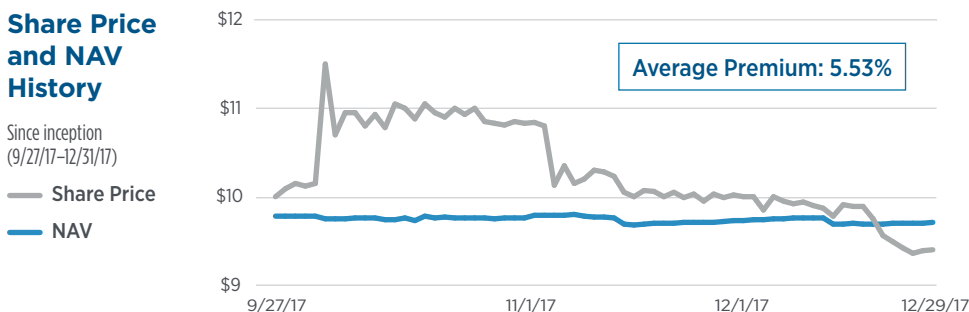
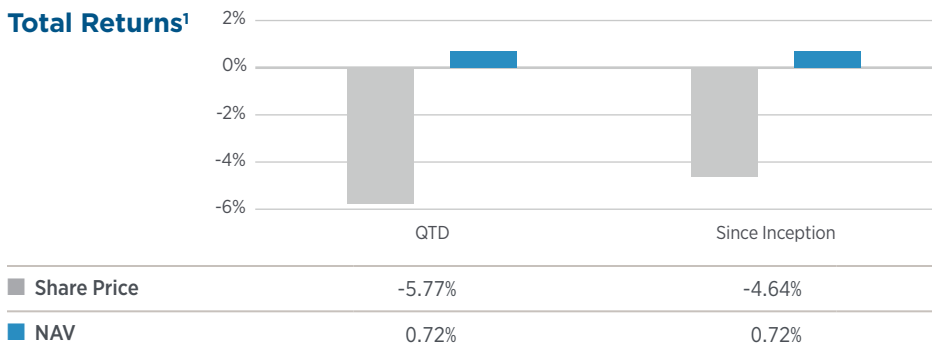


Objective and Investment Strategy

The Trust's investment objective is to seek attractive total return with an emphasis on income generation across multiple stages of the credit cycle. The Trust's investment portfolio is comprised largely of floating-rate credit instruments and other structured credit investments, which XA Investments LLC and Octagon Credit Investors, LLC, expect to perform well in a rising interest rate environment. The Trust's assets are managed opportunistically primarily within private below investment grade credit markets including:

- Senior secured floating-rate loans;
- Structured credit (CLO debt and CLO equity);
- Opportunistic credit (long/short credit investments and stressed credits).



Past performance is no guarantee of future results.

Source: CEF Advisors

All data is as of 12/31/2017 unless otherwise noted

- 1 Represents total return for the period. These returns are not annualized returns because the Trust is new and the Trust's performance history period is less than one year.
- 2 Regulatory Leverage consists of preferred shares or debt issued by the Trust. Both of these are part of a trust's capital structure. Regulatory Leverage is sometimes referred to as 40 Act Leverage and is subject to asset coverage limits set in the Investment Company Act of 1940. Leverage includes both Regulatory leverage and the leverage effects of certain derivative investments in the Trust's portfolio that increase the Trust's investment exposure.
- 3 Effective leverage measures the extent to which the return and risk of an investment in a trust's shares is magnified through the use of certain forms of leverage.
- 4 Distribution rates represent the latest declared regular distribution, annualized, relative to the market price and NAV as of quarter end.
- 5 The Trust expects that distributions paid will consist primarily of (i) investment company taxable income, which includes ordinary income and the excess, if any, of net short-term capital gain over net long-term capital loss, and (ii) net capital gain (which is the excess of net long-term capital gain over net short-term capital loss). To permit the Trust to maintain more stable monthly distributions, the Trust may distribute more or less than the amount of the net investment income earned in a particular period. There is no assurance the Trust will continue to pay regular monthly distributions or that it will do so at a particular rate. Distributions may be paid by the Trust from any permitted source and, from time to time, all or a portion of a distribution may be a return of capital.

