As filed with the Securities and Exchange Commission on September 10, 2024

Securities Act File No. 333-[●]
Investment Company Act File No. 811-21432

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-2

(check appropriate box or boxes)

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933	☒
Pre-Effective Amendment No.	☐
Post-Effective Amendment No.	☐
and/or	
REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940	☒
Amendment No. 23	☒

Reaves Utility Income Fund

(Exact name of registrant as specified in charter)

1700 Broadway, Suite 1850
Denver, Colorado 80290
(Address of principal executive offices)

(800) 644-5571
(Registrant's Telephone Number)

Chris Moore
Reaves Utility Income Fund
1700 Broadway, Suite 1850
Denver, Colorado 80290
(Names and addresses of agents for service)

Copies to:

Allison M. Fumai
Dechert LLP
1095 Avenue of the Americas
New York, NY 10036

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of the Registration Statement.

If appropriate, check the following box:

☐ The only securities being registered on the form are being offered pursuant to a dividend or interest reinvestment plan.

☒ Any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan.

☐ This form is a registration statement or a post-effective amendment thereto.

☒ This form is a registration statement or a post-effective amendment thereto that will become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act.

☐ This form is a post-effective amendment to a registration statement filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act.

It is proposed that this filing will become effective (check appropriate box)

☐ when declared effective pursuant to Section 8(c) of the Securities Act

If appropriate, check the following box:

☐ This [post-effective] amendment designates a new effective date for a previously filed [post-effective amendment] [registration statement].

☐ This form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act and the Securities Act registration statement number of the earlier effective registration statement for the same offering is _____.

☐ This form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, and the Securities Act registration statement number of the earlier effective registration statement for the same offering is _____.

Check each box that appropriately characterizes the Registrant:

☒ Registered Closed-End Fund (closed-end company that is registered under the Investment Company Act).

☐ Business Development Company (closed-end company that intends or has elected to be regulated as a business development company under the Investment Company Act).

☐ Interval Fund (Registered Closed-End Fund or a Business Development Company that makes periodic repurchase offers under Rule 23c-3 under the Investment Company Act).

☒ A.2 Qualified.

☒ Well-Known Seasoned Issuer (as defined by Rule 405 under the Securities Act).

☐ Emerging Growth Company (as defined by Rule 12b-2 under the Securities Exchange Act of 1934 ("Exchange Act").

☐ New Registrant (registered or regulated under the Investment Company Act for less than 12 calendar months preceding this filing).

September 10, 2024

Reaves Utility Income Fund

$900,000,000

Common Shares of Beneficial Interest

Subscription Rights for Common Shares of Beneficial Interest

Follow-on Offerings

The Reaves Utility Income Fund (the "Fund") is a diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). The Fund's investment objective is to provide a high level of after-tax income and total return consisting primarily of tax-advantaged dividend income and capital appreciation. The Fund pursues this objective by investing at least 80% of its total assets in the securities of domestic and foreign companies involved to a significant extent in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airports, toll roads and municipal services ("Utilities" or the "Utility Industry"). A company will be deemed to be involved in the Utility Industry to a significant extent if at least 50% of its assets, gross income or profits are committed to or derived from activities in the areas described above. As of August 28, 2024, the last reported sale price for the Fund's common shares was $30.05 per common share, and the last reported net asset value ("NAV") for the Fund's common shares was $29.64 per common share, representing a premium to NAV of 1.38%.

W.H. Reaves & Co., Inc. (the "Investment Adviser" or "Reaves") serves as the Fund's investment adviser. As of June 30, 2024, Reaves had approximately $3.247 billion of assets under management. The Investment Adviser's address is 10 Exchange Place, Jersey City, New Jersey 07302. The Fund's address is 1700 Broadway, Suite 1850, Denver, Colorado 80290, and its telephone number is 800-644-5571.

The Fund may offer, from time to time, up to $900,000,000 aggregate initial offering price of common shares of beneficial interest, no par value ("Common Shares"), subscription rights to purchase Common Shares ("Rights") and/or any follow-on offering ("Follow-on Offering" and together with the Common Shares and Rights, "Securities") in one or more offerings in amounts, at prices and on terms set forth in one or more supplements to this Prospectus (each a "Prospectus Supplement"). Follow-on Offerings may include offerings of Common Shares, offerings of Rights, and offerings made in transactions that are deemed to be "at the market" as defined in Rule 415 under the Securities Act, including sales made directly on the NYSE American LLC ("NYSE American") or sales made to or through a market maker other than on an exchange. You should read this Prospectus and any related Prospectus Supplement carefully before you decide to invest in the Securities.

The Fund may offer Securities (1) directly to one or more purchasers, (2) through agents that the Fund may designate from time to time or (3) to or through underwriters or dealers. The Prospectus Supplement relating to a particular offering of Securities will identify any agents or underwriters involved in the sale of Securities, and will set forth any applicable purchase price, fee, commission or discount arrangement between the Fund and agents or underwriters or among underwriters or the basis upon which such amount may be calculated. The Fund may not sell Securities through agents, underwriters or dealers without delivery of this Prospectus and a Prospectus Supplement. See "Plan of Distribution."

An investment in the Fund is not appropriate for all investors. No assurances can be given that the Fund will achieve its investment objective. Further, the Fund's ability to pursue its investment objective, the value of the Fund's investments and the Fund's NAV may be adversely affected by changes in tax rates and policies. Because the Fund's investment objective is to provide a high level of after-tax yield and total return consisting primarily of dividend and interest income and capital appreciation, the Fund's ability to invest, and the attractiveness of investing in, equity securities that pay qualified dividend income in relation to other investment alternatives will be affected by changes in federal income tax laws and regulations, including changes in the qualified dividend income provisions. Any proposed or actual changes in such rates, therefore, can significantly and adversely affect the after-tax returns of the Fund's investments in equity securities. Any such changes also could significantly and adversely affect the Fund's NAV, as well as the Fund's ability to acquire and dispose of equity securities at desirable returns and price levels and the Fund's ability to pursue its investment objective. The Fund cannot assure you as to the portion, if any, of the Fund's dividends that will be qualified dividend income.

Investing in the Fund's Common Shares involves certain risks. See "Risk Factors" beginning on page 27 of this Prospectus.

This Prospectus sets forth concisely the information about the Fund and the Securities that a prospective investor ought to know before investing in the Fund and participating in an offer. You should read this Prospectus, which contains important information about the Fund, before deciding whether to invest in the Fund's Common Shares and retain it for future reference. A Statement of Additional Information dated September 10, 2024 (the "SAI"), containing additional information about the Fund, has been filed with the Securities and Exchange Commission ("SEC") and is incorporated by reference in its entirety into this Prospectus, which means that it is part of this Prospectus for legal purposes. You may request a free copy of the SAI, the Fund's Annual and Semi-Annual Reports, request other information about the Fund and make shareholder inquiries by calling (800) 644-5571 (toll-free) or by writing to Paralel Technologies LLC, 1700 Broadway, Suite 1850, Denver, Colorado 80290, or obtain a copy of such documents (and other information regarding the Fund) by visiting the Fund's website (www.utilityincomefund.com) or the SEC's web site (http://www.sec.gov).

The amount of distributions that the Fund may pay is not guaranteed. The Fund may pay distributions in a significant part from sources that may not be available in the future and that are unrelated to the Fund's performance such as a return of capital.

This Prospectus is part of a registration statement on Form N-2 that the Fund filed with the SEC using a "shelf" registration process. Under this process, the Fund may offer, from time to time, up to $900,000,000 aggregate initial offering price of Securities in one or more offerings in amounts, at prices and on terms set forth in one or more Prospectus Supplements. The Prospectus Supplement may also add, update or change information contained in this Prospectus. You should carefully read this Prospectus and any accompanying Prospectus Supplement, together with the additional information described under the heading "Where You Can Find More Information."

You should rely only on the information contained or incorporated by reference in this Prospectus and any accompanying Prospectus Supplement. 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. You should assume that the information contained or the representations made herein are accurate only as of the date on the cover page of this Prospectus. The Fund's business, financial condition and prospects may have changed since that date. The Fund will amend this Prospectus and any accompanying Prospectus Supplement if, during the period that this Prospectus and any accompanying Prospectus Supplement is required to be delivered, there are any subsequent material changes.

WHERE YOU CAN FIND MORE INFORMATION

The Fund is subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act") and the Investment Company Act of 1940 ("1940 Act") and in accordance therewith files, or will file, reports and other information with the SEC. Reports, proxy statements and other information filed by the Fund with the SEC pursuant to the informational requirements of the Exchange Act and the 1940 Act can be inspected and copied at the public reference facilities maintained by the SEC, 100 F Street, N.E., Washington, D.C. 20549. The SEC maintains a web site at www.sec.gov containing reports, proxy and information statements and other information regarding registrants, including the Fund, that file electronically with the SEC

This Prospectus constitutes part of a Registration Statement filed by the Fund with the SEC under the Securities Act of 1933, as amended ("Securities Act") and the 1940 Act. This Prospectus omits certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and related exhibits for further information with respect to the Fund and the Common Shares offered hereby. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the SEC. Each such statement is qualified in its entirety by such reference. The complete Registration Statement may be obtained from the SEC upon payment of the fee prescribed by its rules and regulations or free of charge through the SEC's website (www.sec.gov).

The Fund will provide without charge to each person, including any beneficial owner, to whom this Prospectus is delivered, upon written or oral request, a copy of any and all of the information that has been incorporated by reference in this Prospectus or any accompanying Prospectus Supplement. You may request such information by calling toll-free 1-800-644-5571 or you may obtain a copy (and other information regarding the Fund) from the SEC's website (www.sec.gov). Free copies of the Fund's Prospectus, SAI and any incorporated information will also be available from the Fund's website at www.utilityincomefund.com. Information contained on the Fund's website is not incorporated by reference into this Prospectus or any Prospectus Supplement and should not be considered to be part of this Prospectus or any Prospectus Supplement.

INCORPORATION BY REFERENCE

This Prospectus is part of a registration statement that the Fund has filed with the SEC. The Fund is permitted to "incorporate by reference" the information that it files with the SEC, which means that the Fund can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this Prospectus, and later information that the Fund files with the SEC will automatically update and supersede this information.

The documents listed below, and any reports and other documents subsequently filed with the SEC pursuant to Rule 30(b)(2) under the 1940 Act and Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering, are incorporated by reference into this Prospectus and deemed to be part of this Prospectus from the date of the filing of such reports and documents:

- the Fund's Statement of Additional Information, dated September 10, 2024, filed with this Prospectus ("SAI");
- the Fund's Annual Report on Form N-CSR for the fiscal year ended October 31, 2023, filed with the SEC on January 5, 2024 ("Annual Report");
- the Fund's Semi-Annual Report on Form N-CSR for the period ended April 30, 2024, filed with the SEC on July 3, 2024;
- the Fund's definitive proxy statement on Schedule 14A for our 2024 annual meeting of shareholders, filed with the SEC on February 16, 2024 ("Proxy Statement"); and
- the Fund's description of common shares contained in our Registration Statement on Form 8-A (File No. 333-109089) filed with the SEC on February 20, 2004.

To obtain copies of these filings, see "Where You Can Find More Information."

The Fund's securities do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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You should rely only on the information contained or incorporated by reference in 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. You should not assume that the information provided by this Prospectus and any related Prospectus Supplement is accurate as of any date other than the date on the cover page of this Prospectus and any related Prospectus Supplement. The Fund's business, financial condition and prospects may have changed since that date.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Prospectus. This summary does not contain all of the information that you should consider before exercising your Rights and investing in the Fund. You should review the more detailed information contained in this Prospectus and in the Statement of Additional Information, especially the information set forth under the heading "Risk Factors."

The Fund	Reaves Utility Income Fund (the "Fund") is a diversified, closed-end management investment company. The Fund's outstanding common shares are listed on the NYSE American LLC (the "NYSE American") under the symbol "UTG". As of August 28, 2024, the net assets of the Fund were $2,566,611,240. As of August 28, 2024, the Fund had outstanding 86,607,381 common shares. The Fund has no other outstanding securities. See "The Fund." As of August 28, 2024, the last reported sale price for the Fund's common shares was $30.05 per common share, and the last reported net asset value ("NAV") for the Fund's common shares was $29.64 per common share, representing a premium to NAV of 1.38%. In connection with any offering of Rights, the Fund will provide information in the Prospectus Supplement of the expected trading market, if any, for Rights.
The Offering	The Fund may offer, from time to time, up to $900,000,000 aggregate initial offering price of common shares, no par value ("Common Shares"), subscription rights to purchase common shares ("Rights") and/or any follow-on offering ("Follow-on Offering" and together with the common shares and Rights, "Securities") in one or more offerings in amounts, at prices and on terms set forth in one or more supplements to this Prospectus (each a "Prospectus Supplement"). Follow-on Offerings may include offerings of common shares, offerings of Rights, and offerings made in transactions that are deemed to be "at the market" as defined in Rule 415 under the Securities Act of 1933, as amended (the "1933 Act"), including sales made directly on the NYSE American or sales made to or through a market maker other than on an exchange. You should read this Prospectus and any related Prospectus Supplement carefully before you decide to invest in the Securities. The Fund may offer Securities (1) directly to one or more purchasers, (2) through agents that the Fund may designate from time to time or (3) to or through underwriters or dealers. The Prospectus Supplement relating to a particular offering of Securities will identify any agents or underwriters involved in the sale of Securities, and will set forth any applicable purchase price, fee, commission or discount arrangement between the Fund and agents or underwriters or among underwriters or the basis upon which such amount may be calculated. The Fund may not sell Securities through agents, underwriters or dealers without delivery of this Prospectus and a Prospectus Supplement. See "Plan of Distribution."
Use of Proceeds	Unless otherwise specified in a Prospectus Supplement, W.H. Reaves & Co., Inc. (the "Investment Adviser" or "Reaves"), the Fund's investment adviser, anticipates that investment of the proceeds will be made in accordance with the Fund's investment objective and policies as appropriate investment opportunities are identified. It is currently anticipated that the Fund will be able to invest substantially all of the net proceeds of an offering of Securities in accordance with its investment objective and policies within three months after the completion of such offering. Pending such investment, the proceeds will be held in high quality short-term debt securities and instruments. A delay in the anticipated use of proceeds could lower returns and reduce the Fund's distribution to holders of common shares ("Common Shareholders").

Investment Objective and Policies

The Fund's investment objective is to provide a high level of after-tax income and total return consisting primarily of tax-advantaged dividend income and capital appreciation. The Fund pursues this objective by investing at least 80% of its total assets in the securities of domestic and foreign companies involved to a significant extent in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airports, toll roads and municipal services ("Utilities" or the "Utility Industry").

A company will be deemed to be involved in the Utility Industry to a significant extent if at least 50% of its assets, gross income or profits are committed to or derived from activities in the areas described above. The remaining 20% of the Fund's total assets may be invested in other securities including stocks, debt obligations and money market instruments, as well as certain derivative instruments (described below) and other investments.

As used in this Prospectus and the Statement of Additional Information, the terms "debt securities" and "debt obligations" refer to bonds, debentures and similar long and intermediate term debt investments and do not include short-term fixed income securities such as money market instruments in which the Fund may invest temporarily pending investment of the proceeds of an offering and during periods of abnormal market conditions. The Fund may invest in preferred stocks and bonds of below investment grade quality (i.e., "junk bonds").

Under normal market conditions, the Fund invests at least 80% of its total assets in dividend-paying common and preferred stocks of companies in the Utility Industry. In pursuing its objective, the Fund invests primarily in common and preferred stocks that pay dividends that qualify for federal income taxation at rates applicable to long-term capital gains ("tax-advantaged dividends").

The Fund may invest in the securities of both domestic and foreign issuers, including those located in emerging market countries (i.e., a country not included in the MSCI World Index, a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets).

As an alternative to holding foreign-traded securities, the Fund may invest in dollar-denominated securities of foreign companies that trade on U.S. exchanges or in the U.S. over-the-counter market (including depositary receipts, which evidence ownership in underlying foreign securities).

To date, the Fund's derivatives usage has been limited to equity options, including writing covered calls, the purchase of calls and the sale of puts. Options may be used as both hedges against the value of existing holdings or as speculative trades as part of the Fund's overall investment strategy.

