumer loans, like automobile loans, may be secured by collateral, but the value of that collateral is not guaranteed and the recovery of such collateral will not necessarily cover the outstanding amount of the defaulted loan.

***ABS and MBS Risk*.** Prepayment risk is associated with MBS and ABS. If interest rates fall, the underlying debt may be repaid ahead of schedule, reducing the value of the Fund's investments. If interest rates rise, there may be fewer prepayments, which would cause the average bond maturity to rise, increasing the potential for the Fund to lose money. The value of these securities may be significantly affected by changes in interest rates, the market's perception of issuers, and the creditworthiness of the parties involved. The ability of the Fund to successfully utilize these instruments may depend on the ability of the Sub-Adviser to forecast interest rates and other economic factors correctly. These securities may have a structure that makes their reaction to interest rate changes and other factors difficult to predict, making their value highly volatile. Certain mortgage-backed securities may be secured by pools of mortgages on single-family properties, multi-family properties, and/or commercial properties.

Similarly, asset-backed securities may be secured by pools of loans, such as student loans, automobile loans, aircraft and aircraft equipment loans and credit card receivables. The credit risk on such securities is affected by homeowners or borrowers defaulting on their loans. The values of assets underlying mortgage-backed and asset-backed securities may decline and, therefore, may not be adequate to cover underlying investors. Possible legislation in the area of residential mortgages, credit cards and other loans that may collateralize the securities in which the Fund may invest could negatively impact the value of the Fund's investments. To the extent the Fund focuses its investments in particular types of mortgage-backed or asset-backed securities, the Fund may be more susceptible to risk factors affecting such types of securities. Certain ABS and MBS that the Fund acquires are subordinated in cash flow priority to other more "senior" securities of the same securitization. The exposure to defaults on the underlying mortgages is severely magnified in subordinated securities. Certain subordinated securities ("first loss securities") absorb all losses from default before any other class of securities is at risk. Such securities therefore are considered to be highly speculative investments.

CMBS and Other CRE Debt Risk. Investing in commercial real estate debt entails various risks: credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks, geographical concentration risks and legal risks. Credit risk on these assets arises primarily from the potential for losses due to delinquencies and defaults by the borrowers in payments on the underlying obligations and the risk that the servicer fails to perform. The Fund relies on loan servicers to collect principal and interest payments and engage in loss mitigation efforts. To the extent a loan servicer fails to perform these tasks, the Fund's investments may be adversely affected. CMBS are subject to risks associated with their structure and execution, including the process by which principal and interest payments are allocated and distributed to investors, how credit losses affect the issuing vehicle and the return to investors in such CMBS, whether the collateral represents a fixed set of specific assets or accounts, whether the underlying collateral assets are revolving or closed-end, under what terms (including maturity of the CMBS) any remaining balance in the accounts may revert to the issuing entity, and the extent to which the entity that is the actual source of the collateral assets is obligated to provide support to the issuing vehicle or to the investors in such CMBS. In addition, concentrations of CMBS of a particular type, as well as concentrations of CMBS issued or guaranteed by affiliated obligors, serviced by the same servicer or backed by underlying collateral located in a specific geographic region, may subject the CMBS to additional risk.

Commercial mortgage loans are secured by commercial property and are subject to risks of delinquency and foreclosure, and risks of loss. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. Net operating income of an income-producing property can be affected by, among other things, tenant mix, success of tenant businesses, property management decisions, property location and condition, competition from comparable types of properties, changes in laws that increase operating expense or limit rents that may be charged, any need to address environmental contamination at the property, the occurrence of any uninsured casualty at the property, changes in national, regional or local economic conditions and/or specific industry segments, declines in regional or local real estate values, declines in regional or local rental or occupancy rates, increases in interest rates, real estate tax rates and other operating expenses, changes in governmental rules, regulations and fiscal policies, including environmental legislation, acts of God, terrorism, social unrest and civil disturbances.

In the event of any default under a mortgage, the Fund will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the commercial mortgage loan. Foreclosure of a commercial mortgage loan can be an expensive and lengthy

process which could have a substantial negative effect on the Fund's anticipated return on the foreclosed mortgage loan.

Prepayment Risk and Extension Risk. Fixed income securities and loans with uncertain principal repayment schedules can be subject to prepayment risk and/or extension risk. If the Fund holds a debt investment with a higher interest rate than the then-prevailing market interest rate for similar instruments, and such investment prepays (or is anticipated to prepay), the Fund could suffer losses. Similarly, if the Fund holds a debt investment with a lower interest rate than the then-prevailing market interest rate for similar instruments, and the expected life of such investment extends (or is anticipated to extend), the Fund could suffer losses.

Syndicated Loan Risk. The market for syndicated loans may not be highly liquid and the Fund may have difficulty selling them. These investments primarily expose the Fund to the credit risk of the underlying borrower, but they also expose the Fund to certain risks associated with the loan agent. Syndicated loans settle on a delayed basis, potentially leading to the sale proceeds of such loans not being available to meet redemptions for a substantial period of time after the sale of the bank loans. Certain syndicated loans may not be considered "securities," and purchasers, such as the Fund, therefore may not be entitled to rely on the protections of federal securities laws, including anti-fraud provisions.

Derivatives Risk. The use of derivative instruments may expose the Fund to additional risks that it would not be subject to if it invested directly in the securities or other instruments underlying those derivatives, including the high degree of leverage often embedded in such instruments, and potential material and prolonged deviations between the theoretical value and realizable value of a derivative. When used as hedging instruments, derivatives subject the Fund to the risk that there will be an imperfect correlation between the value of the derivative and the positions of the Fund being hedged by the derivative. Some derivatives have the potential for unlimited loss, regardless of the size of the Fund's initial investment. Derivatives may be illiquid and may be more volatile than other types of investments. The Fund may buy or sell derivatives not traded on an exchange and which may be subject to heightened liquidity and valuation risk. There may not be a liquid secondary market for the derivative instruments traded by the Fund. Derivative investments can increase portfolio turnover and transaction costs. Derivatives also are subject to counterparty risk. As a result, the Fund may obtain no recovery of its investment or may only obtain a limited recovery, and any recovery may be delayed. Not all derivative transactions require a counterparty to post collateral, which may expose the Fund to greater losses in the event of a default by a counterparty. The Fund's use of derivatives is also subject to the following additional risks:

- ***Counterparty Risk.*** 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 OTC transactions. 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. To the extent that the Fund has posted margin or has other amounts held by a counterparty that becomes insolvent, the Fund may be deemed to be an unsecured creditor of the counterparty and would need to pursue its claim in bankruptcy or liquidation proceedings. Amounts for any such claims may be less than the amounts owed to the Fund. Such events would have an adverse effect on the Fund's NAV.

- ***Swap Agreements.*** A swap is an agreement between two parties to exchange a sequence of cash flows (or other assets) for a set period of time. Swaps can involve greater risks than a direct investment in an underlying asset because swaps typically include a certain amount of embedded leverage and, as such, are subject to leveraging risk. If swaps are used as a hedging strategy, the

Fund is subject to the risk that the hedging strategy may not eliminate the risk that it is intended to offset, due to, among other reasons, the occurrence of unexpected price movements or the non-occurrence of expected price movements. Swaps also may be difficult to value. Total return swaps and credit default swaps are subject to counterparty risk, credit risk and liquidity risk. In addition, total return swaps are subject to market risk and credit default swaps are subject to the risks associated with the purchase and sale of credit protection. With respect to a credit default swap, if the Fund is selling credit protection, there is a risk that a credit event will occur and that the Fund will have to pay the counterparty. Additionally, the Fund is exposed to many of the same risks of leverage described herein since if an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation. See "Risk Considerations—Leverage Risk." There is also the risk that the transaction may be closed out at a time when the credit quality of the underlying investment has deteriorated, in which case the Fund may need to make an early termination payment. The protection buyer in a credit default swap may be obligated to pay the protection seller an upfront payment or a periodic stream of payments over the term of the contract provided generally that no credit event on a reference obligation has occurred. If the Fund is buying credit protection, there is the risk that no credit event will occur and the Fund will receive no benefit (other than any hedging benefit) for the premium paid. There is also the risk that the transaction may be closed out at a time when the credit quality of the underlying investment has improved, in which case the Fund may need to make an early termination payment. If a credit event were to occur, the value of any deliverable obligation received by the seller (if any), coupled with the upfront or periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the seller. There is a risk that based on movements of interest rates, the payments made under a swap agreement will be greater than the payments received.

- ***Regulation as a Commodity Pool*.** The Fund has filed a notice of eligibility for exclusion from the definition of the term "commodity pool operator" ("CPO") with the U.S. Commodity Futures Trading Commission (the "CFTC") and the National Futures Association ("NFA"), 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"). As a result, neither the Adviser nor the Sub-Adviser is a CPO with respect to the Fund. The Fund reserves the right to elect to rely on other applicable exemptions under CEA rules, which may increase the Fund's regulatory compliance obligations and expenses. In the event the Fund, the Adviser or the Sub-Adviser fails to qualify for the exclusion and is required to register as a CPO, the Fund may become subject to additional disclosure, recordkeeping and reporting requirements, which may increase the Fund's regulatory compliance obligations and expenses.

***High Yield Risk*.** Lower-quality bonds, known as "high yield" or "junk" bonds, present a significant risk for loss of principal and interest. These bonds offer the potential for higher return, but also involve greater risk than bonds of higher quality, including an increased possibility that the bond's issuer, obligor or guarantor may not be able to make its payments of interest and principal. If that happens, the value of the bond may decrease, the Fund's NAV may decrease and its income may be reduced. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds. Such securities also may include "Rule 144A" securities, which are subject to resale restrictions. The lack of a liquid market for these bonds could decrease the Fund's NAV. The Sub-Adviser's assessment of an issuer's credit quality may prove to be incorrect and the Fund could suffer losses.

***Equity Risk*.** Corporate equity securities are susceptible to general stock market fluctuations and to volatile increases and decreases in value. The equity securities held by the Fund may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors

affecting securities markets generally, the equity securities of a particular sector, or a particular company. Investments held by the Fund in companies with small market capitalizations are subject to unique risks. The earnings and prospects of small sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

REIT Risk. The Fund's investments in REITs may subject the fund to the following additional risks: declines in the value of real estate, changes in interest rates, lack of available mortgage funds or other limits on obtaining capital, overbuilding, extended vacancies of properties, increases in property taxes and operating expenses, changes in zoning laws and regulations, casualty or condemnation losses and tax consequences of the failure of a REIT to comply with tax law requirements. While an investment in a REIT provides the Fund indirect exposure to the assets of the REIT, it also exposes the Fund to a proportionate share of the REIT's ongoing operating fees and expenses, which may include management, operating and administrative expenses.

Aircraft and Aviation Industry Risk. The Fund may invest in EETCs, ABS and certain other securities collateralized or otherwise backed by aircraft or aircraft equipment. Investments in securitizations and other financial instruments backed by aircraft and aircraft equipment are subject to a number or risks relating to the aviation industry including reduced leasing of aircraft and related equipment by commercial airlines and the commercial aviation industry generally, reduction in demand for any one aircraft or type of aircraft, the maintenance and operating history of the specific aircraft or components that back such securities, maintenance or performance issues with the model and type of aircraft that back such securities, and regulatory risk relating to the aviation industry. Adverse developments with respect to any of the foregoing may adversely affect the value of securities collateralized or otherwise backed by aircraft or aircraft equipment. In addition, the bankruptcy of the lessors or lessees of the aircraft or aircraft equipment that back such securities may complicate financial recoveries in connection with such securities and therefore have a negative impact on their value. Market events such as economic declines and recessions, geopolitical conflicts and the occurrence or threat of pandemics, terrorism or war may also have an adverse effect on the aviation industry generally and securities related to the same, especially when such market events cause declines in travel, increases in costs or future uncertainty for airlines, aircraft or the commercial aviation industry generally. There can be no assurance that future events will not have a negative impact on the aviation industry or securities collateralized or otherwise backed by aircraft or aircraft equipment.