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE



TRUST BASICS

CUSIP 98400T106

Price ticker symbol XFLT

NAV ticker symbol XFLTIX

Inception date September 27, 2017

CAPITAL STRUCTURE

Total managed assets

Approximately \$120 million

Common shares outstanding

8,347,991 shares

Average daily volume

29,609 shares

Total regulatory leverage percent² 32.4%

Effective leverage percent³ 32.4%

Average cost of leverage 2.58%

KEY INFORMATION REGARDING DISTRIBUTIONS^{4,5}

Current Distribution (Monthly) \$0.0690

Distribution Rate on NAV 8.53%

Distribution Rate on Market Price 8.81%

TOTAL DISTRIBUTIONS PAID PER SHARE

YTD \$0.138

Inception to Date \$0.138

Portfolio Management

Octagon Credit Investors, LLC, is a leading below-investment grade credit investor with \$17.9 billion of assets under management (as of 12/31/17). Octagon is the investment sub-adviser to the Trust and has a 23-year track record managing institutional client credit portfolios. The portfolio management team is cohesive, experienced and consists of 26 investment specialists who have worked together for a minimum of 14 years across multiple credit cycles. Over the past two decades, senior team members have been active participants in the CLO market and have built a substantial network enabling efficient industry navigation and an ability to properly evaluate and invest in CLOs. In this time Octagon has also developed a repeatable and scalable credit selection and investment process driven by an investment philosophy centered around relative value. It is this philosophy that informs the team's active management style and is the basis for Octagon's rigorous fundamental credit analysis, a strict awareness of target risk profiles and ongoing portfolio optimization.

All data is as of 12/31/2017 unless otherwise noted.

Risk Considerations Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Trust's investment objective will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. Senior Loans may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. Lower credit debt securities may be more likely to fail to make timely interest or principal payments. Leverage increases return volatility and magnifies the Trust's potential return and its risks; there is no guarantee a trust's leverage strategy will be successful. Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Past performance is no guarantee of future results. An investment in this fund presents a number of risks and is not suitable for all investors. Investors should carefully review and consider potential risks before investing. These and other risk considerations are described in more detail on the Trust's web page at www.xainvestments.com.



Asset Allocation

First Lien Loans	40.9%
CLO Equity	31.6%
CLO Debt	16.6%
Second Lien Loans	8.2%
High Yield	2.3%
Net Other Assets	0.4%

Total may not add up to 100% due to rounding. Holdings may vary and are subject to change without notice.

Trust Characteristics

Number of Holdings	143
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Top 5 Holdings

Holding	Percent of Portfolio
RR 1 LLC	3.30%
Madison Park Funding	3.30%
Ares	3.20%
OZLM, Ltd.	2.70%
Apidos	2.70%

Holdings may vary and are subject to change without notice.

Annual Expense Ratio

Annual Expenses	As a percentage of net assets attributable to common shares ¹	As a percentage of managed assets
Management fees	2.44%	1.70%
Interest on borrowed funds	1.18%	0.82%
Other expenses		
Investor support and secondary market support services fee	0.29%	0.20%
Other	1.12%	0.78%
Total annual expense	5.03%	3.50%
Fee waiver ²	-0.69%	-0.48%
Total annual expense after fee waiver	4.34%	3.01%

Expenses shown in the table are based on actual expenses of the Trust for the quarter ended December 31, 2017, annualized, and the Trust's average managed assets and average net assets for the quarter ended December 31, 2017. Common shareholders bear the expenses of the Trust, including the management fee, which is calculated on the basis of the Trust's Managed Assets, including proceeds from leverage, and the cost of leverage, as shown in the column "As a Percentage of Net Assets Attributable to Common Shares" above. As of December 31, 2017, the Trust had outstanding leverage equal to 32.42% of the Trust's Managed Assets. See the Trust's Annual Report for full information on expenses.

¹ Common shareholders will pay the expenses set forth in this column.

² Contractual waiver is in effect through September 27, 2019.