In addition, the Fund may choose to use interest rate swaps (or options thereon) from time to time for hedging purposes. Although the Fund does not currently use interest rate swaps (or options thereon), the Fund may do so in the future, depending on the interest rate outlook of the Investment Adviser and other factors. Such usage would be limited to no more than 20% of the Fund's total assets. The Fund may choose to use other derivatives from time to time, as described in the Statement of Additional Information.

There is no assurance that the Fund will achieve its investment objective. Further, the Fund's ability to pursue its investment objective, the value of the Fund's investments and the Fund's NAV may be adversely affected by changes in tax rates and policies. Because the Fund's investment objective is to provide a high level of after-tax yield and total return consisting primarily of dividend and interest income and capital appreciation, the Fund's ability to invest, and the attractiveness of investing in, equity securities that pay qualified dividend income in relation to other investment alternatives will be affected by changes in federal income tax laws and regulations, including changes in the qualified dividend income provisions. Any proposed or actual changes in such rates, therefore, can significantly and adversely affect the after-tax returns of the Fund's investments in equity securities. Any such changes also could significantly and adversely affect the Fund's NAV, as well as the Fund's ability to acquire and dispose of equity securities at desirable returns and price levels and the Fund's ability to pursue its investment objective. The Fund cannot assure you as to the portion, if any, of the Fund's dividends that will be qualified dividend income.

Investment Adviser

W.H. Reaves & Co., Inc. serves as the Fund's investment adviser. Reaves is registered with the Securities and Exchange Commission ("SEC") as an investment adviser under the Investment Advisers Act of 1940, as amended. As of June 30, 2024, Reaves had approximately $3.247 billion of assets under management. Reaves' address is 10 Exchange Place, Jersey City, New Jersey 07302.

The Fund pays Reaves a management fee payable on a monthly basis at the annual rate of 0.575% of the Fund's average daily total assets on assets up to and including $2.5 billion and 0.525% of the Fund's average daily total assets on assets over $2.5 billion.

Administrator

Paralel Technologies LLC ("Paralel"), located at 1700 Broadway, Suite 1850, Denver, Colorado 80290, serves as administrator to the Fund. Under an administration and accounting agreement between Paralel and the Fund, Paralel is responsible for providing the Fund with fund accounting, tax, fund administration, and compliance services, providing the Fund with certain executive officers, and generally managing the business affairs of the Fund. The administration and accounting agreement provides that, from its fees earned, Paralel will pay all expenses incurred by the Fund, with the exception of advisory fees; taxes and governmental fees; expenses related to portfolio transactions and management of the portfolio; expenses associated with secondary offerings of shares; trustee fees and expenses; expenses associated with tender offers and other share repurchases; and other extraordinary expenses. Paralel is entitled to receive a monthly fee at the annual rate of 0.15% on the first $2 billion of the average daily total assets of the Fund and 0.10% on any amount in excess of $2 billion of the average daily total assets of the Fund.

Use of Leverage

The Fund currently uses leverage through borrowing. More specifically, the Fund has entered into a credit agreement (the "Credit Agreement") with State Street Bank and Trust Company (the "Bank"). As of April 30, 2024, the Fund had outstanding $545,000,000 in principal amount of borrowings from the Credit Agreement representing approximately 25.6% of the Fund's net assets and 20.3% of the Fund's total assets. The Bank has the ability to terminate the Credit Agreement upon 360-days' notice or following an event of default.

The Fund has no present intention of issuing preferred shares, although it has done so in the past and may choose to do so in the future.

The Fund also may borrow money as a temporary measure for extraordinary or emergency purposes.

Leverage creates risks for common shareholders, including the likelihood of greater volatility of NAV and market price of, and dividends paid on, the common shares. There is a risk that fluctuations in the dividend rates on any preferred shares issued by the Fund may adversely affect the return to the common shareholders. If the income from the securities purchased with such funds is not sufficient to cover the cost of leverage, the return on the Fund will be less than if leverage had not been used, and therefore the amount available for distribution to common shareholders as dividends and other distributions will be reduced.

Changes in the value of the Fund's portfolio (including investments bought with the proceeds of the leverage program) will be borne entirely by the common shareholders. If there is a net decrease (or increase) in the value of the Fund's investment portfolio, the leverage will decrease (or increase) the NAV per share to a greater extent than if the Fund were not leveraged.

The issuance of a class of preferred shares or incurrence of borrowings having priority over the common shares creates an opportunity for greater return per common share, but at the same time such leveraging is a speculative technique in that it will increase the Fund's exposure to capital risk. Unless the income and appreciation, if any, on assets acquired with leverage proceeds exceed the associated costs of the leverage program (and other Fund expenses), the use of leverage will diminish the investment performance of the common shares compared with what it would have been without leverage.

The fees received by Reaves and Paralel are based on the total assets of the Fund, including assets represented by leverage. During periods in which the Fund is using leverage, the fees paid to Reaves for investment advisory services (and separately, to Paralel for administrative services) will be higher than if the Fund did not use leverage because the fees paid will be calculated on the basis of the Fund's total assets, including proceeds from borrowings and the issuance of any preferred shares. Therefore, Reaves and Paralel may have a financial incentive to use leverage, which creates a conflict of interest between Reaves and Paralel and common shareholders. Reaves and Paralel will seek to manage this conflict of interest by utilizing leverage only when they determine such action is in the best interests of the Fund. The Board of Trustees of the Fund (the "Board") reviews the Fund's leverage on a periodic basis, and the Fund's use of leverage may be increased or decreased subject to the Board's oversight and applicable law.

Under the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the "1940 Act"), the Fund is not permitted to issue preferred shares unless immediately after such issuance the total asset value of the Fund's portfolio is at least 200% of the liquidation value of the outstanding preferred shares (i.e., such liquidation value may not exceed 50% of the Fund's total assets). In addition, the Fund is not permitted to declare any cash dividend or other distribution on its common shares unless, at the time of such declaration, the NAV of the Fund's portfolio (determined after deducting the amount of such dividend or other distribution) is at least 200% of such liquidation value.

To qualify for federal income taxation as a "regulated investment company," the Fund must satisfy certain requirements relating to sources of its income and diversification of its assets, and must distribute in each taxable year at least 90% of its net investment income (including net interest income and net short-term gain). The Fund also will be required to distribute annually substantially all of its income and capital gain, if any, to avoid imposition of a nondeductible 4% federal excise tax.

The Fund's willingness to issue new securities for investment purposes, and the amount the Fund will issue, depends on many factors, the most important of which are market conditions and interest rates.

There is no assurance that a leveraging strategy will be successful during any period in which it is employed.

The Fund may increase the amount of leverage following the completion of an offering, subject to applicable law.

Risk Factors

This is a summary of only certain of the risks associated with an offering of the Fund's common shares and with an investment in the Fund. See "Risk Factors" below.

Risk is inherent in all investing. Investing in any investment company security involves risk, including the risk that you may receive little or no return on your investment or even that you may lose part or all of your investment. Therefore, before investing you should consider carefully the following risks that you assume when you invest in the Fund's common shares:

Risks Associated with Offerings of Additional Common Shares. The voting power of current shareholders will be diluted to the extent that current shareholders do not purchase shares in any future offerings of shares or do not purchase sufficient shares to maintain their percentage interest. If the Fund is unable to invest the proceeds of such offering as intended, the Fund's per common share distribution may decrease and the Fund may not participate in market advances to the same extent as if such proceeds were fully invested as planned. If the Fund sells common shares at a price below NAV pursuant to the consent of shareholders, shareholders will experience a dilution of the aggregate NAV per common share because the sale price will be less than the Fund's then-current NAV per common share. Similarly, were the expenses of the offering to exceed the amount by which the sale price exceeded the Fund's then current NAV per common share, shareholders would experience a dilution of the aggregate NAV per common share. This dilution will be experienced by all shareholders, irrespective of whether they purchase common shares in any such offering. See "Description of the Common Shares–Common Shares."

Additional Risks of Rights. There are additional risks associated with an offering of Rights. Shareholders who do not exercise their Rights may, at the completion of such an offering, own a smaller proportional interest in the Fund than if they exercised their Rights. As a result of such an offering, a shareholder may experience dilution in NAV per share if the subscription price per share is below the NAV per share on the expiration date. If the subscription price per share is below the NAV per share of the Fund's common shares on the expiration date, a shareholder will experience an immediate dilution of the aggregate NAV of such shareholder's common shares if the shareholder does not participate in such an offering and the shareholder will experience a reduction in the NAV per share of such shareholder's common shares whether or not the shareholder participates in such an offering. Such a reduction in NAV per share may have the effect of reducing market price of the common shares. The Fund cannot state precisely the extent of this dilution (if any) if the shareholder does not exercise such shareholder's Rights because the Fund does not know what the NAV per share will be when the offer expires or what proportion of the Rights will be exercised. If the subscription price is substantially less than the then current NAV per common share at the expiration of a rights offering, such dilution could be substantial. Any such dilution or accretion will depend upon whether (i) such shareholders participate in the rights offering and (ii) the Fund's NAV per common share is above or below the subscription price on the expiration date of the rights offering. In addition to the economic dilution described above, if a Common Shareholder does not exercise all of their rights, the Common Shareholder will incur voting dilution as a result of this rights offering. This voting dilution will occur because the Common Shareholder will own a smaller proportionate interest in the Fund after the rights offering than prior to the rights offering. There is a risk that changes in market conditions may result in the underlying common shares purchasable upon exercise of the subscription rights being less attractive to investors at the conclusion of the subscription period. This may reduce or eliminate the value of the subscription rights. If investors exercise only a portion of the rights, the number of common shares issued may be reduced, and the common shares may trade at less favorable prices than larger offerings for similar securities. Subscription rights issued by the Fund may be transferable or non-transferable rights. In a non-transferable rights offering, Common Shareholders who do not wish to exercise their rights will be unable to sell their rights. In a transferrable rights offering, the Fund will use its best efforts to ensure an adequate trading market for the rights; however, investors may find that there is no market to sell rights they do not wish to exercise.

Investment and Market Risk. An investment in common shares is subject to investment risk, including the possible loss of the entire principal amount invested. An investment in common shares represents an indirect investment in the securities owned by the Fund, which are generally traded on a securities exchange or in the over-the-counter markets. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. The Fund anticipates using leverage, which will magnify the Fund's investment, market and certain other risks. The common shares at any point in time may be worth less than the original investment, even after taking into account any reinvestment of dividends and distributions.

Issuer Risk. The value of common and preferred stocks 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.

Income Risk. The income that common shareholders receive from the Fund is based primarily on the dividends and interest it earns from its investments, which can vary widely over the short and long-term. If prevailing market interest rates drop, distribution rates of the Fund's holdings and common shareholder's income from the Fund could drop as well. The Fund's income also would likely be affected adversely if prevailing short-term interest rates increase and the Fund is utilizing leverage.

Leverage Risk. Described in the "Use of Leverage" section above.

Tax Risk. The Fund's investment program and the tax treatment of Fund distributions may be affected by Internal Revenue Service ("IRS") interpretations of the Internal Revenue Code of 1986, as amended (the "Code"), future changes in tax laws and regulations. There can be no assurance that any portion of the Fund's income distributions will not be fully taxable as ordinary income. The Fund's ability to pursue its investment objective, the value of the Fund's investments and the Fund's NAV may be adversely affected by changes in tax rates and policies. Because the Fund's investment objective is to provide a high level of after-tax yield and total return consisting primarily of dividend and interest income and capital appreciation, the Fund's ability to invest, and the attractiveness of investing in, equity securities that pay qualified dividend income in relation to other investment alternatives will be affected by changes in federal income tax laws and regulations, including changes in the qualified dividend income provisions. Any proposed or actual changes in such rates, therefore, can significantly and adversely affect the after-tax returns of the Fund's investments in equity securities. Any such changes also could significantly and adversely affect the Fund's NAV, as well as the Fund's ability to acquire and dispose of equity securities at desirable returns and price levels and the Fund's ability to pursue its investment objective. The Fund cannot assure you as to the portion, if any, of the Fund's dividends that will be qualified dividend income. Further, in order to avoid corporate income tax at the level of the Fund, it must qualify each year as a regulated investment company under the Code.

Sector/Industry Risk. The "Utility Industry" generally includes companies involved in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airports, toll roads and municipal services. The Fund invests a significant portion of its total assets in securities of utility companies, which may include companies in the electric, gas, water, telecommunications sectors, as well as other companies engaged in other infrastructure operations. This may make the Fund more susceptible to adverse economic, political or regulatory occurrences affecting those sectors. As concentration of the Fund's investments in a sector increases, so does the potential for fluctuation in the NAV of common shares.

Risks that are intrinsic to utility companies include difficulty in obtaining an adequate return on invested capital, difficulty in financing large construction programs during an inflationary period, restrictions on operations and increased cost and delays attributable to environmental considerations and regulation, difficulty in raising capital in adequate amounts on reasonable terms in periods of high inflation and unsettled capital markets, technological innovations that may render existing plants, equipment or products obsolete, the potential impact of natural or man-made disasters, increased costs and reduced availability of certain types of fuel, occasional reduced availability and high costs of natural gas and other fuels, the effects of energy conservation, the effects of a national energy policy and lengthy delays and greatly increased costs and other problems associated with the design, construction, licensing, regulation and operation of nuclear facilities for electric generation, including, among other considerations, the problems associated with the use of radioactive materials, the disposal of radioactive wastes, shutdown of facilities or release of radiation resulting from catastrophic events, disallowance of costs by regulators which may reduce profitability, and changes in market structure that increase competition.

In many regions, including the United States, the Utility Industry is experiencing increasing competitive pressures, primarily in wholesale markets, as a result of consumer demand, technological advances, greater availability of natural gas with respect to electric utility companies and other factors. For example, the Federal Energy Regulatory Commission (the "FERC") has implemented regulatory changes to increase access to the nationwide transmission grid by utility and non-utility purchasers and sellers of electricity. A number of countries, including the United States, are considering or have implemented methods to introduce and promote retail competition. Changes in regulation may result in consolidation among domestic utilities and the disaggregation of many vertically integrated utilities into separate generation, transmission and distribution businesses. As a result, additional significant competitors could become active in certain parts of the Utility Industry.

Due to the high costs of developing, constructing, operating and distributing assets and facilities many utility companies are highly leveraged. As such, movements in the level of interest rates may affect the returns from these assets. See "Risk Factors —Sector/Industry Risk—Interest Rate Risk."

Concentration Risk. The Fund's investments will be concentrated in the Utility Industry. The focus of the Fund's portfolio on this sector may present more risks than if the Fund's portfolio were broadly spread over numerous sectors of the economy. A downturn in this sector (or any sub-sectors within it) would have a larger impact on the Fund than on an investment company that does not concentrate solely in this specific sector (or in specific sub-sectors). At times, the performance of companies in the Utility Industry (or a specific sub-sector) may lag the performance of other sectors or the broader market as a whole.

Common Stock Risk. The Fund will have substantial exposure to common stocks. Although common stocks have historically generated higher average returns than fixed-income securities over the long-term, common stocks also have experienced significantly more volatility in returns. An adverse event, such as an unfavorable earnings report, may depress the value of a particular common stock held by the Fund. Also, the price of common stocks are sensitive to general movements in the stock market and a drop in the stock market may depress the price of common stocks to which the Fund has exposure. Common stock prices fluctuate for many reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or when political or economic events affecting the issuer occur. Common stock is subordinated to preferred stock and debt in a company's capital structure with respect to priority in the right to a share of corporate income, and therefore will be subject to greater dividend risk than preferred stock or debt instruments. In addition, common stock prices may be sensitive to rising interest rates, as the costs of capital rise and borrowing costs increase.

Foreign Securities Risk. Investments in securities of non-U.S. issuers will be subject to risks not usually associated with owning securities of U.S. issuers. These risks can include fluctuations in foreign currencies, foreign currency exchange controls, social, political and economic instability, differences in securities regulation and trading, expropriation or nationalization of assets, and foreign taxation issues. In addition, changes in government administrations or economic or monetary policies in the United States or abroad could result in appreciation or depreciation of the Fund's securities. It may also be more difficult to obtain and enforce a judgment against a non-U.S. issuer. Foreign investments made by the Fund must be made in compliance with U.S. and foreign currency restrictions and tax laws restricting the amounts and types of foreign investments. The risks of foreign investing may be magnified for investments in issuers located in emerging market countries.