CRTs Risk. CRTs are designed to transfer a portion of the mortgage credit risk on a pool of insured or guaranteed mortgage loans from the insurer or guarantor of such loans to CRT investors. In a CRT transaction, interest and/or principal of the CRT is written off following certain credit events, such as delinquencies, defaults, and/or realized losses, on the underlying mortgage pool. To date, the vast majority of CRTs consist of risk sharing transactions issued by the Government Sponsored Enterprises, or GSEs, such as Fannie Mae, and Freddie Mac. These securities have historically been structured as unsecured debt of the related GSE, but where the principal payments and principal write-offs are determined by the prepayments, delinquencies, and/or realized losses on a reference pool of mortgage loans guaranteed by such GSE. However, it is anticipated that in the future Fannie Mae and Freddie Mac will issue CRTs with a variety of other structures.

Foreign Investment Risk. Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards. Investments in foreign countries could be affected

by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws, and potential difficulties in enforcing contractual obligations. The imposition of sanctions and compliance with those sanctions may impair the ability of the Fund to buy, sell, hold, or deliver securities or other assets of the sanctioned company, including those listed on U.S. or other exchanges.

***Foreign Currency Risk*.** Investments held by the Fund and denominated in foreign currencies subject the Fund to foreign currency risk arising from fluctuations in exchange rates between such foreign currencies and the U.S. dollar. While the Sub-Adviser currently attempts to hedge the Fund's foreign currency exposure, the Fund may not always choose to hedge such exposure, or may not be able to hedge such exposure. To the extent that the Fund is exposed to foreign currency risk, changes in exchange rates of such foreign currencies to the U.S. dollar may adversely affect the Fund, and its ability to pay dividends to its shareholders. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.

***Management Risk*.** The NAV of the Fund changes daily based on the performance of its investments and other factors. The Sub-Adviser's judgments about the attractiveness, value and potential appreciation of particular asset class and/or investments in which the Fund invests may prove to be incorrect and may not produce the desired results. The Sub-Adviser relies on analytical models (both proprietary and third-party models) as well as information and data supplied by third parties. These models and data may be used to value assets or potential asset acquisitions and dispositions and also in connection with the Fund's asset management activities. If the Sub-Adviser's models and data prove to be incorrect, misleading, or incomplete, any decisions made in reliance thereon could expose the Fund to potential risks. The Sub-Adviser's models and data may induce it to purchase certain assets at prices that are too high, to sell certain other assets at prices that are too low, or to miss favorable opportunities altogether. Similarly, any hedging activities that are based on faulty models and data may prove to be unsuccessful.
Some of the risks of relying on analytical models and third-party data include the following:

- collateral cash flows and/or liability structures may be incorrectly modeled in all or only certain scenarios, or may be modeled based on simplifying assumptions that lead to errors;

- information about assets or the underlying collateral may be incorrect, incomplete, or misleading;

- asset, collateral or MBS historical performance (such as historical prepayments, defaults, cash flows, etc.) may be incorrectly reported, or subject to interpretation (e.g., different MBS issuers may report delinquency statistics based on different definitions of what constitutes a delinquent loan); and

- asset, collateral or MBS information may be outdated, in which case the models may contain incorrect assumptions as to what has occurred since the date information was last updated.

Some models, such as prepayment models or default models, may be predictive in nature. The use of predictive models has inherent risks. For example, such models may incorrectly forecast future behavior, leading to potential losses. In addition, the predictive models used by the Sub-Adviser may differ substantially from those models used by other market participants, with the result that valuations based on these predictive models may be substantially higher or lower for certain assets than actual market prices. Furthermore, because predictive models are usually constructed based on historical data supplied by third parties, the success of relying on such models may depend heavily on the accuracy and reliability of the supplied historical data, and, in the case of predicting performance in scenarios with little or no historical precedent (such as extreme broad-based declines in home prices, or deep economic recessions or

depressions), such models must employ greater degrees of extrapolation and are therefore more speculative and of more limited reliability.

All valuation models rely on correct market data inputs. If incorrect market data is entered into even a well-founded valuation model, the resulting valuations will be incorrect. However, even if market data is input correctly, "model prices" will often differ substantially from market prices, especially for securities with complex characteristics or whose values are particularly sensitive to various factors. If the Sub-Adviser's data inputs are incorrect or model prices differ substantially from market prices, the Fund could be materially adversely affected. See also "Valuation Risk."

The Adviser's and the Sub-Adviser's management and sub-advisory agreements relating to the Fund are subject to annual renewal after their initial term by the Board of Trustees and may be terminated by the Adviser or Sub-Adviser, respectively, upon notice or the occurrence of certain events as set forth in the respective agreements. If the agreements are not renewed or terminated, the Fund may need to engage other advisers or pursue other alternatives.

Short Selling Risks. The Fund may engage in short selling for hedging and speculative purposes. When an investor engages in a short sale, it sells securities that it does not own, and typically borrows the same securities, from a securities lender, for delivery to the purchaser on the sale date. Since the investor must at some later date repay the securities lender with the same securities that it originally borrowed, the investor typically purchases the same securities in the open market at a later date, in order to be able to re-deliver such securities to the securities lender. Short selling allows the investor to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities. A short sale may create the risk of an unlimited loss, in that the price of the underlying security might theoretically increase without limit, thus increasing the cost of purchasing the security in order to close out the securities borrowing.

Leveraging Risk. The use of leverage, such as borrowing money to purchase securities, by the Fund will magnify the Fund's gains or losses. Generally, the use of leverage also will cause the Fund to have higher expenses (especially interest expenses) than those of funds that do not use such techniques. In addition, a lender to the Fund may terminate or refuse to renew any credit facility. If the Fund is unable to access additional credit, it may be forced to sell investments at inopportune times, which may depress the returns of the Fund.

Valuation Risk. Unlike publicly traded common stock which trades on national exchanges, there is no central place or exchange for loans or other non-exchange traded instruments. Due to the lack of centralized information and trading, the valuation of loans and other non-exchange traded instruments carries more risk than that of publicly traded common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In addition, other market participants may value instruments differently than the Fund. As a result, the Fund may be subject to the risk that when a non-exchange traded instrument is sold in the market, the amount received by the Fund is less than the value that such security is carried at on the Fund's books.

The values of some of the assets in the Fund's portfolio are not readily determinable. The Adviser values these assets at fair value, as determined in good faith by the Adviser, subject to the oversight of the Board of Trustees. Because such valuations are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, the Adviser's determinations of fair value may differ from the values that would have been used if a ready market for these assets existed or from the prices at which trades occur. Furthermore, the Adviser may not obtain third-party valuations for all of the Fund's assets. Changes in the fair value of the Fund's assets directly impact the Fund's net income and the Fund's NAV through

recording unrealized appreciation or depreciation of its investments and derivative instruments, and so the Adviser's determination of fair value has a material impact on the Fund's net income and the Fund's NAV.

While in many cases the Adviser's determination of the fair value of the Fund's assets is based on valuations provided by third-party dealers and pricing services, the Adviser can and does value assets based upon its judgment and such valuations may differ from those provided by third-party dealers and pricing services. Valuations of certain assets are often difficult to obtain or are unreliable. In general, dealers and pricing services heavily disclaim their valuations. Additionally, dealers may claim to furnish valuations only as an accommodation and without special compensation, and so they may disclaim any and all liability for any direct, incidental, or consequential damages arising out of any inaccuracy or incompleteness in valuations, including any act of negligence or breach of any warranty. Depending on the complexity and illiquidity of an asset, valuations of the same asset can vary substantially from one dealer or pricing service to another. Higher valuations of the Fund's assets have the effect of increasing the amount of management fees the Fund pays to the Adviser, which are used by the Adviser to pay the Sub-Adviser. Therefore, conflicts of interest exist because each of the Adviser and the Sub-Adviser is involved in the determination of the fair value of the Fund's assets.

Investment Liquidity Risk. Investment liquidity risk exists when particular investments of the Fund would be difficult to sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices. Investment vehicles, such as the Fund, with principal investment strategies that involve securities of companies with smaller market capitalizations, illiquid securities, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Most of the Fund's loan assets are illiquid. This includes, without limitation, the Fund's investments in syndicated loans, residential mortgage loans, consumer loans, and commercial mortgage loans. Many of the Fund's securities, including its investments in RMBS, CMBS, ABS, high yield bonds and CLOs may also be illiquid. Many of the Fund's investments in derivative contracts, and in foreign investments, may all be illiquid. As a result, the Fund may have difficulty selling many of its investments in all of these, and other, sectors. The lack of a liquid market for the Fund's illiquid investments could decrease the Fund's NAV.

Issuer Risk. The value of a specific security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of an issuer's securities that are held in the Fund's portfolio may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods and services.

Limited Liquidity of Fund Shares Risk. The Fund is a closed-end investment company structured as an interval fund and designed for long-term investors. Unlike many closed-end investment companies, the Fund's shares are not listed on any securities exchange and are not publicly traded. There is currently no secondary market for the shares and the Fund expects that no secondary market will develop. Liquidity is provided to shareholders only through the Fund's quarterly repurchase offers, which are currently intended to be made in the amount of 10% of the shares outstanding at NAV, but may not in any case be made in the amount of less than 5% of the shares outstanding at NAV. While the repurchase amount for each offer is currently anticipated to be 10% of outstanding shares, the Fund is not required to, and in the future the Fund may not, extend repurchase offers in excess of 5% of outstanding shares. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

Distribution Policy Risk. All or a portion of a distribution from the Fund may consist of a return of capital, as opposed to representing a distribution of income generated by the Fund. Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that

return of capital will reduce the tax basis of their shares. A Shareholder's tax basis will be adjusted even if they sell their shares at a loss.

***Repurchase Policy Risks*.** Quarterly repurchases by the Fund of its shares are typically funded from available cash or sales of portfolio investments. However, payment for repurchased shares may require the Fund to liquidate portfolio holdings earlier than the Sub-Adviser otherwise would liquidate such holdings, potentially resulting in losses, and may increase the Fund's portfolio turnover. The Sub-Adviser may take measures to attempt to avoid or minimize such potential losses and turnover, and instead of liquidating portfolio holdings, may borrow money to finance repurchases of shares. If the Fund borrows to finance repurchases, interest on any such borrowing will negatively affect shareholders who do not tender their shares in a repurchase offer by increasing the Fund's expenses and reducing any net investment income. To the extent the Fund finances repurchase proceeds by selling investments, the Fund may hold a larger proportion of its net assets in less liquid securities. Also, the sale of investments to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's NAV.

Repurchase of shares will tend to reduce the amount of outstanding shares and, depending upon the Fund's investment performance, its net assets. A reduction in the Fund's net assets may increase the Fund's expense ratio, to the extent that additional shares are not sold. In addition, the repurchase by the Fund of a shareholder's shares may be a taxable event to such shareholder.

***Qualified Dividend Income Risk*.** Given the Fund's investment strategies, it is not anticipated that a significant portion, if any, of the Fund's income will be eligible to be designated as qualified dividend income under the Internal Revenue Code. As a result, there can be no assurance as to what portion of the Fund's distributions will be designated as qualified dividend income.

Additional Risks.

- ***Tax Lien Certificates Risk.*** The Fund may invest in tax lien certificates issued by various jurisdictions or municipalities throughout the United States. A tax lien certificate is a certificate of claim against real property that has a lien placed upon it as a result of unpaid property taxes. Tax lien certificates may not be liquid or may have a limited secondary market. Once tax lien certificate is issued, it becomes a first lien against the real property to which the certificate relates, and depending upon the jurisdiction, the owner of the property has a statutorily fixed period of time to pay the delinquent real estate taxes plus penalties and interest to the tax lien certificate holder. If the delinquent real estate taxes plus penalties and interest is not paid during such period of time, in most jurisdictions, the property is then transferred in a foreclosure action. If the Fund acquires a tax lien certificate, there can be no certainty as to when or if it will be redeemed by the owner of the underlying property. The performance of investments in tax lien certificates will be affected by the amount of time it takes the underlying property owner to repay the certificate. Property owners may immediately redeem the certificate, may redeem the certificate at some other time prior to the expiration of the statutory redemption period or may allow the property to be foreclosed. If the tax lien is redeemed quickly, the party may not realize a significant financial gain on their investment. If a tax lien certificate or lien is not redeemed, the holder of such interest may foreclose upon the property. The foreclosure of a property will require the Fund to engage outside service providers and incur additional fees and costs. Other risks the Fund may face in connection with investing in tax lien certificates include issues associated with the treatment of the Fund's investment for tax purposes.

- ***Litigation Financing Risk***. Investments in litigation finance can be structured in various ways. For example, the Fund may extend a loan to a law firm secured by future fee proceeds from

some or all of the firm's portfolio of cases, or the Fund may advance funds to a party in a lawsuit or their counsel in return for a share of litigation proceeds or other financial reward if the party is successful. Where a loan is secured by litigation proceeds, or where the recipient of litigation financing is not obligated to make any payment unless and until litigation proceeds are actually received by the litigant or their counsel, the Fund could suffer a complete loss of the capital invested if the matter fails to be resolved in the recipient's favor.

Other risks the Fund may face in connection with litigation financing include: (i) losses from terminated or rejected settlements, (ii) evaluations of the strength of the cases, claims or settlements may turn out to be inaccurate, (iii) losses as a result of the inability or timing uncertainty relating to collection on judgments or awards, (iv) lack of ability to control decisions of lawyers acting pursuant to their professional duties in connection with formulating and implementing their litigation strategies or otherwise, (v) expenses and uncertainties involving reliance on outside counsel and experts, (vi) changes in law, regulations or professional standards on litigation financing, (vii) poor case selection and lost cases, (viii) timing or delays inherent to litigation, (ix) changes in counsel, (x) costs of litigation, (xi) inability of a defendant to pay a judgement or settlement, (xii) general competition and industry-related risks, (xiii) conflicts of interest and (xiv) issues associated with the treatment of the Fund's investment for tax purposes.

MANAGEMENT OF THE FUND

Trustees and Officers

The Board of Trustees is responsible for the overall management of the Fund, including supervision of the duties performed by the Adviser. The Board of Trustees consists of five individuals, three of whom are not "interested persons" (as defined under the 1940 Act) of the Fund, the Adviser, or the Distributor ("Independent Trustees"). The Trustees are responsible for the Fund's overall management, including adopting the investment and other policies of the Fund, electing and replacing officers and selecting and supervising the Fund's investment Adviser. The name and business address of the Trustees and officers of the Fund and their principal occupations and other affiliates during the past five years, as well as a description of the Board of Trustees' committee and leadership structure, are set forth under "Management" in the SAI.

Investment Adviser

Founded in 2011, Princeton Fund Advisors, LLC, is registered as an investment adviser under the Advisers Act. Under the control of Greg D. Anderson, Jim Dickson, John L. Sabre and Bradford Smithy, the Adviser is an independent investment advisory firm specializing in the management of a variety of types of investment funds. As of February 28, 2026, the Adviser had approximately $808.5 million in assets under management. The Adviser is a subsidiary of Elevation Point, LLC (f/k/a Mount Yale Capital Group, LLC) ("Elevation Point"), a Delaware limited liability company. Elevation Point, through its other affiliated adviser, had approximately $10 billion in assets under management as of February 28, 2026, excluding assets managed by the Adviser.

The Adviser serves as investment Adviser to the Fund pursuant to a management agreement between the Fund and the Adviser (the "Management Agreement"). The Management Agreement has an initial two-year term and is subject to annual renewal thereafter by the Board of Trustees. Subject to the authority of the Board of Trustees, the Adviser is responsible for management of the Fund's investment portfolio directly and through a Sub-Adviser. The Adviser is responsible for selecting appropriate investment strategies, managing the Sub-Adviser, and assuring that investments are made according to the Fund's

investment objective, policies and restrictions. Additionally, the Adviser is responsible for conducting initial and ongoing independent evaluation of the Sub-Adviser. A discussion of the basis for the Board of Trustees' approval of the Management Agreement is set forth in the Fund's annual report to shareholders for the year ended December 31, 2025.

The offices of the Adviser are located at 8500 Normandale Lake Blvd., Suite 1900, Minneapolis, MN 55437, and its telephone number is (855) 897-5390. The Adviser or its designee maintains the Fund's accounts, books and other documents required to be maintained under the 1940 Act at 8500 Normandale Lake Blvd., Suite 1900, Minneapolis, MN 55437, or the offices of U.S. Bancorp Global Fund, LLC Services at 615 East Michigan Street, Milwaukee, Wisconsin 53202.

Pursuant to the Management Agreement, the Adviser is entitled to receive, on a monthly basis, an annual management fee from the Fund equal to 1.85% of the Fund's average daily net assets (the "Management Fee"). The Adviser pays the Sub-Adviser out of the fee it receives from the Fund.

The Adviser and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Adviser has agreed, until at least April 30, 2027, to waive its Management Fee and to pay or absorb the ordinary operating expenses of the Fund (excluding (i) interest expenses, and any fees and expenses incurred in connection with credit facilities, if any, obtained by the Fund; (ii) transaction costs and other expenses incurred in connection with the acquisition, financing, maintenance, and disposition of the Fund's investments and prospective investments, including without limitation bank and custody fees, brokerage commissions, legal, data, consulting and due diligence costs, servicing and property management costs; (iii) acquired fund fees and expenses; (iv) taxes; and (v) extraordinary expenses) to the extent that its management fees plus applicable distribution and shareholder servicing fees and the Fund's ordinary operating expenses would otherwise exceed, on a year-to-date basis, 2.85%, 3.60%, and 2.60% per annum of the Fund's average daily net assets attributable to Class A, Class C, and Class I shares, respectively. "Extraordinary expenses" are expenses incurred outside of the ordinary course of business, including, without limitation, litigation or indemnification expenses, excise taxes, and costs incurred in connection with holding and/or soliciting proxies for a meeting of investors. The Expense Limitation Agreement may not be terminated by the Adviser, but it may be terminated by the Board of Trustees, on 60 days' written notice to the Adviser. Any waiver or reimbursement by the Adviser is subject to repayment by the Fund within the three years from the date the Adviser waived any payment or reimbursed any expense, if (after taking the repayment into account) the Fund is able to make the repayment without exceeding the expense limitation in place at the time of the waiver and at the time of the reimbursement payment. The Adviser may waive or reimburse additional fees of the Fund in its discretion.

Fund Expenses

Pursuant to the Management Agreement, the Adviser is obligated to pay expenses associated with providing the services stated in the Management Agreement, including compensation of its officers and employees connected with investment and economic research, trading and investment management and administration of the Fund but excluding any expenses of the Sub-Adviser that are payable by the Fund. The Adviser is obligated to pay the fees of any Trustee of the Fund who is an affiliate of the Adviser.

The Fund is obligated to pay expenses of service providers that have agreements with the Fund.

The Fund pays all other expenses incurred in the operation of the Fund, which consist of (i) expenses for legal and independent accountants' services, (ii) costs of printing proxies, share certificates, if any, and reports to shareholders, (iii) charges of the custodian and transfer agent in connection with the Fund's dividend reinvestment policy, (iv) fees and expenses of independent Trustees, (v) the Fund's allocated

portion of the following expenses incurred by the Sub-Adviser in connection with the services provided to the Fund pursuant to the sub-advisory agreement: (a) investment and investment-related expenses paid to third parties in connection with identifying, sourcing, evaluating, valuing, structuring (including, without limitation, tax and legal structuring) researching, conducting diligence on, monitoring, servicing, maintaining, acquiring, selling or disposing of, or restricting investments (and potential investments), which shall include investment-related litigation expenses, investment-related travel expenses, the allocated portion of the expense of internal legal counsel of the Adviser or the Sub-Adviser, and research and research-related expenses, including the allocated costs of financial and research databases, market, news and other data services (such as Bloomberg), surveys, licenses, subscriptions and publications; and (b) any legal or other expenses paid to third parties by the Adviser or the Sub-Adviser in connection with the foregoing, or in connection with the organization of the Fund; (vii) printing costs, (viii) membership fees in trade association, (ix) fidelity bond coverage for the Fund's officers and Trustees, (x) errors and omissions insurance for the Fund's officers and Trustees, (xi) brokerage costs, (xii) taxes, (xiii) costs associated with the Fund's quarterly repurchase offers, (xiv) servicing fees and (xv) other extraordinary or non-recurring expenses and other expenses properly payable by the Fund. The expenses incident to the offering and issuance of shares to be issued by the Fund will be recorded as a reduction of capital of the Fund attributable to the shares. The Fund will also pay costs associated with securities, commodities and other investments (including all brokerage fees and commissions, taxes, borrowing costs (such as (a) interest and (b) dividend expenses on securities sold short) purchased for the Fund and any losses incurred in connection therewith, expenses of financing, holding or carrying assets and other investment positions, including, without limitation, expenses of dividends on stock borrowed to cover a short sale and interest, fees or other charges incurred in connection with leverage and related borrowings with respect to the Fund's assets, organizational and offering expenses (which include, but are not limited to, out-of-pocket expenses, but not overhead or employee costs of the Sub-Adviser); freight and other charges in connection with the shipment of the Fund's portfolio securities; salaries of shareholder relations personnel (subject to any limitations under the 1940 Act or exemptive relief therefrom).

Investment Sub-Adviser

Ellington Global Asset Management, LLC, located at 53 Forest Avenue, Suite 301, Old Greenwich, CT 06870, serves as the Fund's investment sub-adviser pursuant to a sub-advisory agreement between the Adviser and the Sub-Adviser (the "Sub-Advisory Agreement"). The Sub-Advisory Agreement had an initial two-year term and is subject to annual renewal thereafter by the Board. The Sub-Adviser is registered with the SEC as an investment adviser under the Advisers Act. The Sub-Adviser is a Delaware limited liability company formed for the purpose of providing investment management services to pooled investment vehicles and institutional managed accounts, such as the Fund. The Sub-Adviser is ultimately controlled by Michael Vranos. As of February 28, 2026, Ellington had approximately $22 billion in assets under management, including approximately $300 million in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and the market value of CLO equity, excluding any notes or equity held by Ellington-managed funds and accounts. Ellington's assets under management include uncalled capital commitments, if any. The Sub-Adviser is a division of Ellington, which was formed in 1995. As compensation, the Sub-Adviser is paid 60% of the Net Management Fee (defined below). The "Net Management Fee" is the amount of the Management Fee minus (i) fees and expenses waived or reimbursed pursuant to the Expense Limitation Agreement, and (ii) any other expenses agreed in writing to be shared by the Adviser and the Sub-Adviser. The Sub-Adviser is paid by the Adviser, not the Fund. A discussion of the basis for the Board of Trustees' approval of the Sub-Advisory Agreement is set forth in the Fund's annual report to shareholders for the year ended December 31, 2025.

The Sub-Advisory Agreement authorizes the Sub-Adviser to select brokers or dealers (including affiliates) to arrange for the purchase and sale of Fund securities, including principal transactions. Any

commission, fee or other remuneration paid to an affiliated broker or dealer is paid in compliance with the Fund's procedures adopted in accordance with Rule 17e-1 under the 1940 Act.

Portfolio Managers

Michael Vranos

Mr. Vranos founded Ellington in December of 1994. Until December 1994, Mr. Vranos was the Senior Managing Director of Kidder Peabody in charge of RMBS trading. Mr. Vranos began his Wall Street career in 1983, after graduating magna cum laude, Phi Beta Kappa with a Bachelor of Arts in Mathematics from Harvard University.

Mark Tecotzky

Mr. Tecotzky is a Vice Chairman and Co-Head of Credit Strategies. Prior to joining Ellington, Mr. Tecotzky was the senior trader in the mortgage department at Credit Suisse. Prior to joining Credit Suisse, Mr. Tecotzky worked at Kidder Peabody as a Managing Director where he traded agency and credit sensitive pass-throughs and structured CMOs. Mr. Tecotzky holds a B.S. from Yale University and received a National Science Foundation fellowship to study at MIT.