To the extent the Fund invests in depositary receipts, the Fund will be subject to many of the same risks as when investing directly in non-U.S. securities. The holder of an unsponsored depositary receipt may have limited voting rights and may not receive as much information about the issuer of the underlying securities as would the holder of a sponsored depositary receipt.

Foreign Currency Risk. Investments in securities that trade in and receive revenues in foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar. Currency rates in foreign countries may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by the Fund and denominated in those currencies. Some foreign governments levy withholding taxes against dividend and interest income. Although in some countries portions of these taxes are recoverable, any amounts not recovered will reduce the income received by the Fund, and may reduce distributions to common shareholders. These risks are generally heightened for investments in emerging market countries.

Small and Mid-Cap Stock Risk. The Fund may invest in companies of any market capitalization. The Fund considers small companies to be those with a market capitalization up to $2 billion and medium-sized companies to be those with a market capitalization between $2 billion and $10 billion. Smaller and medium-sized company stocks may be more volatile than, and perform differently from, larger company stocks. There may be less trading in the stock of a smaller or medium-sized company, which means that buy and sell transactions in that stock could have a larger impact on the stock's price than is the case with larger company stocks. Smaller and medium-sized companies may have fewer business lines; changes in any one line of business, therefore, may have a greater impact on a smaller or medium-sized company's stock price than is the case for a larger company. As a result, the purchase or sale of more than a limited number of shares of a small or medium-sized company may affect its market price. The Fund may need a considerable amount of time to purchase or sell its positions in these securities. In addition, smaller or medium-sized company stocks may not be well known to the investing public and may be held primarily by insiders or institutional investors.

Non-Investment Grade Securities Risk. Investments in securities of below investment grade quality, if any, are predominantly speculative because of the credit risk of their issuers. While offering a greater potential opportunity for capital appreciation and higher yields, preferred stocks and bonds of below investment grade quality (also known as "junk bonds") entail greater potential price volatility and may be less liquid than higher-rated securities. Issuers of below investment grade quality preferred stocks and bonds are more likely to default on their payments of dividends/interest and liquidation value/principal owed to the Fund, and such defaults will reduce the Fund's NAV and income distributions.

Interest Rate Risk. Interest rate risk is the risk that preferred stocks paying fixed dividend rates and fixed-rate debt securities will decline in value because of changes in market interest rates. When interest rates rise the market value of such securities generally will fall. An investment by the Fund in preferred stocks or fixed-rate debt securities means that the NAV and price of the common shares may decline if market interest rates rise. In typical interest rate environments, the prices of longer term debt securities generally fluctuate more than the prices of shorter-term debt securities as interest rates change. These risks may be greater in the current market environment because certain interest rates are near historically low levels. During periods of declining interest rates, an issuer of preferred stock or fixed-rate debt securities may exercise its option to redeem securities prior to maturity, forcing the Fund to reinvest in lower yielding securities. During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected payments. This may lock in a below market yield, increase the security's duration, and reduce the value of the security. The value of the Fund's common stock investments may also be influenced by changes in interest rates.

Credit Risk. Credit risk is the risk that an issuer of a preferred or debt security will become unable to meet its obligation to make dividend, interest and principal payments. In general, lower rated preferred or debt securities carry a greater degree of credit risk. If rating agencies lower their ratings of preferred or debt securities in the Fund's portfolio, the value of those obligations could decline. In addition, the underlying revenue source for a preferred or debt security may be insufficient to pay dividends, interest or principal in a timely manner.

Derivatives Risk. Although it may use other derivative instruments from time to time as described in the Statement of Additional Information, the Fund's derivatives usage to date has generally been limited to equity options, including writing covered calls, the purchase of calls and the sale of puts. A decision as to whether, when and how to use options involves the exercise or skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. The Fund may also, from time to time, choose to use interest rate swaps (or options thereon). Derivatives transactions of the types described above subject the Fund to increased risk of principal loss due to imperfect correlation or unexpected price or interest rate movements. The Fund's use of derivative instruments involves investments risks and transactions costs to which the Fund would not be subject absent the use of these instruments and, accordingly, may result in losses greater than if they had not been used. The Fund also will be subject to credit risk with respect to the counterparties to the over-the-counter derivatives contracts purchased by the Fund. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, the Fund may experience significant delays in obtaining any recovery under the derivative contract in a bankruptcy or other reorganization proceeding. The Fund may obtain only a limited recovery or may obtain no recovery in such circumstances. As a general matter, dividends received on hedged stock positions are characterized as ordinary income and are not eligible for favorable tax treatment. In addition, use of derivatives may give rise to short-term capital gains and other income that would not qualify for payments by the Fund of tax-advantaged dividends.

Preferred Stock Risk. The Fund may have exposure to preferred stocks. In addition to credit risk, investments in preferred stocks involve certain other risks. Certain preferred stocks contain provisions that allow an issuer under certain conditions to skip distributions (in the case of "noncumulative" preferred stocks) or defer distributions (in the case of "cumulative" preferred stocks). If the Fund owns a preferred stock that is deferring its distributions, the Fund may be required to report income for tax purposes while it is not receiving income on this position. Preferred stocks often contain provisions that allow for redemption in the event of certain tax or legal changes or at the issuers' call. In the event of redemption, the Fund may not be able to reinvest the proceeds at comparable rates of return. Preferred stocks typically do not provide any voting rights, except in cases when dividends are in arrears beyond a certain time period, which varies by issue. Preferred stocks are subordinated to bonds and other debt instruments in a company's capital structure in terms of priority to corporate income and liquidation payments, and therefore will be subject to greater credit risk than those debt instruments. Preferred stocks may be significantly less liquid than many other securities, such as U.S. government securities, corporate debt or common stock.

Debt Securities Risk. In addition to credit risk, investments in debt securities carry certain risks including: redemption risk (debt securities sometimes contain provisions that allow for redemption in the event of tax or security law changes in addition to call features at the option of the issuer. In the event of a redemption, the Fund may not be able to reinvest the proceeds at comparable rates of return); limited voting rights (debt securities typically do not provide any voting rights, except in cases when interest payments have not been made and the issuer is in default; and liquidity (certain debt securities may be substantially less liquid than many other securities, such as U.S. government securities or common stocks).

Inflation Risk. Inflation risk is the risk that the purchasing power of assets or income from investment will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the common shares and distributions thereon can decline.

Illiquid Securities Risk. The Fund may invest in securities for which there is no readily available trading market or which are otherwise illiquid. The Fund may not be able readily to dispose of such securities at prices that approximate those at which the Fund could sell such securities if they were more widely traded and, as a result of such illiquidity, the Fund may have to sell other investments or engage in borrowing transactions if necessary to raise cash to meet its obligations. In addition, the limited liquidity could affect the market price of the securities, thereby adversely affecting the Fund's NAV.

Market Price of Common Shares. The shares of closed-end management investment companies often trade at a discount from their NAV, and the Fund's common shares may likewise trade at a discount from NAV. The trading price of the Fund's common shares may be less than the public offering price. The returns earned by common shareholders who sell their common shares below NAV will be reduced. As of April 30, 2024, the Fund's common shares are trading at a premium to NAV.

Management Risk. The Fund is subject to management risk because it has an actively managed portfolio. Reaves and the individual portfolio managers apply investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these will produce the desired results.

Market Disruption and Geopolitical Risk. The value of your investment in the Fund is based on the values of the Fund's investments, which may change due to economic and other events that affect markets generally, as well as those that affect particular regions, countries, industries, companies or governments. These movements, sometimes called volatility, may be greater or less depending on the types of securities the Fund owns and the markets in which the securities trade. The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market. Securities in the Fund's portfolio may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, pandemics, epidemics, terrorism, regulatory events and governmental or quasi-governmental actions. The occurrence of global events similar to those in recent years, such as the escalated conflict in the Middle East and the ongoing Russia-Ukraine conflict, terrorist attacks around the world, natural disasters, social and political discord or debt crises and downgrades, among others, may result in market volatility and may have long term effects on both the U.S. and global financial markets. The occurrence of such events may be sudden and unexpected, and it is difficult to predict when similar events affecting the U.S. or global financial markets may occur, the effects that such events may have and the duration of those effects. Any such event(s) could have a significant adverse impact on the value, liquidity and risk profile of the Fund's portfolio, as well as its ability to sell securities to meet redemptions. There is a risk that you may lose money by investing in the Fund.

Social, political, economic and other conditions and events, such as natural disasters, health emergencies (e.g., epidemics and pandemics), terrorism, wars, conflicts and social unrest, may occur and could significantly impact issuers, industries, governments and other systems, including the financial markets. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat. These types of events quickly and significantly impact markets in the U.S. and across the globe leading to extreme market volatility and disruption. The extent and nature of the impact on supply chains or economies and markets from these events is unknown. These events could reduce consumer demand or economic output, result in market closures, travel restrictions or quarantines, and generally have a significant impact on the economies and financial markets and the Adviser's investment advisory activities and services of other service providers, which in turn could adversely affect the Fund's investments and other operations. The value of the Fund's investments may decrease as a result of such events, particularly if these events adversely impact the operations and effectiveness of the Adviser or key service providers or if these events disrupt systems and processes necessary or beneficial to the investment advisory or other activities on behalf the Fund.

Legislation, Policy and Regulatory Risk. At any time after the date of this Prospectus, legislation or additional regulations may be enacted that could negatively affect the assets of the Fund or the issuers of such assets. Recent changes in the U.S. political landscape and changing approaches to regulation may have a negative impact on the entities and/or securities in which the Fund invests. Legislation or regulation may also change the way in which the Fund itself is regulated. New or amended regulations may be imposed by the Commodity Futures Trading Commission ("CFTC"), the SEC, the Board of Governors of the Federal Reserve System (the "Federal Reserve") or other financial regulators, other governmental regulatory authorities or self-regulatory organizations that supervise the financial markets that could adversely affect the Fund. In particular, these agencies are empowered to promulgate a variety of new rules pursuant to financial reform legislation in the United States. There can be no assurance that future legislation, regulation or deregulation will not have a material adverse effect on the Fund or will not impair the ability of the Fund to achieve its investment objective. The Fund also may be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these governmental agencies.

Anti-Takeover Provisions

The Fund's Agreement and Declaration of Trust, dated September 15, 2003 (the "Declaration of Trust"), includes provisions that could have the effect of inhibiting the Fund's possible conversion to open-end status and limiting the ability of other entities or persons to acquire control of the Board. In certain circumstances, these provisions might also inhibit the ability of shareholders to sell their common shares at a premium over prevailing market prices. See "Description of Capital Structure — Anti-Takeover Provisions in the Declaration of Trust."

Distributions

The Fund intends to make a level dividend distribution each month to common shareholders after payment of interest on any outstanding borrowings. The level dividend rate is determined, and may be modified by the Board of Trustees, from time to time. Any net capital gains earned by the Fund are distributed at least annually. Distributions to shareholders are recorded by the Fund on the ex-dividend date. In August 2009, the SEC issued an order approving exemptive relief for the Fund, from Section 19(b) and Rule 19b-1 under the 1940 Act (the "Order"). The Order allows the Fund to employ a managed distribution plan (the "Managed Distribution Plan") rather than a level distribution plan. The Fund implemented the Managed Distribution Plan for the fiscal year ended October 31, 2011. The Board's most recent approval of the Plan was in September 2011. Common shareholders who elect not to participate in the Fund's dividend reinvestment plan will receive all distributions in cash paid by check mailed directly to the shareholder of record (or, if the common shares are held in street or other nominee name, then to such nominee). See "Distributions."

Dividend Reinvestment Plan

Common shareholders may elect automatically to reinvest some or all of their distributions in additional common shares under the Fund's dividend reinvestment plan. Whenever the Fund declares a dividend or other distribution payable in cash, participants in the dividend reinvestment plan will receive the equivalent in common shares. See "Dividend Reinvestment Plan."

Common Share Purchases and Tenders

From time to time, the Fund's Board may consider repurchasing common shares in the open market or in private transactions, or tendering for shares, in an attempt to reduce or eliminate a market value discount from NAV, if one should occur.

Custodian and Transfer Agent

State Street Bank and Trust Company ("State Street") serves as the Fund's custodian. SS&C Global Investor & Distribution Solutions, Inc. ("SS&C GIDS") serves as the Fund's transfer agent, dividend paying agent and registrar. See "Custodian, Transfer Agent, Dividend Paying Agent and Registrar."

SUMMARY OF FUND EXPENSES

The following table is intended to assist investors in understanding the fees and expenses (annualized) that an investor in common shares of the Fund would bear, directly or indirectly. The table is based on the capital structure of the Fund as of April 30, 2024.

The table assumes the use of leverage in the form of amounts borrowed by the Fund under a credit agreement in an amount equal to 20.3% of the Fund's total assets as of April 30, 2024 (including the amounts of any additional leverage obtained through the use of borrowed funds) and shows Fund expenses as a percentage as a percentage of net assets attributable to common shares. The following table should not be considered a representation of the Fund's future expenses. Actual expenses may be greater or less than those shown below. Interest payments on borrowings are included in the total annual expenses of the Fund.

Shareholder Transaction Expenses (as a percentage of offering price)	
Sales Load[1]	—
Offering Expenses Borne by Common Shareholders[1]	0.00%[6]
Dividend Reinvestment Plan Fees[2]	None

Annual Expenses	**Percentage of Net Assets Attributable to Common Shares[1]**
Investment Advisory Fees[3]	0.72%
Interest Payments on Borrowed Funds[4]	1.58%
Other Expenses[5]	0.23%
Total Annual Fund Operating Expenses	2.53%

(1) If common shares to which this Prospectus relates are sold to or through underwriters, the Prospectus Supplement will set forth any applicable sales load and the estimated offering expenses borne by the Fund.

(2) There will be no brokerage charges with respect to common shares of beneficial interest issued directly by the Fund under the dividend reinvestment plan. You will pay brokerage charges in connection with open market purchases or if you direct the plan agent to sell your common shares held in a dividend reinvestment account.

(3) The investment advisory fee is charged as a percentage of the Fund's average daily total assets.

(4) Assumes the use of leverage in the form of borrowing under the Credit Agreement representing 20.3% of the Fund's total assets as of April 30, 2024 (including any additional leverage obtained through the use of borrowed funds) at an average annual interest rate cost to the Fund of 5.99%.

(5) Other Expenses are estimated based on estimated amounts for the current fiscal year.

(6) Amount represents less than 0.00% of the offering price.

Example

The purpose of the following table is to help a holder of common shares understand the fees and expenses that such holder would bear directly or indirectly. The following example illustrates the expenses that you would pay on a $1,000 investment in common shares of the Fund assuming (1) that the Fund incurs total annual expenses of 2.53% of its net assets in years 1 through 10 (assuming borrowing equal to 20.3% of the Fund's total assets) and (2) a 5% annual return.

1 Year	**3 Years**	**5 Years**	**10 Years**
$26	$79	$134	$286

The example should not be considered a representation of future expenses or rate of return and includes the expenses of the offering. Actual expenses may be higher or lower than those shown. The example assumes that the estimated "Other Expenses" set forth in the Annual Expenses table are accurate and that all dividends and distributions are reinvested at NAV. Moreover, the Fund's actual rate of return may be greater or less than the hypothetical 5% annual return shown in the example.

FINANCIAL HIGHLIGHTS

The Fund's audited Financial Highlights for the fiscal years ended October 31, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 and the unaudited Financial Highlights for the six months ended April 30, 2024 are incorporated by reference from the Fund's Semi-Annual Report for the six months ended April 30, 2024 and in the future, will be incorporated by reference from the Fund's Form N-CSR filings.

INFORMATION REGARDING SENIOR SECURITIES

The following table sets forth certain unaudited information regarding the Fund's senior securities as of the end of each of the Fund's prior ten fiscal years. The Fund's senior securities during this time period are comprised of outstanding indebtedness, which constitutes a "senior security" as defined in the 1940 Act, and any then-outstanding auction market preferred shares.

Senior Securities Representing Indebtedness

Fiscal Year Ended	Principal Amount Outstanding[1]	Asset Coverage Per $1,000[2]
October 31, 2023	$520,000,000	$4,642
October 31, 2022	$500,000,000	$4,989
October 31, 2021	$450,000,000	$5,796
October 31, 2020	$345,000,000	$5,811
October 31, 2019	$445,000,000	$5,000
October 31, 2018	$445,000,000	$4,472
October 31, 2017	$320,000,000	$6,040
October 31, 2016	$320,000,000	$4,489
October 31, 2015	$320,000,000	$3,747
October 31, 2014	$290,000,000	$4,273

(1) Principal amount outstanding represents the principal amount owed by the Fund to lenders under credit facility arrangements in place at the time.