The SAI provides additional information about the portfolio managers' compensation, other accounts managed and ownership of Fund shares.

Administrator, Accounting Agent and Transfer Agent

U.S. Bancorp Fund Services, LLC doing business as U.S. Bancorp Global Fund Services, LLC ("Administrator" or "Transfer Agent"), which has its principal office at 777 East Wisconsin Avenue Milwaukee, WI 53202, serves as serves as administrator, fund accountant and transfer agent for the Fund pursuant to a Fund Administration, Fund Accounting and Transfer Agent Services Agreements (the "Fund Services Agreements") with the Trust and subject to the supervision of the Board of Trustees. The Administrator is primarily in the business of providing administrative, fund accounting and transfer agent services to retail and institutional mutual funds.

Custodian

U.S. Bank National Association, with principal offices at 800 Nicollet Mall, Minneapolis, MN 55402-7014, serves as custodian for securities and cash of the Fund's portfolio. Under a Custody Agreement, U.S. Bank National Association holds Fund assets in safekeeping and keeps all necessary records and documents relating to its duties.

Control Persons

A control person is one who owns, either directly or indirectly more than 25% of the voting securities of a company or acknowledges the existence of control. There are no control persons of the Fund as of April 1, 2026.

DETERMINATION OF NET ASSET VALUE

The NAV and offering price (NAV plus any applicable sales charges) of shares is determined as of the close of the New York Stock Exchange ("NYSE") (normally 4:00 p.m. Eastern Time) on daily on the days that the NYSE is open for business and at such other times as determined by the Board of Trustees.

NAV per share is computed by determining the aggregate market value of all assets of the Fund less its liabilities divided by the total number of the Fund's shares outstanding ((asset-liabilities)/number of shares=NAV per share) attributable to the Fund. The NYSE is closed on weekends and New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The NAV takes into account the expenses and fees of the Fund, including investment advisory, administration, shareholder servicing, and any distribution fees, which are accrued daily. The determination of NAV of the Fund for a particular day is applicable to all applications for the purchase of shares received by the Fund (or an authorized broker or agent, or its authorized designee) before the close of trading on the NYSE on a day the Fund calculates its NAV.

Generally, securities are valued each day at the last quoted sales price on each security's principal exchange. Securities traded or dealt in upon one or more securities exchanges (whether domestic or foreign) for which market quotations are readily available and not subject to restrictions against resale shall be valued at the last quoted sales price on the primary exchange or, in the absence of a sale on the primary exchange, at the mean between the current bid and ask prices on such exchange. Securities primarily traded in the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") National Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price. Securities that are not traded or dealt in any securities exchange (whether domestic or foreign) and for which over-the-counter market quotations are readily available generally shall be valued at the last sale price or, in the absence of a recent sale, at the mean between the current bid and ask price on such over-the-counter market.

Debt securities and other instruments not traded on an exchange may be valued based on prices supplied by a pricing agent(s), based on broker or dealer supplied valuations, based on model pricing, or based on matrix pricing, which is a method of valuing securities or other assets by reference to the value of other securities or other assets with similar characteristics, such as rating, interest rate and maturity. If market quotations are not readily available, securities or other assets will be valued at their fair market value as determined using the "fair value" procedures approved by the Board of Trustees. In these cases, the Fund's NAV will reflect certain portfolio investment's fair value rather than their market price. Fair value pricing involves subjective judgments and it is possible that the fair value determined for an investment may be materially different than the value that could be realized upon the sale of that investment. The fair value prices can differ from market prices when they become available or when a price becomes available.

The Board of Trustees has designated the Adviser as its "Valuation Designee" to oversee the valuation of the Fund's assets, with the assistance of the Sub-Adviser, in accordance with the valuation procedures approved by the Board of Trustees (the "Valuation Procedures"). In the case of securities or other instruments for which market quotations are not readily available, the Valuation Designee oversees such valuations, which shall be reviewed by the Board of Trustees on a quarterly basis.

The Valuation Designee may use independent pricing services to assist in calculating the value of certain of the Fund's investments. The Valuation Designee has engaged one or more independent third-party valuation specialists to assist in valuing such securities in certain circumstances where a market price is not readily available.

All of these factors may be subject to adjustments based upon the particular circumstances of an investment or the Fund's actual investment position.

Because the Fund may invest in foreign securities that are primarily listed on foreign exchanges that may trade on weekends or other days when the Fund does not price its shares, the value of the Fund's portfolio

may change on days when you may not be able to buy Fund shares or have them repurchased. In computing the NAV of the Fund, the Adviser values foreign securities held by the Fund at the latest closing price on the exchange in which they are traded immediately prior to closing of the NYSE. Prices of foreign securities quoted in foreign currencies are translated into U.S. dollars at current rates. If events materially affecting the value of a security in the Fund's portfolio occur before the Fund prices its shares, the security will be valued at fair value. For example, if trading in a portfolio security is halted and does not resume before the Fund calculates its NAV, the Adviser may need to price the security using the Fund's fair value pricing guidelines. Without a fair value price, short-term traders could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Fair valuation of the Fund's portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that fair value pricing policies will prevent dilution of the Fund's NAV by short-term traders.

With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies that are registered under the 1940 Act, the Fund's NAV is calculated based upon the net asset values of the registered open-end management investment companies in which each Fund invests, and the prospectuses for these companies explain the circumstances under which those companies will use fair value pricing and the effects of using fair value pricing.

CONFLICTS OF INTEREST

As a general matter, certain conflicts of interest may arise in connection with a portfolio manager's management of a fund's investments, on the one hand, and the investments of other accounts for which the portfolio manager is responsible, on the other. For example, it is possible that the various accounts managed could have different investment strategies that, at times, might conflict with one another to the possible detriment of the Fund. Alternatively, to the extent that the same investment opportunities might be desirable for more than one account, possible conflicts could arise in determining how to allocate them. Other potential conflicts might include conflicts created by specific portfolio manager compensation arrangements, and conflicts relating to selection of brokers or dealers to execute Fund portfolio trades and/or specific uses of commissions from Fund portfolio trades (for example, research, or "soft dollars," if any). The Adviser and the Sub-Adviser have adopted policies and procedures in a manner reasonably designed to safeguard the Fund from being negatively affected as a result of any such potential conflicts. These policies and procedures generally require that the Adviser and Sub-Adviser distribute investment opportunities among client accounts in a fair and equitable manner (*e.g.*, on a pro rata basis, relative to the size of the order) and seek best execution for securities transactions executed on the Fund's behalf. With respect to the Sub-Adviser, opportunities are generally allocated on the basis of capital available for such investments and other relevant factors particular to the accounts, including, but not limited to, investment restrictions, tax and U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), considerations and other regulatory considerations, risk parameters, existence of a pre-existing position, desire to avoid creation of odd lot positions, de minimis allocations, and other factors including the appropriate overall composition of each portfolio. The Sub-Adviser may at times allocate opportunities on a preferential basis to funds and accounts that are in a "start-up" or "ramp-up" phase, subject to the Sub-Adviser's obligation to allocate opportunities in a fair and equitable manner. Certain expenses attributable to the Fund's investments or shared services may be allocated to the Fund by the Sub-Adviser. The Sub-Adviser is subject to conflicts of interest to the extent that expenses are allocated by the Sub-Adviser to the Fund and other accounts managed by the Sub-Adviser with respect to the same investment or shared service. Subject to its duty to allocate investment opportunities fairly and equitably, the Sub-Adviser may at times allocate opportunities on a preferential basis to funds and accounts that are in a "start up" or "ramp up" phase.

The Sub-Adviser and other accounts managed by the Sub-Adviser may have economic interests in or other relationships with issuers (including securitizations) or special purpose vehicles in whose obligations or securities the Fund may invest or in which the Fund may have an economic interest, to the extent permitted by applicable law or exemptive relief from the SEC. Any such persons may make investments in an issuer's securities that may rank *pari passu*, senior or junior to an investment by the Fund in such issuer's securities, and may have rights, preferences or privileges with respect to an issuer that are different from or conflict with those held by the Fund. The partners, security holders, officers, directors, agents or employees of any such persons may also serve on an issuer's board of directors or otherwise have ongoing relationships. In such cases, to the extent consistent with applicable law, the Sub-Adviser may be required by its fiduciary obligations on behalf of another account to take actions that are not in the best interests of the Fund.

From time to time, to the extent consistent with the 1940 Act and the rules and regulations promulgated thereunder, or with exemptive relief the Fund may receive from the SEC, if any, the Fund and other clients for which the Adviser or Sub-Adviser provides investment management services or carry on investment activities may make investments at different levels of an investment entity's capital structure or otherwise in different classes of an issuer's securities. These investments may inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by the Fund and such other clients, including in the case of financial distress of the investment entity.

As a closed-end investment company, the Fund may be limited in its ability to invest in any portfolio company in which an affiliates' other client has an investment. The Fund may also be limited in its ability to co-invest in a portfolio company with the Adviser or one or more of its affiliates. Some of these co-investments would only be permitted pursuant to an exemptive order from the SEC. For additional information about conflicts of interest relevant to the Fund, see "Conflicts of Interest" in the SAI.

QUARTERLY REPURCHASES OF SHARES

Once each quarter, the Fund intends to offer to repurchase at NAV 10% of the outstanding shares of the Fund, unless such offer is suspended or postponed in accordance with regulatory requirements (as discussed below). While the repurchase amount for each offer is currently anticipated to be 10% of outstanding shares, the Fund is not required to, and in the future the Fund may not, extend repurchase offers in excess of 5% of outstanding shares. The offer to purchase shares is a fundamental policy that may not be changed without the vote of the holders of a majority of the Fund's outstanding voting securities (as defined in the 1940 Act). Shareholders will be notified in writing of each quarterly repurchase offer, how they may request that the Fund repurchase their shares, and the date the repurchase offer ends (the "Repurchase Request Deadline"). Shares will be repurchased at the NAV per share determined as of the close of regular trading on the NYSE no later than the 14th day after the Repurchase Request Deadline, or the next business day if the 14th day is not a business day (each a "Repurchase Pricing Date").

Shares tendered for repurchase by shareholders prior to any Repurchase Request Deadline will be repurchased subject to the aggregate repurchase amounts established for that Repurchase Request Deadline. The time between the notification to shareholders and the Repurchase Request Deadline is generally 30 days, but may vary from no more than 42 days to no less than 21 days. Payment pursuant to the repurchase will be made by checks to the shareholder's address of record, or credited directly to a predetermined bank account on the Repurchase Payment Deadline, which will be no more than seven days after the Repurchase Pricing Date. The Board of Trustees may establish other policies for repurchases of shares that are consistent with the 1940 Act, regulations thereunder and other pertinent laws.

Determination of Repurchase Offer Amount

The Board of Trustees, or a committee thereof, in its sole discretion, determines the number of shares that the Fund offers to repurchase (the "Repurchase Offer Amount") for a given Repurchase Request Deadline. The Repurchase Offer Amount will be no less than 5% and no more than 25% of the total number of shares outstanding on the Repurchase Request Deadline. However, while the Repurchase Offer Amount is currently intended to be 10% of Fund shares, there is no guarantee that any particular repurchase offer will be made in amounts in excess of 5% of Fund shares.

If shareholders tender for repurchase more than the Repurchase Offer Amount for a given repurchase offer, the Fund will repurchase the shares on a pro rata basis. However, the Fund may accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares, before prorating other amounts tendered. In addition, the Fund will accept the total number of shares tendered in connection with required minimum distributions from an IRA or other qualified retirement plan. It is the shareholder's obligation to both notify and provide the Fund supporting documentation of a required minimum distribution from an IRA or other qualified retirement plan.

Notice to Shareholders

Approximately 30 days (but no less than 21 days and more than 42 days) before each Repurchase Request Deadline, the Fund shall send to each shareholder of record and to each beneficial owner of the shares that are the subject of the repurchase offer a notification ("Shareholder Notification"). The Shareholder Notification contains important information regarding dates and the procedures applicable to shareholders who wish to participate in a quarterly repurchase offer.

Repurchase Price

The repurchase price of the shares will be the NAV as of the close of regular trading on the NYSE on the Repurchase Pricing Date. You may call 1-855-862-6092 to learn the NAV. The notice of the repurchase offer also will provide information concerning the NAV, such as the NAV as of a recent date or a sampling of recent NAVs, and a toll-free number for information regarding the repurchase offer.

Repurchase Amounts and Payment of Proceeds

Shares tendered for repurchase by shareholders prior to any Repurchase Request Deadline will be repurchased subject to the aggregate Repurchase Offer Amount established for that Repurchase Request Deadline. Payment pursuant to the repurchase offer will be made by check to the shareholder's address of record, or credited directly to a predetermined bank account on the Repurchase Payment Deadline, which will be no more than seven days after the Repurchase Pricing Date. The Board of Trustees may establish other policies for repurchases of shares that are consistent with the 1940 Act, regulations thereunder and other pertinent laws.

If shareholders tender for repurchase more than the Repurchase Offer Amount for a given repurchase offer, the Fund may, but is not required to, repurchase an additional amount of shares not to exceed 2% of the outstanding shares of the Fund on the Repurchase Request Deadline. If the Fund determines not to repurchase more than the Repurchase Offer Amount, or if shareholders tender shares in an amount exceeding the Repurchase Offer Amount plus 2% of the outstanding shares on the Repurchase Request Deadline, the Fund will repurchase the shares on a pro rata basis. However, the Fund may accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares, before prorating other amounts tendered.

Suspension or Postponement of Repurchase Offer

The Fund may suspend or postpone a repurchase offer only: (a) if making or effecting the repurchase offer would cause the Fund to lose its status as a regulated investment company ("RIC") under the Code; (b) for any period during which the NYSE or any market on which the securities owned by the Fund are principally traded is closed, other than customary weekend and holiday closings, or during which trading in such market is restricted; (c) for any period during which an emergency exists as a result of which disposal by the Fund of securities owned by it is not reasonably practicable, or during which it is not reasonably practicable for the Fund fairly to determine the value of its net assets; or (d) for such other periods as the Commission may by order permit for the protection of shareholders of the Fund.

Liquidity Requirements

The Fund must maintain liquid assets equal to the Repurchase Offer Amount from the time that the notice is sent to shareholders until the Repurchase Pricing Date. The Fund ensures that a percentage of its net assets equal to at least 100% of the Repurchase Offer Amount consists of assets that can be sold or disposed of in the ordinary course of business at approximately the price at which the Fund has valued the investment within the time period between the Repurchase Request Deadline and the Repurchase Payment Deadline. The Board of Trustees has adopted procedures that are reasonably designed to ensure that the Fund's assets are sufficiently liquid so that the Fund can comply with the repurchase offer and the liquidity requirements described in the previous paragraph. If, at any time, the Fund falls out of compliance with these liquidity requirements, the Board of Trustees will take whatever action it deems appropriate to ensure compliance.

Consequences of Repurchase Offers

Repurchase offers are typically funded from available cash or sales of portfolio securities. Payment for repurchased shares, however, may require the Fund to liquidate portfolio holdings earlier than the Adviser otherwise would, thus increasing the Fund's portfolio turnover and potentially causing the Fund to realize losses. The Adviser intends to take measures to attempt to avoid or minimize such potential losses and turnover, and instead of liquidating portfolio holdings, may borrow money to finance repurchases of shares. If the Fund borrows to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their shares in a repurchase offer by increasing the Fund's expenses and reducing any net investment income. To the extent the Fund finances repurchase amounts by selling Fund investments, the Fund may hold a larger proportion of its assets in less liquid securities. The sale of portfolio securities to fund repurchases also could reduce the market price of those underlying securities, which in turn would reduce the Fund's NAV.

Repurchase of the Fund's shares tends to reduce the amount of outstanding shares and, depending upon the Fund's investment performance, its net assets. A reduction in the Fund's net assets would increase the Fund's expense ratio, to the extent that additional shares are not sold and expenses otherwise decrease less than proportionally (or increase). In addition, the repurchase of shares by the Fund will be a taxable event to shareholders.

The Fund is intended as a long-term investment. The Fund's quarterly repurchase offers are a shareholder's only means of liquidity with respect to his or her shares. Shareholders have no rights to redeem or transfer their shares, other than limited rights of a shareholder's descendants to transfer shares in the event of such shareholder's death pursuant to certain conditions and restrictions. The shares are not traded on a national securities exchange and no secondary market exists for the shares, nor does the Fund expect a secondary market for its shares to exist in the future.

For additional information about the Fund's quarterly repurchase offers, see "Quarterly Repurchase Offers" in the SAI.

DISTRIBUTION POLICY

The Fund's distribution policy is to make quarterly distributions to shareholders. If, for any distribution, investment company taxable income (which term includes net short-term capital gain), if any, and net tax-exempt income, if any, is less than the amount of the distribution, the difference will generally be a tax-free return of capital distributed from the Fund's assets. The Fund's final distribution for each calendar year will include any remaining investment company taxable income and net tax-exempt income undistributed during the year, as well as all net capital gain realized during the year. If the total distributions made in any calendar year exceed investment company taxable income, net tax-exempt income and net capital gain, such excess distributed amount would be treated as ordinary dividend income to the extent of the Fund's current and accumulated earnings and profits. Distributions in excess of the earnings and profits would first be a tax-free return of capital to the extent of the adjusted tax basis in the shares. After such adjusted tax basis is reduced to zero, the distribution would constitute capital gain (assuming the shares are held as capital assets).

This distribution policy may, under certain circumstances, have certain adverse consequences to the Fund and its shareholders because it may result in a return of capital resulting in less of a shareholder's assets being invested in the Fund and, over time, increase the Fund's expense ratio. The distribution policy also may cause the Fund to sell a security at a time it would not otherwise do so in order to manage the distribution of income and gain. The initial distribution will be declared on a date determined by the Board of Trustees. If the Fund's investments are delayed, the initial distribution may consist principally of a return of capital.

Unless the registered owner of shares elects to receive cash, all dividends declared on shares will be automatically reinvested in additional shares of the Fund. See "Dividend Reinvestment Policy."

The dividend distribution described above may result in the payment of approximately the same amount or percentage to the Fund's shareholders each period. Section 19(a) of the 1940 Act and Rule 19a-1 thereunder require the Fund to provide a written statement accompanying any such payment that adequately discloses its source or sources. For example, if any portion of the distribution amounted to a return of capital, the Fund would be required to provide written disclosure to that effect. Shareholders should read any written disclosure provided pursuant to Section 19(a) and Rule 19a-1 carefully and, unless specified in any such written disclosure should not assume that the source of any distribution from the Fund is net profit.

A return of capital is not taxable to a shareholder unless it exceeds a shareholder's tax basis in the shares. Returns of capital reduce a shareholder's tax cost (or "tax basis"). Once a shareholder's tax basis is reduced to zero, any further return of capital would be taxable. Shareholders should note that return of capital will reduce the tax basis of their shares. A Shareholder's tax basis will be adjusted even if they sell their shares at a loss. As required under the 1940 Act, the Fund will provide a notice to shareholders at the time of distribution when such distribution does not consist solely of net income. Additionally, each distribution payment will be accompanied by a written statement which discloses the source or sources of each distribution. The Fund provides disclosures, with each distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains and (3) return of capital. Each year, shareholders subject to IRS reporting are notified of the source of the Fund's distributions on a Form 1099. At the end of the year, the Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income,

(2) capital gains and (3) return of capital for tax purposes. An additional distribution may be made in December, and other additional distributions may be made with respect to a particular fiscal year in order to comply with applicable law.

The Board of Trustees reserves the right to change the quarterly distribution policy from time to time.

DIVIDEND REINVESTMENT POLICY

The Fund operates under a dividend reinvestment policy administered by the Transfer Agent. Pursuant to the policy, the Fund's income dividends or capital gains or other distributions (each, a "Distribution" and collectively, "Distributions"), net of any applicable U.S. withholding tax, are reinvested in the Fund.

Shareholders automatically participate in the dividend reinvestment policy, unless and until an election is made to withdraw from the policy on behalf of such participating shareholder. Shareholders who do not wish to have Distributions automatically reinvested should so notify the Transfer Agent in writing at Ellington Income Opportunities Fund, c/o U.S. Bancorp Global Fund Services, LLC, 615 East Michigan Street, Milwaukee, Wisconsin 53202 Attn: President. Such written notice must be received by the Transfer Agent 30 days prior to the record date of the Distribution or the shareholder will receive such Distribution in shares through the dividend reinvestment policy. Under the dividend reinvestment policy, Distributions to shareholders are reinvested in full and fractional shares as described below.
When the Fund declares a Distribution, the Transfer Agent, on the shareholder's behalf, will receive additional authorized shares from the Fund either newly issued or repurchased from shareholders by the Fund and held as treasury stock. The number of shares to be received when Distributions are reinvested will be determined by dividing the amount of the Distribution by the Fund's NAV per share.

The Transfer Agent maintains all shareholder accounts and furnish written confirmations of all transactions in the accounts, including information needed by shareholders for personal and tax records. The Transfer Agent holds shares in the account of the shareholders in non-certificated form in the name of the participant, and each shareholder's proxy, if any, will include those shares purchased pursuant to the dividend reinvestment policy. Each participant, nevertheless, has the right to request certificates for whole and fractional shares owned. The Fund issues certificates in its sole discretion. The Transfer Agent will distribute all proxy solicitation materials, if any, to participating shareholders.

In the case of shareholders, such as banks, brokers or nominees, that hold shares for others who are beneficial owners participating under the dividend reinvestment policy, the Transfer Agent administers the dividend reinvestment policy on the basis of the number of shares certified from time to time by the record shareholder as representing the total amount of shares registered in the shareholder's name and held for the account of beneficial owners participating under the dividend reinvestment policy.

Neither the Transfer Agent nor the Fund shall have any responsibility or liability beyond the exercise of ordinary care for any action taken or omitted pursuant to the dividend reinvestment policy, nor shall they have any duties, responsibilities or liabilities except as expressly set forth herein. Neither shall they be liable hereunder for any act done in good faith or for any good faith omissions to act, including, without limitation, failure to terminate a participant's account prior to receipt of written notice of his or her death or with respect to prices at which shares are purchased or sold for the participants account and the terms on which such purchases and sales are made, subject to applicable provisions of the federal securities laws.

The automatic reinvestment of dividends will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends. See "U.S. Federal Income Tax Matters."

The Fund reserves the right to amend or terminate the dividend reinvestment policy. There is no direct service charge to participants with regard to purchases under the dividend reinvestment policy; however, the Fund reserves the right to amend the dividend reinvestment policy to include a service charge payable by the participants.

All correspondence concerning the dividend reinvestment policy should be directed to the Transfer Agent at Ellington Income Opportunities Fund, c/o U.S. Bancorp Global Fund Services, LLC, at 615 East Michigan Street, Milwaukee, Wisconsin 53202 Attn: President. Certain transactions can be performed by calling the toll free number 1-855-862-6092.

U.S. FEDERAL INCOME TAX MATTERS

The following is a summary discussion of certain U.S. federal income tax consequences that may be relevant to a shareholder of the Fund that acquires, holds and/or disposes of shares of the Fund, and reflects provisions of the Code, existing Treasury regulations, rulings published by the IRS, and other applicable authority, as of the date of this Prospectus. These authorities are subject to change by legislative or administrative action, possibly with retroactive effect. The following discussion is only a summary of some of the important tax considerations generally applicable to investments in the Fund and the discussion set forth herein does not constitute tax advice. There may be other tax considerations applicable to particular investors such as those holding shares in a tax deferred account such as an IRA or 401(k) plan. In addition, income earned through an investment in the Fund may be subject to state, local and foreign taxes. The following does not address special tax rules applicable to certain types of investors, such as financial institutions, broker-dealers, insurance companies, partnerships or other pass-through entities (including S corporations), persons holding shares of the Fund's common stock in connection with a hedging, straddle, conversion or other integrated transactions, persons engaged in a trade or business in the United States or persons who have ceased to be U.S. citizens or to be taxed as resident aliens, corporate, tax-exempt and foreign investors. Investors should consult their tax advisers regarding other federal, state or local tax considerations that may be applicable in their particular circumstances, as well as any proposed tax law changes.