(2) Asset coverage per $1,000 of debt is calculated by subtracting the Fund's liabilities and indebtedness not represented by senior securities from the Fund's total assets, dividing the result by the aggregate amount of the Fund's senior securities representing indebtedness then outstanding, and multiplying the result by 1,000.

Senior Securities Representing Stock (Auction Market Preferred Shares)

Fiscal Year Ended	Total Amount Outstanding[1]	Asset Coverage Per Unit[2]	Involuntary Liquidating Preference Per Unit[3]	Average Market Value Per Unit
October 31, 2023	None	N/A	N/A	N/A
October 31, 2022	None	N/A	N/A	N/A
October 31, 2021	None	N/A	N/A	N/A
October 31, 2020	None	N/A	N/A	N/A
October 31, 2019	None	N/A	N/A	N/A
October 31, 2018	None	N/A	N/A	N/A
October 31, 2017	None	N/A	N/A	N/A
October 31, 2016	None	N/A	N/A	N/A
October 31, 2015	None	N/A	N/A	N/A
October 31, 2014	None	N/A	N/A	N/A

(1) Total amount outstanding represents the aggregate principal amount of auction market preferred shares then outstanding.

(2) "Asset coverage per unit" means the ratio that the value of the total assets of the Fund, less all liabilities and indebtedness not represented by the then-outstanding auction market preferred shares, bears to the aggregate of the involuntary liquidation preference of the then outstanding preferred shares, expressed as a dollar amount per preferred share.

(3) "Involuntary liquidating preference per unit" means the amount to which a then-current holder of auction market preferred shares would be entitled upon the involuntary liquidation of the Fund in preference to the holders of common shares, expressed as a dollar amount per preferred share.

THE OFFERING

The Fund may offer, from time to time, up to $900,000,000 aggregate initial offering price of common shares, Rights and/or any Follow-on Offering in one or more offerings in amounts, at prices and on terms set forth in one or more Prospectus Supplements. Follow-on Offerings may include offerings of common shares, offerings of Rights, and offerings made in transactions that are deemed to be "at the market" as defined in Rule 415 under the Securities Act, including sales made directly on the NYSE American or sales made to or through a market maker other than on an exchange. You should read this Prospectus and any related Prospectus Supplement carefully before you decide to invest in the Securities.

The Fund may offer Securities (1) directly to one or more purchasers, (2) through agents that the Fund may designate from time to time or (3) to or through underwriters or dealers. The Prospectus Supplement relating to a particular offering of Securities will identify any agents or underwriters involved in the sale of Securities, and will set forth any applicable purchase price, fee, commission or discount arrangement between the Fund and agents or underwriters or among underwriters or the basis upon which such amount may be calculated. The Fund may not sell Securities through agents, underwriters or dealers without delivery of this Prospectus and a Prospectus Supplement. See "Plan of Distribution."

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the Investment Adviser anticipates that the investment of the proceeds will be made in accordance with the Fund's investment objective and policies as appropriate investment opportunities are identified. It is currently anticipated that the Fund will be able to invest substantially all of the net proceeds of any offering of Securities in accordance with its investment objective and policies within three months after the completion of such offering, however specific information regarding the use of proceeds and timing of such investment will be set forth within any Prospectus Supplement setting forth the information regarding such offering.

Adverse market conditions could cause certain investments to be made after three months but no later than six months. Pending such investment, the proceeds will be held in high quality short-term debt securities and instruments. A delay in the anticipated use of proceeds could lower returns and reduce the Fund's distribution to Common Shareholders.

THE FUND

The Fund is a closed-end, diversified management investment company registered under the 1940 Act. The Fund was organized as a Delaware statutory trust on September 15, 2003 pursuant to the Declaration of Trust governed by the laws of the state of Delaware. The Fund's principal office is located at 1700 Broadway, Suite 1850, Denver, Colorado 80290 and its telephone number is (800) 644-5571 (toll-free).

INVESTMENT OBJECTIVE AND POLICIES

General

The Fund's investment objective is to provide a high level of after-tax income and total return consisting primarily of tax-advantaged dividend income and capital appreciation. The Fund pursues this objective by investing at least 80% of its total assets in the securities of domestic and foreign companies involved to a significant extent in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airport, toll roads and municipal services ("Utilities" or the "Utility Industry"). A company will be deemed to be involved in the Utility Industry to a significant extent if at least 50% of its assets, gross income or profits are committed to or derived from activities in the areas described above. The remaining 20% of the Fund's total assets may be invested in other securities including stocks, debt obligations, money market securities and money market instruments, as well as certain derivative instruments (as described in "Investment Techniques" below) and other investments. Moreover, should extraordinary conditions affecting the Utility Industry or securities markets as a whole warrant, the Fund may temporarily hold cash or be primarily invested in money market instruments. When the Fund is invested in these instruments for temporary or defensive purposes, it may not be pursuing its investment objective.

The Fund may invest in debt securities if deemed advisable by Reaves to increase income or total return or reduce risk. Reaves retains broad discretion to alter the allocation of the Fund's investments among common stocks, preferred stocks and debt securities in the manner it believes will best effectuate the Fund's investment objective.

The Fund seeks dividend income that qualifies for favorable federal income tax treatment. Under current federal income tax law, tax-advantaged dividends received by individual shareholders are taxed at rates equivalent to long-term capital gain tax rates, which reach a maximum of 20%. Tax-advantaged dividends generally include dividends from domestic corporations and dividends from foreign corporations that meet certain specified criteria. The Fund generally can pass the tax treatment of tax-advantaged dividends it receives through to its common shareholders. For the Fund to receive tax-advantaged dividend income, the Fund must hold stock paying an otherwise tax-advantaged dividend for more than 60 days during the 120-day period beginning 60 days before the ex-dividend date (or more than 90 days during the associated 180-day period, in the case of certain preferred stocks). In addition, the Fund cannot be obligated to make related payments (pursuant to a short sale or otherwise) with respect to substantially similar or related property. Similar provisions apply to each common shareholder's investment in the Fund. In order for otherwise tax-advantaged dividends from the Fund received by a common shareholder to be taxable at long-term capital gains rates, the common shareholder must hold his or her Fund shares for more than 60 days during the 120-day period surrounding the ex-dividend date.

In addition to investing in stocks that pay tax-advantaged dividends, the Fund may also invest a portion of its assets in stocks and other securities that generate fully taxable ordinary income. For any year, so long as the Fund's fully taxable ordinary income and net realized short-term gains are offset by expenses of the Fund, all of the Fund's income distributions would be characterized as tax-advantaged dividends. There can be no assurance as to what portion of the Fund's income distributions will be tax-advantaged.

The Fund may seek to enhance the level of tax-advantaged dividend income it receives by engaging in dividend capture trading. In a dividend capture trade, the Fund would sell a stock that it held past its ex-dividend date to purchase another stock paying a dividend before the next dividend of the stock being sold. By entering into such trades, the Fund could augment the amount of dividend income it receives over the course of a year. In order for dividends to qualify as tax-advantaged dividends, the Fund must comply with the holding period requirements described herein. The use of dividend capture strategies will expose the Fund to increased trading costs and potential for capital loss.

The investment policy of the Fund of investing at least 80% of the Fund's total assets in common and preferred stocks and debt instruments of companies involved to a significant extent in the Utility Industry may be changed by the Board without shareholder approval. Common shareholders will, however, receive at least 60 days prior notice of any change in this policy.

The Fund may invest in securities of issuers located in countries other than the United States and may invest in such foreign securities without limitation. Investing in securities of foreign issuers, which generally are denominated in foreign currencies, may involve certain risk and opportunity considerations not typically associated with investing in domestic companies and could cause the Fund to be affected favorably or unfavorably by changes in currency exchange rates and revaluations of currencies.

The Fund's investment objective may not be changed without shareholder approval. In addition, certain investment policies and restrictions of the Fund may not be changed without shareholder approval. See "Additional Investment Information and Restrictions" in the Statement of Additional Information.

Investment Strategy

The Fund invests primarily in dividend-paying common and preferred stocks that are producing what Reaves considers to be attractive current levels of tax-advantaged dividend income. Common stock investments are generally made if Reaves believes there is potential for growth of income and capital appreciation over time. Preferred stock investments take into consideration Reaves' assessment of the interest rate sensitivity of the investments. The Fund may invest in debt securities where Reaves determines that such investments are advisable to increase income or total return or to reduce risk.

Reaves' underlying investment belief is that stocks of companies with conservative capital structures, a solid balance sheet, a strong earnings outlook, secure and growing dividends and good relative market valuations will tend to outperform the market over the long term. A team of professionals at Reaves apply this investment approach in managing the Fund's investment portfolio and allocating its investments among common and preferred stocks and other types of securities. Different groups within the team with specialized expertise in the Utility Industry and other market sectors are assigned responsibility for day-to-day management of different portions of the portfolio.

In making investment decisions, the portfolio managers utilize the expertise of and information provided by Reaves' staff of research analysts. The analysts screen the equity universe and apply quantitative and qualitative analysis to identify mid-cap and large cap companies in the Utility Industry and other market sectors that meet Reaves' general investment standards, provide critical products and services and pay above average dividends. The analysts also look for and evaluate informally on a daily basis and more formally at weekly meetings a variety of factors, including a company's earnings and cash flow capabilities, dividend prospects and tax treatment of dividends, strength of business franchises and estimates of net value. In selecting investments from among companies recommended by the analysts, the portfolio managers also consider positive catalysts that may unlock market value, such as industry consolidation, management and regulatory change and other developments that may result in future broad market recognition. Many of the considerations entering into the analysts' recommendations and the portfolio managers' decisions are subjective.

The Fund's portfolio is actively managed and securities may be bought or sold on a daily basis. Investments are added to the portfolio if they satisfy value-based criteria or contribute to the portfolio's risk profile. Investments are removed from the portfolio if they exceed full value, add inefficient risk or the initial investment thesis fails. In general, stocks with lower than market volatility, correlation and similar characteristics are preferred in an equity investment process that focuses on bottom-up stock selection.

Securities of the Utility Industry

The Fund generally invests at least 80% of its total assets in the securities of domestic and foreign companies involved to a significant extent in providing products, services or equipment for (i) the generation or distribution of electricity, gas or water, (ii) telecommunications activities or (iii) infrastructure operations, such as airports, toll roads and municipal services. Utilities securities are currently the highest yielding equity sector and have experienced less volatile historic returns relative to the broader stock market. Because of their historically low correlation to the broader equity market, bond market and other types of investments, utilities securities can provide effective diversification to an overall investment portfolio.

Certain segments of the industry and individual companies within such segments may not perform as well as the industry as a whole. Many utility companies historically have been subject to risks of increases in fuel and other operating costs, high interest costs on borrowings needed for capital improvement programs and costs associated with compliance with and changes in environmental and other governmental regulations Rates of return on investment of certain utility companies are subject to approval by government regulators. There can be no assurance that changes in regulatory policies or accounting standards will not negatively affect utility companies' earnings or dividends. Costs incurred by utilities, such as fuel and purchased power costs, often are subject to immediate market action resulting from such things as political or military forces operating in geographic regions where oil production is concentrated or global or regional weather conditions, such as droughts, while the rates of return of utility companies generally are subject to review and limitation by state public utility commissions, which often results in a lag or an absence of correlation between costs and return. It is also possible that costs may not be offset by return. Certain utilities may have exposure to unregulated operations which may have a higher risk profile than traditional utility operations. These include the marketing and trading of commodities including electricity and gas, as well as the ownership and operation of unregulated, "merchant" generation. The marketing and trading of commodities involve a variety of risks, principally exposure to commodity prices and access to capital. During the 2008-2009 financial crisis a number of industry participants came under severe duress as they struggled to maintain access to capital markets. To the extent that such events were not temporary or continue (or even worsen), this may have an adverse impact on the availability of credit to industry participants. Merchant generation is a highly cyclical industry with a high degree of operating leverage — that is, a small change in the price of power can have a significant impact on profitability. Merchant generators, especially those generating electricity from nuclear reactors and coal plants, have recently been materially weakened by the decline in power prices which has been a direct result of the decline in natural gas prices caused by the development of significant new gas reserves in the United States and Canada. Additionally, the price of oil has recently declined significantly and experienced significant volatility. Further, many of the plants that utilize coal as a fuel could face increased expense complying with environmental regulations that they may or may not be able to recover in the market. There can be no assurance as to the duration of any perceived current dislocation.

Portfolio Investments

Common Stocks

Common stock represents an equity ownership interest in an issuer. The Fund has substantial exposure to common stocks. Although common stocks have historically generated higher average returns than fixed-income securities over the long term, common stocks also have experienced significantly more volatility in returns. An adverse event, such as an unfavorable earnings report, may depress the value of a particular common stock held by the Fund. Also, the price of common stocks are sensitive to general movements in the stock market and a drop in the stock market may depress the price of common stocks to which the Fund has exposure. Common stock prices fluctuate for many reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or the occurrence of political or economic events which affect the issuer. In addition, common stock prices may be sensitive to rising interest rates, as the costs of capital rise and borrowing costs increase.

Preferred Stocks

Preferred stock, like common stock, represents an equity ownership in an issuer. Generally, preferred stock has a priority of claim over common stock in dividend payments and upon liquidation of the issuer. Unlike common stock, preferred stock does not usually have voting rights. Preferred stock in some instances is convertible into common stock.

Although they are equity securities, preferred stocks have certain characteristics of both debt and common stock. They are debt-like in that their promised income is contractually fixed. They are common stock-like in that they do not have rights to precipitate bankruptcy proceedings or collection activities in the event of missed payments. Furthermore, they have many of the key characteristics of equity due to their subordinated position in an issuer's capital structure and because their quality and value are heavily dependent on the profitability of the issuer rather than on any legal claims to specific assets or cash flows.

In order to be payable, dividends on preferred stock must be declared by the issuer's board of directors or trustees. In addition, distributions on preferred stock may be subject to deferral and thus may not be automatically payable. Income payments on some preferred stocks are cumulative, causing dividends and distributions to accrue even if not declared by the board of directors or trustees or otherwise made payable. Other preferred stocks are non-cumulative, meaning that skipped dividends and distributions do not continue to accrue. There is no assurance that dividends on preferred stocks in which the Fund invests will be declared or otherwise made payable. The Fund may invest in non-cumulative preferred stock, although Reaves would consider, among other factors, their non-cumulative nature in making any decision to purchase or sell such securities.

Shares of preferred stock have a liquidation value that generally equals the original purchase price at the date of issuance. The market values of preferred stock may be affected by favorable and unfavorable changes impacting the issuers' industries or sectors. They may also be affected by actual and anticipated changes or ambiguities in the tax status of the security and by actual and anticipated changes or ambiguities in tax laws, such as changes in corporate and individual income tax rates and in the dividends received deduction or the characterization of dividends as tax-advantaged as described herein.

Because the claim on an issuer's earnings represented by preferred stock may become onerous when interest rates fall below the rate payable on the stock or for other reasons, the issuer may redeem preferred stock, generally after an initial period of call protection in which the stock is not redeemable. Thus, in declining interest rate environments in particular, the Fund's holdings of higher dividend-paying preferred stocks may be reduced and the Fund may be unable to acquire securities paying comparable rates with the redemption proceeds.

Corporate Bonds and Other Debt Securities

If deemed advisable by Reaves to increase income or total return or to reduce risk, the Fund may also invest in corporate bonds, debentures and other debt securities of companies in the Utility Industry or other industries and sectors. Debt securities in which the Fund may invest may pay fixed or variable rates of interest. Bonds and other debt securities generally are issued by corporations and other issuers to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and normally must repay the amount borrowed on or before maturity. Certain debt securities are "perpetual" in that they have no maturity date.

The Fund will not invest more than 15% of its total assets in securities rated below investment grade. The foregoing credit quality policies apply only at the time a security is purchased, and the Fund is not required to dispose of securities already owned by the Fund in the event of a change in assessment of credit quality or the removal of a rating.