The Fund intends to elect to be treated and to qualify each year for taxation as a RIC under Subchapter M of the Code. In order for the Fund to qualify as a RIC, it must meet an income and asset diversification test each year. If the Fund so qualifies and satisfies certain distribution requirements, the Fund (but not its shareholders) will not be subject to federal income tax to the extent it distributes its investment company taxable income and net capital gains (the excess of net long-term capital gains over net short-term capital loss) in a timely manner to its shareholders in the form of dividends or capital gain distributions. Net capital gain for a fiscal year is computed by taking into account any capital loss carryforward of the Fund. The Code imposes a 4% nondeductible excise tax on RICs, such as the Fund, to the extent they do not meet certain distribution requirements by the end of each calendar year. The Fund generally anticipates meeting these distribution requirements.

The Fund intends to distribute all of its net investment income, any excess of net short-term capital gains over net long-term capital losses, and any excess of net long-term capital gains over net short-term capital losses in accordance with the timing requirements imposed by the Code and therefore should generally not be required to pay any federal income or excise taxes. Distributions of net investment income will be made quarterly and net capital gain will be made after the end of each fiscal year, and no later than December 31 of each year. Both types of distributions will be in shares of the Fund unless a shareholder elects to receive cash.

To be treated as a RIC under Subchapter M of the Code, the Fund must also (a) derive at least 90% of its gross income (the "Income Test") from dividends, interest, payments with respect to securities loans, net income from certain publicly traded partnerships and gains from the sale or other disposition of securities or foreign currencies, or other income (including, but not limited to, gains from options, futures or forward contracts) derived with respect to the business of investing in such securities or currencies, and (b) diversify its holdings so that, at the end of each fiscal quarter, (i) at least 50% of the market value of the Fund's assets is represented by cash, U.S. government securities and securities of other RICs, and other securities (for purposes of this calculation, generally limited in respect of any one issuer, to an amount not greater than 5% of the market value of the Fund's assets and 10% of the outstanding voting securities of such issuer) and (ii) not more than 25% of the value of its assets is invested in the securities of (other than U.S. government securities or the securities of other RICs) any one issuer, two or more issuers which the Fund controls and which are determined to be engaged in the same or similar trades or businesses, or the securities of certain publicly traded partnerships.

Some of the income and fees that the Fund will recognize may not satisfy the Income Test. In order to ensure that such income and fees do not disqualify the Fund as a RIC for a failure to satisfy such test, the Fund may be required to recognize such income and fees indirectly through one or more entities treated as corporations for U.S. federal income tax purposes. Such corporations will be required to pay U.S. corporate income tax on their earnings, which ultimately will reduce the Fund's return on such income and fees.

The Fund intends to make distributions of investment company taxable income after payment of the Fund's operating expenses no less frequently than annually. Unless a shareholder is ineligible to participate or elects otherwise, all distributions will be automatically reinvested in additional shares of the Fund pursuant to the dividend reinvestment policy. For U.S. federal income tax purposes, all dividends are generally taxable. Distributions of the Fund's investment company taxable income (including short-term capital gains) will generally be treated as ordinary income. Distributions of the Fund's net capital gains ("capital gain dividends"), if any, are taxable to shareholders as capital gains, regardless of the length of time shares have been held by shareholders. Distributions, if any, in excess of the Fund's earnings and profits will first reduce the adjusted tax basis of a holder's shares and, after that basis has been reduced to zero, will constitute capital gains to the shareholder of the Fund (assuming the shares are held as a capital asset). If a Shareholder receives a return of capital distribution, the Shareholder's tax basis will be adjusted even if they sell their shares at a loss. A corporation that owns Fund shares generally will not be entitled to the dividends received deduction with respect to all of the dividends it receives from the Fund. Fund dividend payments that are attributable to qualifying dividends received by the Fund from certain domestic corporations may be designated by the Fund as being eligible for the dividends received deduction. Given the Fund's investment strategies, it is not anticipated that a significant portion, if any, of the Fund's income will be eligible to be designated as qualified dividend income. The determination of the character for U.S. federal income tax purposes of any distribution from the Fund (i.e. ordinary income dividends, capital gains dividends, qualified dividends or return of capital distributions) will be made as of the end of the Fund's taxable year. The Fund will provide shareholders with a written notice reporting the amount of any capital gain distributions and any other distributions. If the Fund fails to qualify as a RIC under Subchapter M in any fiscal year, it will be treated as a corporation for federal income tax purposes. As such, the Fund would be required to pay income taxes on its net investment income and net realized capital gains, if any, at the rates generally applicable to corporations. Shareholders of the Fund generally would not be liable for income tax on the Fund's net investment income or net realized capital gains in their individual capacities. Distributions to shareholders, whether from the Fund's net investment income or net realized capital gains, would be treated as taxable dividends to the extent of current or accumulated earnings and profits of the Fund.

The Fund is subject to a 4% nondeductible excise tax on certain undistributed amounts of ordinary income and capital gain under a prescribed formula contained in Section 4982 of the Code. The formula generally requires payment to shareholders during a calendar year of distributions representing an amount at least equal to the sum of (i) 98% of the Fund's ordinary income for the calendar year (taking into account certain deferrals and elections) (ii) at least 98.2% of its capital gain net income (i.e., the excess of its capital gains over capital losses, adjusted for certain ordinary losses) realized during the one-year period ending October 31 during such year and (iii) 100% of any income that was neither distributed nor taxed to the Fund during the preceding calendar year. Under ordinary circumstances, the Fund generally expects to time its distributions so as to avoid liability for this tax.

The Fund will inform its shareholders that are subject to IRS reporting of the source and tax status of all distributions promptly after the close of each calendar year.

Distributions of taxable net investment income and the excess of net short-term capital gain over net long-term capital loss are taxable to shareholders as ordinary income.

Distributions of net capital gain ("capital gain dividends") generally are taxable to shareholders as long-term capital gain, regardless of the length of time the shares of the Fund have been held by such shareholders.

The Fund's use of cash to repurchase shares could adversely affect its ability to satisfy the distribution requirements for treatment as a RIC. The Fund could also recognize income in connection with its liquidation of portfolio securities to fund share repurchases. Any such income would be taken into account in determining whether the distribution requirements are satisfied, and to the extent that additional distributions are required, could generate additional taxable income for those shareholders receiving such additional distributions, either as ordinary income or long-term capital gain, as described above. Furthermore, if the Fund is unable to liquidate portfolio securities in a manner that would enable the Fund to meet the income and asset diversification tests, the Fund could fail to qualify as a RIC, with the adverse consequences as set forth above.

The repurchase of the Fund's shares may result in a taxable gain or loss to a tendering shareholder. Different tax consequences may apply to tendering and non-tendering shareholders in connection with a repurchase offer. For example, if a shareholder does not tender all of his or her shares, such repurchase may not be treated as an exchange for U.S. federal income tax purposes, and may instead constitute a distribution subject to evaluation as a deemed dividend. Alternatively, shareholders who tender all of their shares (including shares deemed owned by such shareholders through application of the constructive ownership rules) will be treated as having sold their shares and generally will realize a capital gain or loss. A sale of Fund shares by a shareholder will generally result in the recognition of taxable gain or loss in an amount equal to the difference between the amount realized and the shareholder's tax basis in his or her Fund shares. Such gain or loss is treated as a capital gain or loss if the shares are held as capital assets. However, any loss realized upon the same of shares within six months from the date of their purchase will be treated as a long-term capital loss to the extent of any amounts treated as capital gain dividends during such six-month period.

An additional 3.8% Medicare tax is imposed on certain net investment income (including ordinary dividends and capital gain distributions received from the Fund and net gains from redemptions or other taxable dispositions of Fund shares) of U.S. individuals, estates and trusts to the extent that such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds certain threshold amounts.

Adjusted cost basis information is required for covered securities, which generally include shares of a RIC, to the IRS and to taxpayers. Shareholders should contact their financial intermediaries with respect to reporting of cost basis and available elections for their accounts.

All distributions of taxable net investment income and net capital gain, whether received in shares or in cash, must be reported by each taxable shareholder on his or her federal income tax return. Dividends or distributions declared in October, November or December as of a record date in such a month, if any, will be deemed to have been received by shareholders on December 31, if paid during January of the following year. Redemptions of shares may result in tax consequences (gain or loss) to the shareholder and are also subject to these reporting requirements. Investing in municipal bonds and other tax-exempt securities is not a principal investment strategy of the Fund. Nonetheless, to the extent the Fund invests in municipal bonds that are not exempt from the alternative minimum tax, some shareholders may be subject to the alternative minimum tax. Investors should consult their tax advisers for more information.

If Fund shares are repurchased by the Fund, the shareholder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized and the shareholder's tax basis in the shares. Such gain or loss is treated as capital gain or loss if the shares were held as capital assets. Such gain or loss will generally be long-term capital gain or loss if the shareholder held the shares for more than one year, and would be short-term capital gain or loss if the shareholder did not hold the shares for more than one year. However, any loss realized upon the repurchase of shares within six months from the date of their purchase will be treated as a long-term capital loss to the extent of amounts treated as capital gain dividends during such six-month period. All or part of any loss realized upon a repurchase of shares may be disallowed to the extent such shareholder purchases shares within 30 days before or after such repurchase. Under certain circumstances, if fewer than all of a shareholder's shares are repurchased, or a shareholder does not tender shares in a repurchase offer, the repurchase may be treated for U.S. federal income tax purposes as a dividend, rather than a sale of the repurchased shares. Prospective shareholders should consult with their own tax advisors regarding the taxation of share repurchases.

Under the Code, the Fund is required to report to the Internal Revenue Service all distributions of taxable income and capital gains as well as gross proceeds from the redemption or exchange of Fund shares, except in the case of certain exempt shareholders. Under the backup withholding provisions of Section 3406 of the Code, distributions of taxable net investment income and net capital gain and proceeds from the redemption or exchange of the shares of a RIC may be subject to withholding of federal income tax in the case of non-exempt shareholders who fail to furnish the investment company with their taxpayer identification numbers and with required certifications regarding their status under the federal income tax law, or if the Fund is notified by the IRS or a broker that withholding is required due to an incorrect TIN or a previous failure to report taxable interest or dividends. If the withholding provisions are applicable, any such distributions and proceeds, whether taken in cash or reinvested in additional shares, will be reduced by the amounts required to be withheld.

DESCRIPTION OF CAPITAL STRUCTURE AND SHARES

The Fund is an unincorporated statutory trust established under the laws of the State of Delaware upon the filing of a Certificate of Trust with the Secretary of State of Delaware on August 16, 2018. The Fund's Agreement and Declaration of Trust (the "Declaration of Trust") provides that the Board of Trustees may authorize separate classes of shares of beneficial interest (subject to the receipt of exemptive relief from the SEC, as described below). The Board of Trustees have authorized an unlimited number of shares. The Fund does not intend to hold annual meetings of its shareholders. The summary of the terms of the Declaration of Trust herein and elsewhere in the Prospectus and SAI is qualified entirely by the terms and conditions of the Declaration of Trust, which is incorporated by reference herein, is on file with the SEC and should be read carefully and retained for future reference.

The Declaration of Trust, which has been filed with the SEC, permits the Fund to issue an unlimited number of full and fractional shares of beneficial interest, no par value. The Fund offers three classes of shares: Class A, Class C, and Class I shares. Class C shares are not operational. Prior to June 3, 2024, the Fund's Class I shares were designated as "Class M" shares. The Fund has received exemptive relief from the SEC to issue multiple classes of shares and to impose asset-based distribution fees and early-withdrawal charges. An investment in any share class of the Fund represents an investment in the same assets of the Fund.

Holders of shares will be entitled to the payment of dividends when and if declared by the Board of Trustees. The Fund currently intends to make dividend distributions to its shareholders after payment of Fund operating expenses including interest on outstanding borrowings, if any, no less frequently than quarterly. Unless the registered owner of shares elects to receive cash, all dividends declared on shares will be automatically reinvested for shareholders in additional shares of the Fund. See "Dividend Reinvestment Policy." The 1940 Act may limit the payment of dividends to the holders of shares.

All shares of the Fund have the same rights and are identical in all material respects except that (i) each class of shares may be subject to different (or no) sales loads, (ii) each class of shares may bear different (or no) distribution and shareholder servicing fees; (iii) each class of shares may have different shareholder features, such as minimum investment amounts; (iv) certain other class-specific expenses will be borne solely by the class to which such expenses are attributable, including transfer agent fees attributable to a specific class of shares, printing and postage expenses related to preparing and distributing materials to current shareholders of a specific class, registration fees paid by a specific class of shares, the expenses of administrative personnel and services required to support the shareholders of a specific class, litigation or other legal expenses relating to a class of shares, Trustees' fees or expenses paid as a result of issues relating to a specific class of shares and accounting fees and expenses relating to a specific class of shares; and (v) each class has exclusive voting rights with respect to matters relating to its own distribution arrangements. Each share of the Fund is entitled to one vote on all matters as to which shares are entitled to vote. Fractional shares have proportionately the same rights, including voting rights, as are provided for a full share. In addition, each share of the Fund is entitled to participate, on a class-specific basis, equally with other shares (i) in dividends and distributions declared by the Fund and (ii) on liquidation to its proportionate share of the assets remaining after satisfaction of outstanding liabilities. Shares of the Fund are fully paid and non-assessable when issued and have no pre-emptive, conversion or exchange rights.

Upon liquidation of the Fund, after paying or adequately providing for the payment of all liabilities of the Fund, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining assets of the Fund among its shareholders. The Declaration of Trust provides that the Fund's shareholders are not liable for any liabilities of the Fund. Although shareholders of an unincorporated statutory trust established under Delaware law, in certain limited circumstances, may be held personally liable for the obligations of the Fund as though they were general partners, the provisions of the Declaration of Trust described in the foregoing sentence make the likelihood of such personal liability remote.

The Fund generally will not issue share certificates. However, upon written request to the Fund's transfer agent, a share certificate may be issued at the Fund's discretion for any or all of the full shares credited to an investor's account. Share certificates that have been issued to an investor may be returned at any time. The Fund's transfer agent will maintain an account for each shareholder upon which the registration of shares are recorded, and transfers, permitted only in rare circumstances, such as death or bona fide gift, will be reflected by bookkeeping entry, without physical delivery. The Transfer Agent will require that a

shareholder provide requests in writing, accompanied by a valid signature guarantee form, when changing certain information in an account such as wiring instructions or telephone privileges.

The following table shows the amounts of shares of the Fund that have been authorized and are outstanding as of April 1, 2026:

Title of Class	Amount Authorized	Amount Held by Fund or for its Account	Amount Outstanding Excluding Amount Shown Under (3)
Class A Shares	Unlimited	None	23,292
Class C Shares	Unlimited	None	
Class I Shares	Unlimited	None	4,616,714

ANTI-TAKEOVER PROVISIONS IN THE DECLARATION OF TRUST

The Declaration of Trust includes provisions that could have the effect of limiting the ability of other entities or persons to acquire control of the Fund or to change the composition of the Board of Trustees, and could have the effect of depriving the Fund's shareholders of an opportunity to sell their shares at a premium over prevailing market prices, if any, by discouraging a third party from seeking to obtain control of the Fund. These provisions may have the effect of discouraging attempts to acquire control of the Fund, which attempts could have the effect of increasing the expenses of the Fund and interfering with the normal operation of the Fund. The Trustees are elected for indefinite terms and do not stand for reelection. A Trustee may be removed from office without cause only by a written instrument signed or adopted by a majority of the remaining Trustees or by a vote of the holders of at least two-thirds of the shares of the Fund that are entitled to elect a Trustee and that are entitled to vote on the matter. The Declaration of Trust does not contain any other specific inhibiting provisions that would operate only with respect to an extraordinary transaction such as a merger, reorganization, tender offer, sale or transfer of substantially all of the Fund's asset, or liquidation. Reference should be made to the Declaration of Trust, which will be filed with the SEC by amendment, for the full text of these provisions.

PLAN OF DISTRIBUTION

Foreside Funds Services, LLC (the "Distributor"), located at 3 Canal Plaza, Suite 100, Portland, ME 04101, serves as the Fund's principal underwriter, within the meaning of the 1940 Act, and distributes the Fund's shares on a reasonable efforts basis, subject to various conditions. The Fund's shares are offered at NAV plus the applicable sales load. The Distributor also may enter into selected dealer agreements with other broker-dealers and distribution of the Fund's shares. No arrangement has been made to place funds received in an escrow, trust or similar account. The Distributor has no obligation to sell any specific number or dollar amount of the Fund's shares. Shares of the Fund will not be listed on any national securities exchange and the Distributor will not act as a market maker in Fund shares. The Distributor will have no role in determining the investment policies or which securities are purchased or sold by the Trust. The Distributor does not receive compensation from the Fund for its distribution services. The Adviser pays the Distributor a fee for certain distribution-related services.

The Adviser or its affiliates, in the Adviser's discretion and from their own resources (which may include the Adviser's legitimate profits from the advisory fee it receives from the Fund), may pay additional compensation to brokers or dealers in connection with the sale and distribution of Fund shares (the "Additional Compensation"). In return for the Additional Compensation, the Fund may receive certain marketing advantages including access to a broker's or dealer's registered representatives, placement on a list of investment options offered by a broker or dealer, or the ability to assist in training and educating

the broker's or dealer's registered representatives. The Additional Compensation may differ among brokers or dealers in amount or in the manner of calculation: payments of Additional Compensation may be fixed dollar amounts, or based on the aggregate value of outstanding shares held by shareholders introduced by the broker or dealer, or determined in some other manner. The receipt of Additional Compensation by a selling broker or dealer may create potential conflicts of interest between an investor and its broker or dealer who is recommending the Fund over other potential investments.

Purchasing Shares

Investors may purchase shares directly from the Fund in accordance with the instructions below. Investors will be assessed fees for returned checks and stop payment orders at prevailing rates charged by the Transfer Agent. The returned check and stop payment fee is currently $25.00. Investors may buy and sell shares of the Fund through financial intermediaries and their agents that have made arrangements with the Fund and are authorized to buy and sell shares of the Fund (collectively, "Financial Intermediaries"). Orders will be priced at the appropriate price next computed after it is received by a Financial Intermediary. A Financial Intermediary may hold shares in an omnibus account in the Financial Intermediary's name or the Financial Intermediary may maintain individual ownership records. The Fund may pay the Financial Intermediary for maintaining individual ownership records as well as providing other shareholder services. Financial intermediaries may charge fees for the services they provide in connection with processing your transaction order or maintaining an investor's account with them. Investors should check with their Financial Intermediary to determine if it is subject to these arrangements. Financial Intermediaries are responsible for placing orders correctly and promptly with the Fund, forwarding payment promptly. The Fund will be deemed to have received a purchase order when a Financial Intermediary receives the order. Orders transmitted with a Financial Intermediary before the close of regular trading (generally 4:00 p.m., Eastern Time) on a day that the NYSE is open for business on the days the Fund calculates NAV, will be priced based on the Fund's NAV next computed after it is received by the Financial Intermediary.

By Mail

To make an initial purchase by mail, complete an account application and mail the application, together with a check made payable to Ellington Income Opportunities Fund to:

Regular Mail –

Ellington Income Opportunities Fund
c/o U.S. Bank Global Fund Services, LLC (or GFS)
PO Box 701
Milwaukee, WI 53201-0701

Overnight Mail –

Ellington Income Opportunities Fund
c/o U.S. Bank Global Fund Services, LLC (or GFS)
615 E Michigan St, 3rd Floor
Milwaukee, WI 53202-5207

All checks must be in US Dollars drawn on a domestic bank. The Fund will not accept payment in cash or money orders. The Fund also does not accept cashier's checks in amounts of less than $10,000. To prevent check fraud, the Fund will neither accept third party checks, Treasury checks, credit card checks,

traveler's checks or starter checks for the purchase of shares, nor post-dated checks, post-dated on-line bill pay checks, or any conditional purchase order or payment.

The transfer agent will charge a $25.00 fee against an investor's account, in addition to any loss sustained by the Fund, for any payment that is returned. It is the policy of the Fund not to accept applications under certain circumstances or in amounts considered disadvantageous to shareholders. The Fund reserves the right to reject any application.

By Wire — Initial Investment

To make an initial investment in the Fund, the transfer agent must receive a completed account application before an investor wires funds. Investors may mail or overnight deliver an account application to the transfer agent. Upon receipt of the completed account application, the transfer agent will establish an account. The account number assigned will be required as part of the instruction that should be provided to an investor's bank to send the wire. An investor's bank must include both the name of the Fund, the account number, and the investor's name so that monies can be correctly applied. If you wish to wire money to make an investment in the Fund, please call the Fund at 1-855-862-6092 for wiring instructions and to notify the Fund that a wire transfer is coming. Any commercial bank can transfer same-day funds via wire. The Fund will normally accept wired funds for investment on the day received if they are received by the Fund's designated bank before the close of regular trading on the NYSE. Your bank may charge you a fee for wiring same-day funds.

Before sending a wire, investors must contact the Transfer Agent at 1-855-862-6092 to advise them of the intent to wire funds. This will ensure prompt and accurate credit upon receipt of the wire. Wired funds must be received prior to 4:00 p.m. Eastern time to be eligible for same day pricing. The Fund, and its agents, including the transfer agent and custodian, are not responsible for the consequences of delays resulting from the banking or Federal Reserve wire system, or from incomplete wiring instructions.

Automatic Investment Program — Subsequent Investments

You may participate in the Fund's automatic investment program, an investment plan that automatically moves money from your bank account and invests it in the Fund through electronic fund transfers or automatic bank drafts. You may elect to make subsequent investments on specified days of each month into your established Fund account. Please contact the Fund at 1-855-862-6092 for more information about the Fund's automatic investment program.

By Telephone

Investors may purchase additional shares of the Fund by calling 1-855-862-6092. If an investor elected this option on the account application, and the account has been open for at least 15 days, telephone orders will be accepted via electronic funds transfer from your bank account through the Automated Clearing House (ACH) network. Banking information must be established on the account prior to making a purchase. Orders for shares received prior to 4 p.m. Eastern time will be purchased at the appropriate price calculated on that day.

Telephone trades must be received by or prior to market close. During periods of high market activity, shareholders may encounter higher than usual call waits. Please allow sufficient time to place your telephone transaction.

In compliance with the USA Patriot Act of 2001, the Fund, or its designee, will verify certain information on each account application as part of the Fund's Anti-Money Laundering Program. As requested on the

application, investors must supply full name, date of birth, social security number and permanent street address. Mailing addresses containing only a P.O. Box will not be accepted. Investors may call the Transfer Agent at 1-855-862-6092 for additional assistance when completing an application.

If the Fund, or its designee does not have a reasonable belief of the identity of a customer, the account will be rejected or the customer will not be allowed to perform a transaction on the account until such information is received. The Fund also may reserve the right to close the account within 5 business days if clarifying information/documentation is not received.

Share Class Considerations

When selecting a share class, you should consider the following:

- which share classes are available to you;
- how much you intend to invest;
- how long you expect to own the shares; and
- total costs and expenses associated with a particular share class.

Each investor's financial considerations are different. You should speak with your financial advisor to help you decide which share class is best for you. Not all financial intermediaries offer all classes of shares. If your financial intermediary offers more than one class of shares, you should carefully consider which class of shares to purchase.

Shareholder Service Expenses

The Fund has adopted a "Shareholder Services Plan" with respect to its Class A and Class C shares under which the Fund may compensate financial industry professionals for providing ongoing services in respect of clients with whom they have distributed shares of the Fund. Such services may include electronic processing of client orders, electronic fund transfers between clients and the Fund, account reconciliations with the Fund's transfer agent, facilitation of electronic delivery to clients of Fund documentation, monitoring client accounts for back-up withholding and any other special tax reporting obligations, maintenance of books and records with respect to the foregoing, and such other information and liaison services as the Fund or the Adviser may reasonably request. Under the Shareholder Services Plan, the Fund, with respect to its Class A and Class C shares, may incur expenses on an annual basis equal to 0.25% of its average net assets attributable to Class A and Class C shares.