The Fund may invest in corporate bonds including below investment grade quality (e.g., rated below BBB- by Standard & Poor's Rating Group, a division of The McGraw-Hill Companies, Inc. ("S&P"), below Baa3 by Moody's Investors Service, Inc. ("Moody's") or below BBB- by Fitch Ratings Inc. ("Fitch"), or unrated securities that Reaves considers to be their equivalent), commonly known as "junk bonds" ("Non-Investment Grade Bonds"). Investments in Non-Investment Grade Bonds generally provide greater income and increased opportunity for capital appreciation than investments in higher quality securities, but they also typically entail greater price volatility and principal and income risk, including the possibility of issuer default and bankruptcy. Non-Investment Grade Bonds are regarded as predominantly speculative with respect to the issuer's continuing ability to meet principal and interest payments. Debt securities in the lowest investment grade category also may be considered to possess some speculative characteristics by certain rating agencies. In addition, analysis of the creditworthiness of issuers of Non-Investment Grade Bonds may be more complex than for issuers of higher quality securities.

Non-Investment Grade Bonds may be more susceptible to real or perceived adverse economic and competitive industry conditions than investment grade securities. A projection of an economic downturn or of a period of rising interest rates, for example, could cause a decline in Non-Investment Grade Bond prices because the advent of recession could lessen the ability of an issuer to make principal and interest payments on its debt obligations. If an issuer of Non-Investment Grade Bonds defaults, in addition to risking payment of all or a portion of interest and principal, the Fund may incur additional expenses to seek recovery. In the case of Non-Investment Grade Bonds structured as zero-coupon, step-up or payment-in- kind securities, their market prices will normally be affected to a greater extent by interest rate changes, and therefore tend to be more volatile than securities which pay interest currently and in cash. Reaves seeks to reduce these risks through diversification, credit analysis and attention to current developments in both the economy and financial markets.

The secondary market on which Non-Investment Grade Bonds are traded may be less liquid than the market for investment grade securities. Less liquidity in the secondary trading market could adversely affect the NAV of the Shares. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the values and liquidity of Non-Investment Grade Bonds, especially in a thinly traded market. When secondary markets for Non-Investment Grade Bonds are less liquid than the market for investment grade securities, it may be more difficult to value the securities because such valuation may require more research, and elements of judgment may play a greater role in the valuation because there is no reliable, objective data available. During periods of thin trading in these markets, the spread between bid and asked prices is likely to increase significantly and the Fund may have greater difficulty selling these securities. The Fund will be more dependent on Reaves' research and analysis when investing in Non-Investment Grade Bonds. Reaves seeks to minimize the risks of investing in all securities through in-depth credit analysis and attention to current developments in interest rate and market conditions.

A general description of the ratings of securities by S&P, Fitch and Moody's is set forth in Appendix A to the Statement of Additional Information. Such ratings represent these rating organizations' opinions as to the quality of the securities they rate. It should be emphasized, however, that ratings are general and are not absolute standards of quality. Consequently, debt obligations with the same maturity, coupon and rating may have different yields while obligations with the same maturity and coupon may have the same yield. For these reasons, the use of credit ratings as the sole method of evaluating Non-Investment Grade Bonds can involve certain risks. For example, credit ratings evaluate the safety or principal and interest payments, not the market value risk of Non-Investment Grade Bonds. Also, credit rating agencies may fail to change credit ratings in a timely fashion to reflect events since the security was last rated. Reaves does not rely solely on credit ratings when selecting securities for the Fund, and develops its own independent analysis of issuer credit quality.

In the event that a rating agency or Reaves downgrades its assessment of the credit characteristics of a particular issue, the Fund is not required to dispose of such security. In determining whether to retain or sell a downgraded security, Reaves may consider such factors as Reaves' assessment of the credit quality of the issuer of such security, the price at which such security could be sold and the rating, if any, assigned to such security by other rating agencies. However, analysis of the creditworthiness of issuers of Non-Investment Grade Bonds may be more complex than for issuers of high quality debt securities.

Warrants

The Fund may invest in equity and index warrants of domestic and international issuers. Equity warrants are securities that give the holder the right, but not the obligation, to subscribe for equity issues of the issuing company or a related company at a fixed price either on a certain date or during a set period. Changes in the value of a warrant do not necessarily correspond to changes in the value of its underlying security. The price of a warrant may be more volatile than the price of its underlying security, and a warrant may offer greater potential for capital appreciation as well as capital loss.

Warrants do not entitle a holder to dividends or voting rights with respect to the underlying security and do not represent any rights in the assets of the issuing company. A warrant ceases to have value if it is not exercised prior to its expiration date. These factors can make warrants more speculative than other types of investments.

Convertible Securities and Bonds with Warrants Attached

The Fund may invest in preferred stocks and fixed-income obligations that are convertible into common stocks of domestic and foreign issuers, and bonds issued as a unit with warrants to purchase equity or fixed income securities. Convertible securities in which the Fund may invest, comprised of both convertible debt and convertible preferred stock, may be converted at either a stated price or at a stated rate into underlying shares of common stock. Because of this feature, convertible securities generally enable an investor to benefit from increases in the market price of the underlying common stock. Convertible securities often provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates in relation to changes in interest rates like bonds, and, in addition, fluctuates in relation to the underlying common stock.

Bonds with warrants attached to purchase equity securities have many characteristics of convertible bonds and their prices may, to some degree, reflect the performance of the underlying stock. Bonds may also be issued with warrants attached to purchase additional fixed income securities at the same coupon rate. A decline in interest rates would permit the Fund to buy additional bonds at a favorable rate or to sell the warrants at a profit. If interest rates rise, the warrants would generally expire with no value.

Master Limited Partnerships

The Fund may invest in Master Limited Partnerships ("MLPs"). An MLP is a publicly traded company typically organized as a limited partnership or limited liability company and treated as a partnership for federal income tax purposes. MLPs may derive income and gains from the exploration, development, mining or production, processing, refining, transportation, storage or the marketing of any mineral or natural resources. MLPs generally have two classes of owners, the general partner and limited partners. When investing in an MLP, the Fund generally purchases publicly traded common units issued to limited partners of the MLP. The general partner is typically owned by a major energy company, an investment fund, the direct management of the MLP or is an entity owned by one or more of such parties. The general partner may be structured as a private or publicly traded corporation or other entity. The general partner typically controls the operations and management of the MLP through an up to 2% equity interest in the MLP plus, in many cases, ownership of common units and subordinated units. Limited partners own the remainder of the partnership, through ownership of common units, and have a limited role in the partnership's operations and management. The limited partners also receive cash distributions.

Investment Techniques

The Fund may from time to time employ certain investment techniques, including those described below and under "Investment Techniques" in the Statement of Additional Information, in an effort to hedge against fluctuations in the price of portfolio securities, enhance total return or provide a substitute for the purchase or sale of securities. Some of these investment techniques (e.g., purchases of put and call options, options on stock indices and stock index futures and entry into certain credit derivative transactions and short sales, as each are described in the Statement of Additional Information) are intended to be hedges against or substitutes for investments in equity investments. Other investment techniques (e.g., the purchase of interest rate futures and entry into transactions involving interest rate swaps, options on interest rate swaps and certain credit derivatives, as described below or in the Statement of Additional Information) are intended to be hedges against or substitutes for investments in debt securities. In general, Reaves may choose to use these techniques related to investments in debt securities where Reaves determines that such techniques are advisable to increase income or total return or to reduce risk.

The Fund's ability to utilize any of the techniques described below may be limited by restrictions imposed on its operations in connection with obtaining and maintaining its qualification as a regulated investment company under the Code, compliance with the 1940 Act and applicable SEC staff guidance.

Reaves has claimed, with respect to the Fund, an exclusion from the definition of the term "commodity pool operator" ("CPO") pursuant to CFTC Regulation 4.5, as promulgated under the Commodity Exchange Act ("CEA"). Therefore, Reaves (with respect to the Fund) is not subject to registration or regulation as a CPO under the CEA. If Reaves becomes subject to these requirements with respect to the Fund, the Fund may incur additional compliance and other expenses.

Under CFTC Regulation 4.5, if an investment company such as the Fund uses swaps, commodity futures, commodity options or certain other derivatives used for purposes other than bona fide hedging purposes, it must meet one of the following tests: The aggregate initial margin and premiums required to establish an investment company's positions in such investments may not exceed five percent (5%) of the liquidation value of the investment company's portfolio (after accounting for unrealized profits and unrealized losses on any such investments). Alternatively, the aggregate net notional value of such instruments, determined at the time of the most recent position established, may not exceed one hundred percent (100%) of the liquidation value of the investment company's portfolio (after accounting for unrealized profits and unrealized losses on any such positions). In addition to meeting one of the foregoing trading limitations, Reaves may not market the investment company as a commodity pool or otherwise as a vehicle for trading in the commodity futures, commodity options or swaps and derivatives markets. In the event that Reaves is required to register as a CPO, the disclosure and operations of the Fund would need to comply with all applicable CFTC regulations. Compliance with these additional registration and regulatory requirements would increase operational expenses. Other potentially adverse regulatory initiatives could also develop.

Many of the instruments and techniques described below and in the Statement of Additional Information could constitute a form of potential leverage and as such are subject to the risks described below, under "Use of Leverage," and in the Statement of Additional Information.

Importantly, the Fund is permitted, but is not required, to utilize the instruments and techniques described below and in the Statement of Additional Information. Accordingly, at any given time, the Fund's portfolio might not be hedged against, or managed to mitigate, risk, and Reaves might choose not to seek to increase income through the use of these instruments or techniques. In addition, certain provisions of the Code, or other applicable laws, may limit the extent to which the Fund may enter into or otherwise utilize these instruments and techniques.

Interest Rate Swaps and Options Thereon ("Swaptions")

The Fund may enter into interest rate swap agreements and may purchase and sell put and call options on such swap agreements, commonly referred to as swaptions. The Fund will enter into such transactions for hedging some or all of its interest rate exposure in its holdings of preferred securities and debt securities. Interest rate swap agreements and swaptions are highly specialized investments, and swaptions and certain types of interest rate swap agreements are not traded on or regulated by any securities exchange.

An interest rate swap is an agreement between two parties where one party agrees to pay a contractually stated fixed income stream, usually denoted as a fixed percentage of an underlying "notional" amount, in exchange for receiving a variable income stream, usually based on the London Interbank Offered Rates, and denoted as a percentage of the underlying notional amount.

From the perspective of a fixed rate payer, if interest rates rise, the payer will expect a rising level of income since the payer is a receiver of floating rate income. This would cause the value of the swap contract to rise in value, from the payer's perspective, because the discounted present value of its obligatory payment stream is diminished at higher interest rates, all at the same time it is receiving higher income. Alternatively, if interest rates fall, the reverse occurs and it simultaneously faces the prospects of both a diminished floating rate income stream and a higher discounted present value of its fixed rate payment obligation. For purposes of completing the analysis, these value changes all work in reverse from the perspective of a fixed rate receiver.

A swaption is an agreement between two parties where one party purchases the right from the other party to enter into an interest rate swap at a specified date and for a specified fixed rate yield (or "exercise" yield). In a pay-fixed swaption, the holder of the swaption has the right to enter into an interest rate swap as a payer of fixed rate and receiver of variable rate, while the writer of the swaption has the obligation to enter into the other side of the interest rate swap. In a receive-fixed swaption, the holder of the swaption has the right to enter into an interest rate swap as a receiver of fixed rate and a payer of variable rate, while the writer of the swaption has the obligation to enter into the opposite side of the interest rate swap.

A pay-fixed swaption is analogous to a put option on Treasury securities in that it rises in value as interest rate swap yields rise. A receive-fixed swaption is analogous to a call option on Treasury securities in that it rises in value as interest rate swap yields decline. As with other options on securities, indices, or futures contracts, the price of any swaption will reflect both an intrinsic value component, which may be zero, and a time premium component. The intrinsic value component represents what the value of the swaption would be if it were immediately exercisable into the underlying interest rate swap. The intrinsic value component measures the degree to which an option is in-the-money, if at all. The time premium represents the difference between the actual price of the swaption and the intrinsic value.

It is customary market practice for swaptions to be "cash settled" rather than an actual position in an interest rate swap being established at the time of swaption expiration. For reasons set forth more fully below, Reaves expects to enter strictly into cash-settled swaptions, i.e., where the exercise value of the swaption is determined by reference to the market for interest rate swaps then prevailing.

Temporary Investments

During unusual market circumstances, the Fund may invest temporarily in cash, money market securities, money market mutual funds or cash equivalents, which may be inconsistent with the Fund's investment objective. Cash equivalents are highly liquid, short-term securities such as commercial paper, time deposits, certificates of deposit, short-term notes and short-term U.S. Government obligations.

Portfolio Turnover

Reaves may sell securities to realize capital losses that can be used to offset capital gains (but not tax-advantaged dividends or other ordinary income) or in connection with dividend recapture strategies. Use of these strategies will increase portfolio turnover. Although the Fund cannot accurately predict its portfolio turnover rate, it may exceed 100% from time to time (excluding turnover of securities having a maturity of one year or less). A high turnover rate (100% or more) necessarily involves greater expenses to the Fund and may result in realization of net short-term capital gains.

Illiquid Securities

The Fund may invest in securities for which there is no readily available trading market or are otherwise illiquid. Illiquid securities include securities legally restricted as to resale, such as commercial paper issued pursuant to Section 4(2) of the 1933 Act, and securities eligible for resale pursuant to Rule 144A thereunder. Section 4(2) and Rule 144A securities may, however, be treated as liquid by Reaves pursuant to procedures adopted by the Board, which require consideration of factors such as trading activity, availability of market quotations and number of dealers willing to purchase the security. If the Fund invests in Rule 144A securities, the level of portfolio illiquidity may be increased to the extent that eligible buyers become uninterested in purchasing such securities. The Fund may also, to a limited extent, invest in securities of U.S. and non-U.S. issuers that are issued through offerings made pursuant to Regulation S of the 1933 Act.

It may be difficult to sell such securities at a price representing their fair value until such time as such securities may be sold publicly. Where registration is required, a considerable period may elapse between a decision to sell the securities and the time when it would be permitted to sell. Thus, the Fund may not be able to obtain as favorable a price as that prevailing at the time of the decision to sell. The Fund may also acquire securities through private placements under which it may agree to contractual restrictions on the resale of such securities. Such restrictions might prevent their sale at a time when such sale would otherwise be desirable.

Reverse Repurchase Agreements

The Fund may enter into reverse repurchase agreements. Under a reverse repurchase agreement, the Fund temporarily transfers possession of a portfolio instrument to another party, such as a bank or broker-dealer, in return for cash. At the same time, the Fund agrees to repurchase the instrument at an agreed upon time (normally within seven days) and price, which reflects an interest payment. The Fund may enter into such agreements when it is able to invest the cash acquired at a rate higher than the cost of the agreement, which would increase earned income.

When the Fund enters into a reverse repurchase agreement, any fluctuations in the market value of either the securities transferred to another party or the securities in which the proceeds may be invested would affect the market value of the Fund's assets. As a result, such transactions may increase fluctuations in the market value of the Fund's assets. While there is a risk that large fluctuations in the market value of the Fund's assets could affect NAV, this risk is not significantly increased by entering into reverse repurchase agreements, in the opinion of Reaves. Because reverse repurchase agreements may be considered to be the practical equivalent of borrowing funds, they constitute a form of leverage. If the Fund reinvests the proceeds of a reverse repurchase agreement at a rate lower than the cost of the agreement, entering into the agreement will lower the Fund's yield.

Dividend Capture Trading

The Fund may seek to enhance the level of dividend income it receives by engaging in dividend capture trading. In a dividend capture trade, the Fund would sell a stock that it held past its ex-dividend date to purchase another stock paying a dividend before the next dividend of the stock being sold. By entering into such trades, the Fund could augment the amount of dividend income it receives over the course of a year. The use of dividend capture strategies will expose the Fund to increased trading costs and the potential for capital loss.

USE OF LEVERAGE

The Fund currently uses leverage primarily through borrowing. More specifically, the Fund has entered into the Credit Agreement, as described above and as described in more detail below. The Fund has no present intention of issuing preferred shares, although it has done so in the past and may choose to do so in the future. The Fund may add leverage to its portfolio from time to time by utilizing reverse repurchase agreements, dollar rolls or other forms of borrowings, such as bank loans or commercial paper. The Fund may also enter into other transactions that may give rise to a form of leverage including, among others, credit default or interest rate swap contracts, options contracts, futures and forward contracts and other derivative or potentially leveraged transactions described above, loans of portfolio securities, short sales and when-issued, delayed delivery and other forward commitment transactions.