Class A Shares

Class A shares are sold at the prevailing net asset value per Class A share plus the applicable sales load (which may be reduced as described below). Class A shares are not subject to early withdrawal charge; however, the following are additional features that should be taken into account when purchasing Class A shares:

- a minimum initial investment of $2,500 and a minimum subsequent investment of $100; and
- a monthly shareholder servicing fee at an annual rate of 0.25% of the average daily net assets of the Fund attributable to Class A shares.

Investors in Class A shares will pay a sales load based on the amount of their investment, but may range from 0.00% to 5.75%, as set forth in the table below. A payment to the selling broker-dealer (*i.e.*, a dealer reallowance) will be made by the Distributor from the sales load paid by each investor. There are no sales loads on reinvested distributions. The Fund reserves the right to waive sales loads. The following sales loads apply to your purchases of Class A shares of the Fund:

Amount Invested	Sales Load as a % of Offering Price	Sales Load as a % of Amount Invested	Dealer Reallowance
Under $25,000	5.75%	6.10%	5.00%
$25,000 to $49,999	5.00%	5.26%	4.25%
$50,000 to $99,999	4.75%	4.99%	4.00%
$100,000 to $249,999	3.75%	3.83%	3.25%
$250,000 to $499,999	2.50%	2.56%	2.00%
$500,000 to $999,999	2.00%	2.04%	1.75%
$1,000,000 and above	1.00%	1.01%	1.00%

You will be able to buy Class A shares without either a broker commission or dealer manager fee (*i.e.*, "load-waived") when you are:

- reinvesting dividends or distributions;
- participating in an investment advisory or agency commission program under which you pay a fee to an investment adviser or other firm for portfolio management or brokerage services;
- a current or former director or Trustee of the Fund;
- an employee (including the employee's spouse, domestic partner, children, grandchildren, parents, grandparents, siblings, and any dependent of the employee, as defined in section 152 of the Internal Revenue Code) of the Adviser, Sub-Adviser or their affiliates or of a broker-dealer authorized to sell shares of the Fund;
- purchasing shares through the Adviser;
- purchasing shares through a special arrangement to accept payment in kind; or
- purchasing shares through a financial services firm (such as a broker-dealer, investment adviser or financial institution) that has a special arrangement with the Fund.

It is the investor's responsibility to determine whether a reduced sales load would apply. The Fund is not responsible for making such determination. To receive a reduced sales load, notification must be provided at the time of the purchase order. If you purchase Class A shares directly from the Fund, you must notify the Fund in writing. Otherwise, notice should be provided to the Financial Intermediary through whom the purchase is made so they can notify the Fund.

Right of Accumulation

For the purposes of determining the applicable reduced sales load, the right of accumulation allows you to include prior purchases of Class A shares of the Fund as part of your current investment as well as reinvested distributions. To qualify for this option, you must be either:

- an individual;
- an individual and spouse purchasing shares for your own account or trust or custodial accounts for your minor children; or
- a fiduciary purchasing for any one trust, estate or fiduciary account, including employee benefit plans created under Sections 401, 403 or 457 of the Internal Revenue Code, including related plans of the same employer.

If you plan to rely on this right of accumulation, you must notify the Fund, or its designee, at the time of your purchase. You will need to give the Fund, or its designee, your account numbers. Existing holdings of family members or other related accounts of a shareholder may be combined for purposes of determining eligibility. If applicable, you will need to provide the account numbers of your spouse and your minor children as well as the ages of your minor children.

Letter of Intent

A letter of intent allows you to count all investments within a 13-month period in Class A shares of the Fund as if you were making them all at once for the purposes of calculating the applicable reduced sales loads. The minimum initial investment under a letter of intent is 5% of the total letter of intent amount. The letter of intent does not preclude the Fund from discontinuing sales of its shares. You may include a purchase not originally made pursuant to a letter of intent under a letter of intent entered into within 90 days of the original purchase. To determine the applicable sales charge reduction, you also may include (1) the cost of Class A shares of the Fund which were previously purchased at a price including a sales load during the 90-day period prior to the Fund, or its designee, receiving the letter of intent, and (2) the historical cost of shares of other funds you currently own acquired in exchange for Class A shares the Fund purchased during that period at a price including sales load. You may combine purchases and exchanges by family members (limited to spouse and children, under the age of 21, living in the same household). You should retain any records necessary to substantiate historical costs because the Fund, the transfer agent and any financial intermediaries may not maintain this information. Shares acquired through reinvestment of distributions are not aggregated to achieve the stated investment goal.

Class C Shares

Class C shares will be sold at the prevailing NAV per Class C share and are not subject to any upfront sales load. Class C shares are subject to distribution fee of 0.75% and shareholder servicing expenses of 0.25%, but are not subject to early withdrawal charges. Because the Class C shares of the Fund are sold at the prevailing NAV per Class C share without an upfront sales load, the entire amount of your purchase is invested immediately.

However, Class C shares require a minimum initial investment of $2,500 and subsequent investments must be at least $100. These minimums may be reduced in the discretion of the Fund or the Adviser based on consideration of various factors including the investor's or the financial advisor's overall relationship with the Adviser, the investor's holdings in other funds affiliated with the Adviser, and such other matters as the Adviser may consider relevant at the time.

Class I Shares

Class I shares are sold at the prevailing NAV per Class I share and are not subject to any upfront sales load. Class I shares are not subject to distribution or shareholder servicing fees or early withdrawal charges. Class I shares may only be available through certain financial intermediaries. Because the Class I shares of the Fund are sold at the prevailing NAV per Class I share without an upfront sales load, the entire amount of your purchase is invested immediately. However, Class I shares require a minimum initial investment of $2,500 and subsequent investments must be at least $1,000. These minimums may be reduced by the Fund in the sole discretion of the Adviser based on consideration of various factors including the investor's or the financial advisor's overall relationship with the Adviser, the investor's holdings in other funds affiliated with the Adviser, and such other matters as the Adviser may consider relevant at the time.

Share Class Conversions

Upon request, the Fund may, in its discretion, permit a current Fund shareholder to convert shares held by them to another class of Fund shares in a non-taxable transaction; provided that such shareholder meets the requirements of the new share class.

LEGAL MATTERS

Certain legal matters regarding the validity of the shares offered hereby have been passed upon by Thompson Hine LLP, 41 South High Street, Suite 1700, Columbus, OH 43215.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

RSM US LLP is the independent registered public accounting firm for the Fund and audits the Fund's financial statements. RSM US LLP is located at 555 17th Street, Suite 1200, Denver, Colorado 80202.

ADDITIONAL INFORMATION

Reports to Shareholders

The Fund sends to its shareholders unaudited semi-annual and audited annual reports, including a list of investments held.

Householding

In an effort to decrease costs, the Fund intends to reduce the number of duplicate annual and semi-annual reports by sending only one copy of each to those addresses shared by two or more accounts and to shareholders reasonably believed to be from the same family or household. Once implemented, a shareholder must call 1-855-862-6092 to discontinue householding and request individual copies of these documents. Individual copies will be sent beginning thirty days after the Fund receives your request to stop householding. This policy does not apply to account statements.

Liability of Shareholders

Shareholders in the Fund will be shareholders of a Delaware statutory trust as provided under Delaware law. Under Delaware law and the Agreement and Declaration of Trust, an Investor will not be liable for the debts, obligations or liabilities of the Fund solely by reason of being a shareholder, except that the Investor may be obligated to repay any funds wrongfully distributed to the shareholder.

Duty of Care of the Board and the Adviser

The Agreement and Declaration of Trust provides that none of the Trustees, officers or the Adviser (including certain of the Adviser's affiliates, among others) shall be liable to the Fund or any of the shareholders for any loss or damage occasioned by any act or omission in the performance of their respective services as such in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of their duties. The Agreement and Declaration of Trust also contains provisions for the indemnification, to the extent permitted by law, of the Trustees and officers by the Fund, but not by the shareholders individually, against any liability and expense to which any of them may be liable which arises in connection with the performance of their activities on behalf of the Fund. None of these persons will be personally liable to any shareholder for contributions by such shareholder to the capital of the Fund or by reason of any change in the U.S. federal or state income tax laws applicable to the Fund or its shareholders. The rights of indemnification and exculpation provided under the Agreement and Declaration of Trust do not provide for indemnification of a Trustee for any liability, including liability under U.S. federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith, to the extent, but only to the extent, that such indemnification would be in violation of applicable law.

Amendment of the Agreement and Declaration of Trust

The Agreement and Declaration of Trust may be amended with the approval of (i) the Board of Trustees, including a majority of the Independent Trustees, if required by the 1940 Act, or (ii) if required, the approval of the shareholders by such vote as is required by the 1940 Act.

Term, Dissolution and Liquidation

Unless dissolved as provided in the Agreement and Declaration of Trust, the Fund shall have perpetual existence. The Fund may be dissolved at any time by vote of a majority of the shares of the Fund entitled to vote or by the Board of Trustees by written notice to the shareholders. Upon dissolution of the Fund, the Board of Trustees shall pay or make reasonable provision to pay all claims and obligations of the Fund, including all contingent, conditional or unmatured claims and obligations known to the Fund, and all claims and obligations which are known to the Fund but for which the identity of the claimant is unknown. If there are sufficient assets held, such claims and obligations shall be paid in full and any such provisions for payment shall be made in full. If there are insufficient assets held with respect to the Fund, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefor. Any remaining assets (including without limitation, cash, securities or any combination thereof) held with respect to the Fund shall be distributed to the Shareholders of, ratably according to the number of Shares held by the several shareholders on the record date for such dissolution distribution.

Other Information

The Prospectus and the SAI do not contain all of the information set forth in the Registration Statement that the Fund has filed with the SEC (file no.: 811-23389). The complete Registration Statement may be obtained from the SEC at www.sec.gov. See the cover page of this Prospectus for information about how to obtain a paper copy of the Registration Statement or SAI without charge.

PRIVACY NOTICE

Rev. March 2020

FACTSWHAT DOES ELLINGTON INCOME OPPORTUNITIES FUND ("EIOF") DO WITH YOUR PERSONAL INFORMATION?

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Purchase History
- Assets
- Account Balances
- Retirement Assets
- Account Transactions
- Transaction History
- Wire Transfer Instructions
- Checking Account Information

When you are *no longer* our customer, we continue to share your information as described in this notice.

How? All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	**Does EIOF share?**	**Can you limit this sharing?**
For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes — information about your creditworthiness	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions? Call 1-952-897-5390

Who we are

Who is providing this notice?	**Ellington Income Opportunities Fund**

What we do

How does EIOF protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.
How does EIOF collect my personal information?	We collect your personal information, for example, when you • Open an account • Provide account information • Give us your contact information • Make deposits or withdrawals from your account • Make a wire transfer • Tell us where to send the money • Tells us who receives the money • Show your government-issued ID • Show your driver's license We also collect your personal information from other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only • Sharing for affiliates' everyday business purposes — information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. • *EIOF does not share with our affiliates*.
Non-affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies • *EIOF does not share with non-affiliates so they can market to you*.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. • *EIOF doesn't jointly market*.

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PROSPECTUS

ELLINGTON INCOME OPPORTUNITIES FUND

Class A Shares (EIOAX), Class C Shares (EIOCX),
Class I Shares (EIOMX)
of Beneficial Interest

April 30, 2026

Investment Adviser
Princeton Fund Advisors, LLC

Investment Sub-Adviser
Ellington Global Asset Management, LLC

All dealers that buy, sell or trade the Fund's shares, whether or not participating in this offering, may be required to deliver a Prospectus when acting on behalf of the Fund's Distributor.

You should rely only on the information contained in or incorporated by reference into this Prospectus. The Fund has not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Fund is not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.