The Fund generally does not use leverage if Reaves anticipates that it would result in a lower return to common shareholders for any significant amount of time. The Fund also may borrow money as a temporary measure for extraordinary or emergency purposes, including the payment of dividends and the settlement of securities transactions, which otherwise might require untimely dispositions of Fund securities.

Following completion of an offering, the Fund may increase the amount of its outstanding leverage. The Fund may do so by engaging in additional borrowings, including through the use of reverse repurchase agreements, in order to maintain the Fund's desired leverage ratio at that time, taking into account the additional assets raised through the issuance of common shares in an offering. The Fund may also add leverage through the use of credit default or interest rate swaps and other derivative transactions and/or the other techniques noted above. There is no assurance, however, that the Fund will determine to add leverage following an offering, as the Fund intends to utilize leverage opportunistically and may choose to increase or decrease its use of leverage over time and from time to time based on the Investment Adviser's assessment of market conditions and other factors. In addition, if the Fund determines to add leverage following an offering, it is not possible to predict with accuracy the precise amount of leverage that would be added, in part, because it is not possible to predict the number of common shares that ultimately will be subscribed for in an offering. Leverage creates risks for holders of the common shares, including the likelihood of greater volatility of NAV and market price of the common shares. There is a risk that fluctuations in the dividend rates on any preferred shares may adversely affect the return to the holders of the common shares. If the income from the securities purchased with such funds is not sufficient to cover the cost of leverage, the return on the Fund will be less than if leverage had not been used, and therefore the amount available for distribution to common shareholders as dividends and other distributions will be reduced. Reaves in its best judgment nevertheless may determine to maintain the Fund's leveraged position if it deems such action to be appropriate in the circumstances.

Changes in the value of the Fund's portfolio (including investments bought with the proceeds of the preferred shares offering or borrowing program) will be borne entirely by the common shareholders. If there is a net decrease (or increase) in the value of the Fund's investment portfolio, the leverage will decrease (or increase) the NAV per share to a greater extent than if the Fund were not leveraged.

The fees received by Reaves and Paralel are based on the total assets of the Fund, including assets represented by leverage. During periods in which the Fund is using leverage, the fees paid to Reaves for investment advisory services and to Paralel for administrative services will be higher than if the Fund did not use leverage because the fees paid will be calculated on the basis of the Fund's total assets, including proceeds from borrowings and the issuance of any preferred shares. Therefore, Reaves and Paralel may have a financial incentive to use leverage, which creates a conflict of interest between Reaves and Paralel and common shareholders. Reaves and Paralel will seek to manage this conflict of interest by utilizing leverage only when they determine such action is in the best interests of the Fund. The Board reviews the Fund's leverage on a periodic basis, and the Fund's use of leverage may be increased or decreased subject to the Board's oversight and applicable law. As discussed under "Description of Capital Structure — Preferred Shares," the Fund's issuance of any preferred shares may alter the voting power of common shareholders.

Capital raised through leverage will be subject to dividend or interest payments, which may exceed the income and appreciation on the assets purchased. The issuance of preferred shares or entering into a borrowing program involves expenses and other costs and may limit the Fund's freedom to pay dividends on common shares or to engage in other activities. The issuance of a class of preferred shares or incurrence of borrowings having priority over the Fund's common shares creates an opportunity for greater return per common share, but at the same time such leveraging is a speculative technique in that it will increase the Fund's exposure to capital risk. Unless the income and appreciation, if any, on assets acquired with leverage proceeds exceed the associated costs of such preferred shares or borrowings (and other Fund expenses), the use of leverage will diminish the investment performance of the Fund's common shares compared with what it would have been without leverage.

The Fund may be subject to certain restrictions on investments imposed by guidelines of one or more rating agencies that may issue ratings for any preferred shares issued by the Fund and by borrowing program covenants. These guidelines and covenants may impose asset coverage or Fund composition requirements that are more stringent than those imposed on the Fund by the 1940 Act. It is not anticipated that these covenants or guidelines will significantly impede Reaves from managing the Fund's portfolio in accordance with the Fund's investment objective and policies.

Under the 1940 Act, the Fund is not permitted to issue preferred shares unless immediately after such issuance the total asset value of the Fund's portfolio is at least 200% of the liquidation value of the outstanding preferred shares (*i.e.*, such liquidation value may not exceed 50% of the Fund's total assets). In addition, the Fund is not permitted to declare any cash dividend or other distribution on its common shares unless, at the time of such declaration, the NAV of the Fund's portfolio (determined after deducting the amount of such dividend or other distribution) is at least 200% of such liquidation value of the preferred stock. If preferred shares are issued, the Fund intends, to the extent possible, to purchase or redeem preferred shares, from time to time, to maintain coverage of any preferred shares of at least 200%. Common shareholders elect each of the Trustees of the Fund. However, if the Fund issues preferred shares, the holders of the preferred shares will elect two of the Trustees of the Fund. In the event the Fund failed to pay dividends on its preferred shares for two years, preferred shareholders would be entitled to elect a majority of the Trustees until the dividends are paid.

To qualify for federal income taxation as a "regulated investment company," the Fund must satisfy certain requirements relating to the sources of its income and diversification of its assets, and must distribute in each taxable year at least 90% of its investment company taxable income (including net interest income and net short-term gain). The Fund also will be required to distribute annually substantially all of its income and capital gain, if any, to avoid imposition of a nondeductible 4% federal excise tax.

The Fund's willingness to issue new securities for investment purposes, and the amount the Fund will issue, will depend on many factors, the most important of which are market conditions and interest rates. Successful use of a leveraging strategy may depend on Reaves' ability to predict correctly interest rates and market movements, and there is no assurance that a leveraging strategy will be successful during any period in which it is employed.

The Fund's use of leverage creates special risks not associated with unleveraged funds having similar investment objectives and policies. These include the possibility of higher volatility of the Fund's NAV and the asset coverage of the Fund's indebtedness. There is a risk that fluctuations in the dividend rates on any preferred shares issued by the Fund may adversely affect the return to the common shareholders. If the income and capital appreciation from the securities purchased with such funds is not sufficient to cover the cost of leverage, the return on the Fund will be less than if leverage had not been used, and therefore the amount available for distribution to common shareholders as dividends and other distributions will be reduced.

Changes in the value of the Fund's portfolio (including investments bought with the proceeds of the leverage program) will be borne entirely by the common shareholders. If there is a net decrease in the value of the Fund's investment portfolio, the use of leverage will likely cause a greater decrease in the NAV per common share and the market value per common share than if the Fund were not leveraged.

Use of Leverage through the Credit Agreement — The Fund has entered into a Credit Agreement with the Bank. Under the terms of the Credit Agreement, the Fund is allowed to borrow up to $650,000,000 (the "Commitment Amount"). Interest is charged at a rate of the one month SOFR ("Secured Overnight Financing Rate") plus 0.65%. Borrowings under the Credit Agreement are secured by all or a portion of assets of the Fund that are held by the Fund's custodian in a memo-pledged account (the "pledged collateral"). Under the terms of the Credit Agreement, a commitment fee applies when the amount outstanding is less than 80% of the Commitment Amount. This commitment fee is equal to 0.15% times the Commitment Amount less the amount outstanding under the Credit Agreement and is computed daily and payable quarterly in arrears. Borrowing commenced under the terms of the Credit Agreement on April 27, 2022.

For the period ended April 30, 2024, the average amount borrowed under the Credit Agreement was $537,307,692 at a weighted average rate of 5.99%. As of April 30, 2024, the amount of outstanding borrowings was $545,000,000, the interest rate was 5.97%, and the fair value of pledged collateral was $1,090,000,016.

Effects of Leverage — Fluctuations in interest rates on the Fund's indebtedness will affect the dividend to Common Shareholders. Holders of common shares receive all net income from the Fund remaining after payment of interest on the Fund's indebtedness and generally are entitled to a pro rata share of net realized capital gains, if any. Further, in the event the Fund were ever to be liquidated, the holder(s) of the Fund's indebtedness would be entitled to receive repayment of outstanding principal plus accumulated and unpaid interest thereon before any distribution is made to the Fund's common shareholders.

As of April 30, 2024, the total amount of leverage through the Credit Agreement constituted approximately 20.3% of the Fund's total assets. The use of leverage has generally provided holders of common shares with a higher dividend than such holders would have otherwise received. However, there can be no assurance that the Fund will be able to continue to realize such a higher net return on its investment portfolio. Changes in certain factors could cause the relationship between the interest paid on the Fund's indebtedness to increase relative to the dividend and interest rates on the portfolio securities in which the Fund may be invested. Under such conditions the benefit of leverage to Common Shareholders will be reduced and the Fund's use of leverage could result in a lower rate of return to Common Shareholders than if the Fund were not leveraged.

RISK FACTORS

The information contained under the heading "Summary of Updated Information Regarding the Fund—Risk Factors" in the Fund's Annual Report is incorporated herein by reference. Each of the risk factors contained thereunder is a principal risk of the Fund. Investors should consider the specific risk factors and special considerations associated with investing in the Fund. An investment in the Fund is subject to investment risk, including the possible loss of your entire investment. A Prospectus Supplement relating to an offering of the Fund's securities may identify additional risk associated with such offering.

MANAGEMENT OF THE FUND

Trustees And Officers

The Board is responsible for the overall management of the Fund, including supervision of the duties performed by Reaves. There are six trustees of the Fund, one of which is an "interested person" (as defined in the 1940 Act). The name and business address of the trustees and officers of the Fund and their principal occupations and other affiliations during the past five years are set forth under "Management of the Fund" in the Statement of Additional Information.

Investment Adviser

W.H. Reaves & Co., Inc., located at 10 Exchange Place, Jersey City, New Jersey 07302, serves as investment adviser to the Fund.

Reaves is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. Reaves is also a broker-dealer, registered with the SEC, and a member firm of the New York Stock Exchange and FINRA, Inc. Reaves began conducting business in 1961 and had approximately $3.247 billion under management as of June 30, 2024.

Since 1977, its principal advisory business has been providing investment management services to institutional investors such as corporations, corporate pension funds, employee savings plans, foundations, and endowments. In the course of its business as a registered broker-dealer, Reaves regularly effects transactions in equity securities for its investment advisory clients. While Reaves generally will not act as executing broker for the Fund, it may execute trades for the Fund's account from time to time.

Pursuant to the Investment Advisory and Management Agreement between Reaves and the Fund, Reaves has agreed to provide a continuous investment program for the Fund, including investment research and management with respect to the assets of the Fund. Reaves is entitled to receive management fees of 0.575% on the first $2.5 billion of the average daily total assets of the Fund and 0.525% on any amount in excess of $2.5 billion of the average daily total assets of the Fund.

A discussion of the basis for the Board's most recent renewal of the Investment Advisory Agreement is provided in the semi-annual report for the period year ended April 30, 2024.

The following individuals are the Fund's portfolio managers:

John P. Barlett

John P. Bartlett is a Vice President with Reaves, and was named as a portfolio manager for the Fund effective April 1, 2017. He joined Reaves in 1995 and serves as a portfolio manager and security analyst, specializing in electric and gas utilities. Mr. Bartlett received a B.A. from Connecticut College and is a CFA Charterholder.

Timothy O. Porter

Timothy O. Porter is a Vice President with Reaves, and was named as a co-portfolio manager for the Fund beginning November 1, 2018. He joined Reaves in 2004 and serves as a portfolio manager and security analyst, specializing in the energy sector. Mr. Porter received a B.S. from SUNY Geneseo and is a CFA Charterholder.

Jay Rhame

Jay Rhame joined Reaves Asset Management in 2005 and was named Chief Executive Officer in January 2019. Previously he served as a telecommunications, energy, and utility analyst. Mr. Rhame has been a co-portfolio manager of the Reaves Utility Income Fund since 2023 and the Virtus Reaves Utilities ETF since that Fund's inception in 2015. In June 2021, Mr. Rhame was appointed to serve as President of the Reaves Utility Income Fund. He is a member of the portfolio review and risk management committees. Mr. Rhame received a B.A. from St. Mary's College of Maryland and is a CFA Charterholder.

Administrator

Paralel, located at 1700 Broadway, Suite 1850, Denver, Colorado 80290, serves as administrator to the Fund. Under an administration and fund accounting agreement between Paralel and the Fund, Paralel is responsible for providing the Fund with fund accounting, tax, fund administration, and compliance services, providing the Fund with certain executive officers, and generally managing the business affairs of the Fund. The administration and fund accounting agreement provides that from its fees earned, Paralel will pay all expenses incurred by the Fund, with the exception of advisory fees; taxes and governmental fees; expenses related to portfolio transactions and management of the portfolio; expenses associated with secondary offerings of shares; trustee fees and expenses; expenses associated with tender offers and other share repurchases; and other extraordinary expenses. Paralel is entitled to receive a monthly fee at the annual rate of 0.15% on the first $2 billion of the average daily total assets of the Fund and 0.10% on any amount in excess of $2 billion of the average daily total assets of the Fund.

Fund Expenses

Reaves and Paralel are each obligated to pay expenses associated with providing the services contemplated by the agreements to which they are parties, including compensation of and office space for their respective officers and employees connected with investment and economic research, trading and investment management and administration of the Fund. Reaves and Paralel are each obligated to pay the fees of any Trustee of the Fund who is affiliated with it. Paralel will pay all expenses incurred by the Fund, with the exception of advisory fees; taxes and governmental fees; expenses related to portfolio transactions and management of the portfolio; expenses associated with secondary offerings of shares; trustee fees and expenses; expenses associated with tender offers and other share repurchases; and other extraordinary expenses.

The Advisory Agreement authorizes Reaves 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 of the 1940 Act.

The fees and expenses of an offering will be paid by the Fund.

NET ASSET VALUE

The NAV per common share of the Fund is determined no less frequently than daily, on each day that the NYSE American is open for trading, as of the close of regular trading on the NYSE American (normally 4:00 p.m. New York time). Paralel calculates the Fund's NAV by dividing the value of the Fund's total assets (the value of the securities the Fund holds plus cash or other assets, including interest accrued but not yet received), less the Fund's total liabilities (including dividends payable, any borrowings by the total number of common shares outstanding.

The Board has established the following procedures for valuation of the Fund's asset values under normal market conditions. For domestic equity securities, foreign equity securities and funds that are traded on an exchange, the market price is usually the closing sale or official closing price on that exchange. In the case of a domestic and foreign equity security not traded on an exchange, or if such closing prices are not otherwise available, the mean of the closing bid and ask price will be used. The fair value for debt obligations is generally the evaluated mean price supplied by the Fund's primary and/or secondary independent third-party pricing service, approved by the Board. An evaluated mean is considered to be a daily fair valuation price which may use a matrix, formula or other objective method that takes into consideration various factors, including, but not limited to: structured product markets, fixed income markets, interest rate movements, new issue information, trading, cash flows, yields, spreads, credit quality and other pertinent information as determined by the pricing services evaluators and methodologists. If the Fund's primary and/or secondary independent third-party pricing services are unable to supply a price, or if the price supplied is deemed to be unreliable, the market price may be determined using quotations received from one or more broker-dealers that make a market in the security. Investments in non-exchange traded funds are fair valued at their respective net asset values. Exchange-traded options are valued at the close price.

Pursuant to Rule 2a-5 under the 1940 Act, the Board has designated the Fund's investment adviser, Reaves, as the valuation designee with respect to the fair valuation of the Fund's portfolio securities, subject to oversight by and periodic reporting to the Board. Fair valued securities are those for which market quotations are not readily available, including circumstances under which the Adviser determines that prices received are not reflective of their market values. In fair valuing the Fund's investments, consideration is given to several factors, which may include, among others, the following: the fundamental business data relating to the issuer, borrower or counterparty; an evaluation of the forces which influence the market in which the investments are purchased and sold; the type, size and cost of the investment; the information as to any transactions in or offers for the investment; the price and extent of public trading in similar securities (or equity securities) of the issuer, or comparable companies; the coupon payments, yield data/cash flow data; the quality, value and saleability of collateral, if any, securing the investment; the business prospects of the issuer, borrower or counterparty, as applicable, including any ability to obtain money or resources from a parent or affiliate and an assessment of the issuer's, borrower's or counterparty's management; the prospects for the industry of the issuer, borrower or counterparty, as applicable, and multiples (of earnings and/or cash flow) being paid for similar businesses in that industry; one or more non-affiliated independent broker quotes for the sale price of the portfolio security; and other relevant factors.

DISTRIBUTIONS

The Board approved its Managed Distribution Plan in September 2011. The Managed Distribution Plan provides for the Fund to make a monthly distribution to holders of its common shares at a rate determined by the Board from time to time, subject to the right of the Board to suspend, modify, or terminate the Managed Distribution Plan without notice at any time. As of April 30, 2024, the distribution rate was $0.19 per common share.

Under the Managed Distribution Plan, the Fund will distribute all available investment income to shareholders, consistent with the Fund's primary investment objective. If and when sufficient investment income is not available on a monthly basis, the Fund will distribute long-term capital gains and/or return capital to its shareholders. Whenever any portion of any Fund distribution is derived from a source other than net investment income, Section 19(a) of the 1940 Act and Rule 19a-1 thereunder require the Fund to furnish shareholders with a written statement disclosing what portion of the payment per share is derived from net investment income, net short-term capital gains, net long-term capital gains and return of capital.

Section 19(b) of the 1940 Act and Rule 19b-1 thereunder generally make it unlawful for any registered investment company to make long-term capital gains distributions more than once each year. Rule 19b-1 limits the number of capital gains dividends, as defined in section 852(b)(3)(C) of the Code ("distributions"), that a fund may make with respect to any one taxable year to one, plus a supplemental "clean up" distribution made pursuant to section 855 of the Code not exceeding 10% of the total amount distributed for the year, plus one additional capital gain dividend made in whole or in part to avoid the excise tax under section 4982 of the Code.

Funds that have adopted a Managed Distribution Plan often seek exemptive relief from the SEC, permitting them to distribute long-term capital gains more than once a year. On July 14, 2011, the SEC granted the Fund's request for an order under Section 6(a) of the 1940 Act, exempting the Fund from Section 19(b) of the 1940 Act and Rule 19b-1 thereunder and permitting the Fund to make periodic distributions of long-term capital gains with respect to its outstanding common shares as frequently as twelve times each year, and as frequently as distributions are specified by or in accordance with the terms of any outstanding preferred shares of the Fund. Even though the Fund has received this exemptive relief from the SEC, a return of capital could occur if the Fund were to distribute more than the aggregate of its income and net realized capital gains.

A return of capital distribution does not necessarily reflect the Fund's investment performance and should not be confused with "yield" or "income". Rather, a return of capital distribution represents a reduction of a shareholder's principal investment in the Fund. To the extent that the Fund uses capital gains and/or returns of capital to supplement its investment income, shareholders should not draw any conclusions about the Fund's investment performance from the amount of the Fund's distributions or from the terms of the Managed Distribution Plan.

The characterization of the Fund's distributions in statements furnished pursuant to Section 19(a) of the 1940 Act and Rule 19a-1 thereunder based on U.S. generally accepted accounting principles and may differ from the treatment of those distributions for tax purposes. The determination of the character of all Fund distributions for tax purposes (specifying which portion is ordinary income, qualifying dividend income, short-or long-term capital gains, or return of capital) is made each year-end and is reported to shareholders subject to tax reporting on Form 1099-DIV. Return of capital is not taxable to shareholders in the year it is paid. Rather, shareholders are required to reduce the cost basis of their shares by the amount of the return of capital so that, when the shares are ultimately sold, they will have properly accounted for the return of capital. Such an adjustment may cause a shareholder's gain to be greater, or loss to be smaller, depending on the sales proceeds received.

The Board may amend, suspend or terminate the Managed Distribution Plan without prior notice to shareholders if it deems such action to be in the best interests of the Fund and its shareholders. For example, the Board might take such action if the Managed Distribution Plan had the effect of shrinking the Fund's assets to a level that was determined to be detrimental to Fund shareholders. The suspension or termination of the Managed Distribution Plan could have the effect of creating a trading discount (if the Fund's common shares are trading at or above NAV) or widening an existing trading discount.

Common shareholders may elect automatically to reinvest some or all of their distributions in additional common shares under the Fund's dividend reinvestment plan. See "Dividend Reinvestment Plan." While there are any borrowings or preferred shares outstanding, the Fund may not be permitted to declare any cash dividend or other distribution on its common shares in certain circumstances. See "Description of Capital Structure."

PLAN OF DISTRIBUTION

The Fund may sell up to $900,000,000 in aggregate initial offering price of common shares, Rights and any Follow-on Offering from time to time under this Prospectus and any related Prospectus Supplement (1) directly to one or more purchases, including existing shareholders in a rights offering; (2) through agents; (3) through underwriters; (4) through dealers; or (5) pursuant to the Plan. Each Prospectus Supplement relating to an offering of securities will state the terms of the offering, including:

- the names of any agents, underwriters or dealers;
- any sales loads or other items constituting underwriters' compensation;
- any discounts, commissions, or fees allowed or paid to dealers or agents;
- the public offering or purchase price of the offered Securities and the net proceeds the Fund will receive from the sale; and
- any securities exchange on which the offered Securities may be listed.

In the case of a rights offering, the applicable Prospectus Supplement will set forth the number of common shares issuable upon the exercise of each right and the other terms of such rights offering. The transferable subscription rights offered by means of this Prospectus and applicable Prospectus Supplement, including any related over-subscription privilege and any follow-on offering, if applicable, may be convertible or exchangeable into common shares at a ratio not to exceed one Common Share received for every three rights converted, exercised or exchanged on an aggregate basis such that the exercise of all rights in any transferable subscription rights offering will not cumulatively result in more than a 33 1/3 percentage increase in the outstanding common shares of the Fund.

Direct Sales

The Fund may sell Securities directly to, and solicit offers from, institutional investors or others who may be deemed to be underwriters as defined in the Securities Act for any resales of the securities. In this case, no underwriters or agents would be involved. The Fund may use electronic media, including the Internet, to sell offered securities directly. The Fund will describe the terms of any of those sales in a Prospectus Supplement.

By Agents

The Fund may offer Securities through agents that the Fund may designate. The Fund will name any agent involved in the offer and sale and describe any commissions payable by the Fund in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, the agents will be acting on a best efforts basis for the period of their appointment.

By Underwriters

The Fund may offer and sell Securities from time to time to one or more underwriters who would purchase the Securities as principal for resale to the public, either on a firm commitment or best efforts basis. If the Fund sells Securities to underwriters, the Fund will execute an underwriting agreement with them at the time of the sale and will name them in the Prospectus Supplement. In connection with these sales, the underwriters may be deemed to have received compensation from the Fund in the form of underwriting discounts and commissions. The underwriters also may receive commissions from purchasers of Securities for whom they may act as agent. Unless otherwise stated in the Prospectus Supplement, the underwriters will not be obligated to purchase the Securities unless the conditions set forth in the underwriting agreement are satisfied, and if the underwriters purchase any of the Securities, they will be required to purchase all of the offered Securities. The underwriters may sell the offered Securities to or through dealers, and those dealers may receive discounts, concessions or commissions from the underwriters as well as from the purchasers for whom they may act as agent. Any public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

In connection with an offering of common shares, if a Prospectus Supplement so indicates, the Fund may grant the underwriters an option to purchase additional common shares at the public offering price, less the underwriting discounts and commissions, within 45 days from the date of the Prospectus Supplement, to cover any overallotments.

By Dealers

The Fund may offer and sell Securities from time to time to one or more dealers who would purchase the securities as principal. The dealers then may resell the offered Securities to the public at fixed or varying prices to be determined by those dealers at the time of resale. The Fund will set forth the names of the dealers and the terms of the transaction in the Prospectus Supplement.

General Information

Agents, underwriters, or dealers participating in an offering of Securities may be deemed to be underwriters, and any discounts and commission received by them and any profit realized by them on resale of the offered Securities for whom they act as agent, may be deemed to be underwriting discounts and commissions under the Securities Act.

The Fund may offer to sell securities either at a fixed price or at prices that may vary, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices.

To facilitate an offering of common shares in an underwritten transaction and in accordance with industry practice, the underwriters may engage in transactions that stabilize, maintain, or otherwise affect the market price of the common shares or any other Security. Those transactions may include overallotment, entering stabilizing bids, effecting syndicate covering transactions, and reclaiming selling concessions allowed to an underwriter or a dealer.

- An overallotment in connection with an offering creates a short position in the common shares for the underwriter's own account.
- An underwriter may place a stabilizing bid to purchase the common shares for the purpose of pegging, fixing, or maintaining the price of the common shares.
- Underwriters may engage in syndicate covering transactions to cover overallotments or to stabilize the price of the common shares by bidding for, and purchasing, the common shares or any other Securities in the open market in order to reduce a short position created in connection with the offering.
- The managing underwriter may impose a penalty bid on a syndicate member to reclaim a selling concession in connection with an offering when the common shares originally sold by the syndicate member is purchased in syndicate covering transactions or otherwise.

Any of these activities may stabilize or maintain the market price of the Securities above independent market levels. The underwriters are not required to engage in these activities, and may end any of these activities at any time.

In connection with any rights offering, the Fund may also enter into a standby underwriting arrangement with one or more underwriters pursuant to which the underwriter(s) will purchase common shares remaining unsubscribed for after the rights offering.

Any underwriters to whom the offered Securities are sold for offering and sale may make a market in the offered Securities, but the underwriters will not be obligated to do so and may discontinue any market-making at any time without notice. There can be no assurance that there will be a liquid trading market for the offered Securities.

Under agreements entered into with the Fund, underwriters and agents may be entitled to indemnification by the Fund and the Adviser against certain civil liabilities, including liabilities under the Securities Act, or to contribution for payments the underwriters or agents may be required to make.

The underwriters, agents, and their affiliates may engage in financial or other business transactions with the Fund in the ordinary course of business.

Pursuant to a requirement of the Financial Industry Regulatory Authority, Inc. ("FINRA"), the maximum compensation to be received by any FINRA member or independent broker-dealer may not be greater than eight percent (8%) of the gross proceeds received by the Fund for the sale of any securities being registered pursuant to SEC Rule 415 under the Securities Act.

The aggregate offering price specified on the cover of this Prospectus relates to the offering of the Securities not yet issued as of the date of this Prospectus.

To the extent permitted under the 1940 Act and the rules and regulations promulgated thereunder, the underwriters may from time to time act as a broker or dealer and receive fees in connection with the execution of portfolio transactions on behalf of the Fund after the underwriters have ceased to be underwriters and, subject to certain restrictions, each may act as a broker while it is an underwriter.

A Prospectus and accompanying Prospectus Supplement in electronic form may be made available on the websites maintained by underwriters. The underwriters may agree to allocate a number of Securities for sale to their online brokerage account holders. Such allocations of Securities for internet distributions will be made on the same basis as other allocations. In addition, Securities may be sold by the underwriters to securities dealers who resell Securities to online brokerage account holders.

DIVIDEND REINVESTMENT PLAN

Unless the registered owner of Common Shares elects to receive cash by contacting SS&C Global Investor & Distribution Solutions, Inc. ("SS&C GIDS") (the "Plan Administrator"), all dividends declared on Common Shares will be automatically reinvested by the Plan Administrator for shareholders in the Fund's Dividend Reinvestment Plan (the "Plan"), in additional Common Shares. Shareholders who elect not to participate in the Plan will receive all dividends and other distributions in cash paid by check mailed directly to the shareholder of record (or, if the Common Shares are held in street or other nominee name, then to such nominee) by the Plan Administrator as dividend disbursing agent. You may elect not to participate in the Plan and to receive all dividends in cash by contacting the Plan Administrator, as dividend disbursing agent, at the address set forth below. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Some brokers may automatically elect to receive cash on your behalf and may re-invest that cash in additional Common Shares for you. If you wish for all dividends declared on your Common Shares to be automatically reinvested pursuant to the Plan, please contact your broker.

The Plan Administrator will open an account for each Common Shareholder under the Plan in the same name in which such Common Shareholder's Common Shares are registered. Whenever the Fund declares a dividend or other distribution (together, a "Dividend") payable in cash, nonparticipants in the Plan will receive cash and participants in the Plan will receive the equivalent in Common Shares. The Common Shares will be acquired by the Plan Administrator for the participants' accounts, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized Common Shares from the Fund ("Newly Issued Common Shares") or (ii) by purchase of outstanding Common Shares on the open market ("Open-Market Purchases") on the NYSE American LLC or elsewhere. If, on the payment date for any Dividend, the closing market price plus estimated brokerage commissions per Common Share is equal to or greater than the net asset value per Common Share, the Plan Administrator will invest the Dividend amount in Newly Issued Common Shares on behalf of the participants. The number of Newly Issued Common Shares to be credited to each participant's account will be determined by dividing the dollar amount of the Dividend by the net asset value per Common Share on the payment date; provided that, if the net asset value is less than or equal to 95% of the closing market value on the payment date, the dollar amount of the Dividend will be divided by 95% of the closing market price per Common Share on the payment date. If, on the payment date for any Dividend, the net asset value per Common Share is greater than the closing market value plus estimated brokerage commissions, the Plan Administrator will invest the Dividend amount in Common Shares acquired on behalf of the participants in Open-Market Purchases. In the event of a market discount on the payment date for any Dividend, the Plan Administrator will have until the last business day before the next date on which the Common Shares trade on an "ex-dividend" basis or 30 days after the payment date for such Dividend, whichever is sooner (the "Last Purchase Date"), to invest the Dividend amount in Common Shares acquired in Open-Market Purchases. It is contemplated that the Fund will pay monthly income Dividends. Therefore, the period during which Open-Market Purchases can be made will exist only from the payment date of each Dividend through the date before the next "ex-dividend" date which typically will be approximately ten days. If, before the Plan Administrator has completed its Open-Market Purchases, the market price per Common Share exceeds the net asset value per Common Share, the average per Common Share purchase price paid by the Plan Administrator may exceed the net asset value of the Common Shares, resulting in the acquisition of fewer Common Shares than if the Dividend had been paid in Newly Issued Common Shares on the Dividend payment date. Because of the foregoing difficulty with respect to Open-Market Purchases, the Plan provides that if the Plan Administrator is unable to invest the full Dividend amount in Open-Market Purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Administrator may cease making Open-Market Purchases and may invest the uninvested portion of the Dividend amount in Newly Issued Common Shares at the net asset value per Common Share at the close of business on the Last Purchase Date, provided that, if the net asset value is less than or equal to 95% of the then current market price per Common Share, the dollar amount of the Dividend will be divided by 95% of the market price on the payment date.

The Plan Administrator maintains all shareholders' accounts in the Plan and furnishes written confirmation of all transactions in the accounts, including information needed by shareholders for tax records. Common Shares in the account of each Plan participant will be held by the Plan Administrator on behalf of the Plan participant, and each shareholder proxy will include those shares purchased or received pursuant to the Plan. The Plan Administrator will forward all proxy solicitation materials to participants and vote proxies for shares held under the Plan in accordance with the instructions of the participants.

In the case of Common Shareholders such as banks, brokers or nominees which hold shares for others who are the beneficial owners, the Plan Administrator will administer the Plan on the basis of the number of Common Shares certified from time to time by the record shareholder's name and held for the account of beneficial owners who participate in the Plan.

There will be no brokerage charges with respect to Common Shares issued directly by the Fund. However, each participant will pay a pro rata share of brokerage commissions incurred in connection with Open-Market Purchases. 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. Participants that request a sale of Common Shares through the Plan Administrator are subject to brokerage commissions.

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

All correspondence or questions concerning the Plan should be directed to the Plan Administrator, SS&C GIDS, Inc., W 7th Street, Kansas City, MO 64105.

FEDERAL INCOME TAX MATTERS

The following is a summary discussion of certain U.S. federal income tax consequences that may be relevant to a common shareholder that acquires, holds and/or disposes of common 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. For more detailed information regarding tax considerations, see the Statement of Additional Information. There may be other tax considerations applicable to particular investors. In addition, income earned through an investment in the Fund may be subject to state, local and foreign taxes.

The Fund has elected to be treated and has qualified each year for taxation as a regulated investment company eligible for treatment under the provisions of Subchapter M of the Code and intends to so qualify in the future. In order for the Fund to qualify as a regulated investment company, it must meet certain income and asset diversification tests each year. If the Fund continues to so qualify and satisfies certain distribution requirements, the Fund will not be subject to federal income tax on income distributed in a timely manner to its shareholders in the form of dividends or capital gain distributions.

In order to avoid incurring a federal excise tax obligation, the Code requires that the Fund distribute (or be deemed to have distributed) by December 31 of each calendar year an amount at least equal to the sum of (i) 98% of its ordinary income for such year (taking into account certain deferrals and elections) and (ii) 98.2% of its capital gain net income (which is the excess of its realized net long-term capital gain over its realized net short-term capital loss), generally computed on the basis of the one-year period ending on October 31 of such year, after reduction by any available capital loss carryforwards, plus (iii) 100% of any ordinary income and capital gain net income from the prior year (as previously computed) that were not paid out during such year and on which the Fund paid no federal income tax. A regulated investment company which fails to meet these requirements is liable for a nondeductible 4% excise tax on the portion of the undistributed amounts of such income that are less than the required distributions. For these purposes, the Fund will be deemed to have distributed any income or gain on which it paid U.S. federal income tax.

If the Fund does not qualify as a RIC for any taxable year, the Fund's taxable income will be subject to corporate income taxes, and all distributions from earnings and profits, including distributions of net capital gain (if any), will be taxable to the shareholder as ordinary income. Such distributions generally will be eligible (i) for the dividends received deduction in the case of corporate shareholders and (ii) for treatment as "qualified dividends" in the case of individual shareholders. In addition, in order to requalify for taxation as a RIC, the Fund may be required to recognize unrealized gains, pay substantial taxes and interest, and make certain distributions.

The Fund intends to make monthly distributions of either net investment income or capital gains. The Fund also intends to distribute annually any remaining net investment income, net short-term capital gain (which are taxable as ordinary income) and any net capital gain that have not been distributed as part of the monthly distributions. Unless a shareholder is ineligible to participate or elects otherwise, all distributions will be automatically reinvested in additional common shares of the Fund pursuant to the Dividend Reinvestment Plan (the "Plan"). For U.S. federal income tax purposes, all dividends are generally taxable whether a shareholder takes them in cash or they are reinvested pursuant to the Plan in additional shares of the Fund. Distributions of the Fund's net capital gains which are properly reported as "capital gain dividends", if any, are taxable to common shareholders as long-term capital gains, regardless of the length of time common shares have been held by common shareholders. Distributions, if any, in excess of the Fund's earnings and profits will first reduce the adjusted tax basis of a holder's common shares and, after that basis has been reduced to zero, will constitute capital gains to the common shareholder (assuming the common shares are held as a capital asset). See below for a summary of the maximum tax rates applicable to capital gains (including capital gain dividends). A corporation that owns Fund shares generally will not be entitled to the dividends received deduction with respect to all 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.

Dividends and other distributions paid by the Fund are generally treated as received at the time the dividend or distribution is made. However, certain dividends and other distributions declared in October, November or December and paid in the following January will be taxed to shareholders as if received on December 31 of the year in which they were declared.

Certain income distributions paid by the Fund to individual taxpayers are taxed at rates equal to those applicable to net long-term capital gains (currently at a maximum rate of 20%). This tax treatment applies only if certain holding period requirements are satisfied by the common shareholder and the dividends are attributable to qualified dividends received by the Fund itself. For this purpose, "qualified dividends" means dividends received by the Fund from United States corporations and qualifying foreign corporations, provided that the Fund satisfies certain holding period and other requirements in respect of the stock of such corporations. In the case of securities lending transactions, payments in lieu of dividends are not qualified dividends. Dividends received by the Fund from real estate investment trusts ("REITs") are qualified dividends eligible for this lower tax rate only in limited circumstances.

A dividend paid by the Fund to a common shareholder will not be treated as qualified dividend income of the common shareholder if (1) the dividend is received with respect to any share held for fewer than 61 days during the 121-day period beginning on the date which is 60 days before the date on which such share becomes ex-dividend with respect to such dividend, (2) to the extent that the recipient is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to positions in substantially similar or related property or (3) if the recipient elects to have the dividend treated as investment income for purposes of the limitation on deductibility of investment interest.

The Fund will inform common shareholders of the source and tax status of all distributions promptly after the close of each calendar year.

Selling common shareholders will generally recognize gain or loss in an amount equal to the difference between the common shareholder's adjusted tax basis in the common shares sold and the amount received. If the common shares are held as a capital asset, the gain or loss will be a capital gain or loss. The maximum tax rate applicable to net capital gains recognized by individuals and other non-corporate taxpayers is (i) the same as the maximum ordinary income tax rate for gains recognized on the sale of capital assets held for one year or less or (ii) 20% for gains recognized on the sale of capital assets held for more than one year (as well as certain capital gain dividends) (zero for certain individuals in lower tax brackets). Any loss on a disposition of common shares held for six months or less will be treated as a long-term capital loss to the extent of any capital gain dividends received with respect to those common shares. For purposes of determining whether common shares have been held for six months or less, the holding period is suspended for any periods during which the common shareholder's risk of loss is diminished as a result of holding one or more other positions in substantially similar or related property, or through certain options or short sales. Any loss realized on a sale or exchange of common shares will be disallowed to the extent those common shares are replaced by other common shares within a period of 61 days beginning 30 days before and ending 30 days after the date of disposition of the common shares (whether through the reinvestment of distributions, which could occur, for example, if the common shareholder is a participant in the Plan (as defined below) or otherwise). In that event, the basis of the replacement common shares will be adjusted to reflect the disallowed loss.

An investor should be aware that, if common shares are purchased shortly before the record date for any taxable dividend (including a capital gain dividend), the purchase price likely will reflect the value of the dividend and the investor then would receive a taxable distribution likely to reduce the trading value of such common shares, in effect resulting in a taxable return of some of the purchase price. Taxable distributions to individuals and certain other non-corporate common shareholders, including those who have not provided their correct taxpayer identification number and other required certifications, may be subject to "backup" federal income tax withholding (currently, at a rate of 24%).

An investor should also be aware that the benefits of the reduced tax rate applicable to long-term capital gains and qualified dividend income may be impacted by the application of the alternative minimum tax to individual shareholders.

In addition to the taxes set forth above, a tax of 3.8% is imposed on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from both ordinary income dividends as well as capital gains dividends.

Benefit Plans and other tax-exempt entities, including governmental plans, should also be aware that if they borrow in order to finance their exercise of Rights, they may become subject to the tax on unrelated business taxable income under Section 511 of the Code.

The foregoing briefly summarizes some of the important federal income tax consequences to common shareholders of investing in common shares, reflects the federal tax law as of the date of this Prospectus, and does not address special tax rules applicable to certain types of investors, such as corporate 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.

DESCRIPTION OF CAPITAL STRUCTURE

The Fund is an unincorporated statutory trust established under the laws of the state of Delaware by an Agreement and Declaration of Trust dated September 15, 2003 (the "Declaration of Trust"). The Declaration of Trust provides that the Trustees of the Fund may authorize separate classes of shares of beneficial interest. The Trustees have authorized an unlimited number of common shares. The Fund intends to hold annual meetings of common shareholders in compliance with the requirements of the NYSE American.

Common Shares

The Declaration of Trust permits the Fund to issue an unlimited number of full and fractional common shares of beneficial interest, no par value. Each common share represents an equal proportionate interest in the assets of the Fund with each other common share in the Fund. Holders of common shares will be entitled to the payment of dividends when, as and if declared by the Board. The 1940 Act or the terms of any borrowings or preferred shares may limit the payment of dividends to the Common Shareholders. Each whole common share shall be entitled to one vote and each fractional common share shall be entitled to a vote equal to its fraction of a whole share as to matters on which it is entitled to vote pursuant to the terms of the Declaration of Trust on file with the SEC. Upon liquidation of the Fund, after paying or adequately providing for the payment of all liabilities of the Fund and the liquidation preference with respect to any outstanding preferred shares, 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 the holders of the common shares. The Declaration of Trust provides that common 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.

While there are any borrowings or preferred shares outstanding, the Fund may not be permitted to declare any cash dividend or other distribution on its common shares, unless at the time of such declaration, (i) all accrued dividends on preferred shares or accrued interest on borrowings have been paid and (ii) the value of the Fund's total assets (determined after deducting the amount of such dividend or other distribution), less all liabilities and indebtedness of the Fund not represented by senior securities, is at least 300% of the aggregate amount of such securities representing indebtedness and at least 200% of the aggregate amount of securities representing indebtedness plus the aggregate liquidation value of the outstanding preferred shares (expected to equal the aggregate original purchase price of the outstanding preferred shares plus redemption premium, if any, together with any accrued and unpaid dividends thereon, whether or not earned or declared and on a cumulative basis). In addition to the requirements of the 1940 Act, the Fund may be required to comply with other asset coverage requirements as a condition of the Fund obtaining a rating of the preferred shares from a rating agency. These requirements may include an asset coverage test more stringent than under the 1940 Act. This limitation on the Fund's ability to make distributions on its common shares could in certain circumstances impair the ability of the Fund to maintain its qualification for taxation as a regulated investment company for federal income tax purposes. The Fund intends, however, to the extent possible to purchase or redeem preferred shares or reduce borrowings from time to time to maintain compliance with such asset coverage requirements and may pay special dividends to the holders of the preferred shares in certain circumstances in connection with any such impairment of the Fund's status as a regulated investment company. Depending on the timing of any such redemption or repayment, the Fund may be required to pay a premium in addition to the liquidation preference of the preferred shares to the holders thereof.

The provisions of the 1940 Act generally require that the public offering price (less underwriting commissions and discounts) of common shares sold by a closed-end investment company must equal or exceed the NAV of such company's common shares (calculated within 48 hours of the pricing of such offering), unless such sale is made in connection with an offering to existing holders of common shares or with the consent of a majority of its common shareholders. The Fund may, from time to time, seek the consent of Common Shareholders to permit the issuance and sale by the Fund of common shares at a price below the Fund's then-current NAV, subject to certain conditions. If such consent is obtained, the Fund may, contemporaneous with and in no event more than one year following the receipt of such consent, sell common shares at price below NAV in accordance with any conditions adopted in connection with the giving of such consent. Additional information regarding any consent of Common Shareholders obtained by the Fund and the applicable conditions imposed on the issuance and sale by the Fund of common shares at a price below NAV will be disclosed in the Prospectus Supplement relating to any such offering of common shares at a price below NAV. Until such consent of Common Shareholders, if any, is obtained, the Fund may not sell common shares at a price below NAV. Because the Fund's advisory fee is based upon average Managed Assets, the Adviser's interest in recommending the issuance and sale of common shares at a price below NAV may conflict with the interests of the Fund and its Common Shareholders.

Subscription Rights to Purchase Common Shares

The Fund may issue subscription rights to holders of common shares to purchase common shares. Subscription rights may be issued independently or together with any other offered security and may or may not be transferable by the person purchasing or receiving the subscription rights. In connection with a subscription rights offering to holders of common shares, the Fund would distribute certificates evidencing the subscription rights and a Prospectus Supplement, containing all of the material terms of the subscription rights agreement relating to such subscription rights (the "Subscription Rights Agreement"), to our common or preferred shareholders as of the record date that we set for determining the shareholders eligible to receive subscription rights in such subscription rights offering. For complete terms of the subscription rights, please refer to the actual terms of such subscription rights which will be set forth in the Subscription Rights Agreement.

The applicable Prospectus Supplement would describe the following terms of subscription rights in respect of which this Prospectus is being delivered:

- the period of time the offering would remain open (which will be open a minimum number of days such that all record holders would be eligible to participate in the offering and will not be open longer than 120 days);
- the exercise price for such subscription rights (or method of calculation thereof);
- the number of such subscription rights issued in respect of each Common Share;
- the extent to which such subscription rights are transferable and the market on which they may be traded if they are transferable;
- if applicable, a discussion of the material U.S. federal income tax considerations applicable to the issuance or exercise of such subscription rights;
- the date on which the right to exercise such subscription rights will commence, and the date on which such right will expire (subject to any extension);
- the extent to which such subscription rights include an over-subscription privilege with respect to unsubscribed securities and the terms of such over-subscription privilege;
- any termination right the Fund may have in connection with such subscription rights offering;
- the expected trading market, if any, for rights; and
- any other terms of such subscription rights, including exercise, settlement and other procedures and limitations relating to the transfer and exercise of such subscription rights.

Exercise of Subscription Rights. Each subscription right would entitle the holder of the subscription right to purchase for cash such number of shares at such exercise price as in each case is set forth in, or be determinable as set forth in the Prospectus Supplement relating to the subscription rights offered thereby. Subscription rights would be exercisable at any time up to the close of business on the expiration date for such subscription rights set forth in the Prospectus Supplement. After the close of business on the expiration date, all unexercised subscription rights would become void.

Upon expiration of the rights offering and the receipt of payment and the subscription rights certificate properly completed and duly executed at the corporate trust office of the subscription rights agent or any other office indicated in the Prospectus Supplement, the Fund would issue, as soon as practicable, the common shares purchased as a result of such exercise. To the extent permissible under applicable law, the Fund may determine to offer any unsubscribed offered securities directly to persons other than shareholders, to or through agents, underwriters or dealers or through a combination of such methods, as set forth in the applicable Prospectus Supplement.

The Fund generally will not issue common share certificates. However, upon written request to the Fund's transfer agent, a share certificate will be issued for any or all of the full common shares credited to an investor's account. Common share certificates that have been issued to an investor may be returned at any time.

Trading Information

The common shares are listed on the NYSE American under the symbol "UTG" and began trading on the NYSE American on February 24, 2004. In connection with any offering of Rights, the Fund will provide information in the Prospectus Supplement for the expected trading market, if any, for Rights. The average daily trading volume of the common shares on the NYSE American during the period from November 1, 2021 through July 31, 2024 was 256,600 common shares. Shares of closed-end investment companies often trade on an exchange at prices lower than NAV. The Fund's common shares have traded in the market at both premiums to and discounts from NAV. The following table shows, for each fiscal quarter beginning with the quarter ended January 31, 2022; (i) high and low NAVs per common share, (ii) the high and low sale prices per common share, as reported in the consolidated transaction reporting system, and (iii) the percentage by which the common shares traded at a premium over, or discount from, the high and low NAVs per common share. The Fund's NAV per common share is determined on a daily basis.

Quarter Ended		Market Price		Net Asset Value at		Market Premium (Discount) to Net Asset Value at	
		High	Low	Market High	Market Low	Market High	Market Low
2024	July 31	$28.75	$26.11	$27.97	$26.26	2.79%	(0.57)%
	April 30	$27.10	$25.26	$26.62	$25.14	1.80%	0.48%
	January 31	$27.88	$24.47	$27.54	$24.87	1.23%	(1.61)%
2023	October 31	$28.18	$23.24	$27.57	$23.38	2.21%	(1.11)%
	July 31	$29.07	$26.57	$28.91	$26.42	0.55%	0.53%
	April 30	$30.32	$26.32	$29.96	$26.41	1.20%	(3.02)%
	January 31	$30.71	$27.02	$30.44	$27.45	0.01%	(0.02)%
2022	October 31	$34.02	$24.55	$33.85	$25.10	0.51%	(5.58)%
	July 31	$34.50	$28.85	$34.02	$28.56	2.59%	1.02%
	April 30	$35.43	$30.76	$36.13	$30.71	(1.94)%	(0.65)%
	January 31	$35.44	$32.20	$34.79	$31.95	1.90%	(1.08)%

On August 28, 2024, the NAV per common share was $29.64, trading prices ranged between $30.18 and $29.95 (representing a premium to NAV of 1.82% and 1.05%, respectively) and the closing price per common share was $30.05 (representing a premium to NAV of 1.38%).

Preferred Shares

The Declaration of Trust authorizes the issuance of an unlimited number of shares of beneficial interest with preference rights, including preferred shares (the "preferred shares"), having no par value, in one or more series, with rights as determined by the Board, by action of the Board without the approval of the common shareholders. The Board presently has no intention authorizing the issuance of preferred shares by the Fund. Historically, the Fund issued auction market preferred shares in 2004. In December 2010, as approved by the Board, all such shares were redeemed at their liquidation value of $25,000 per share, plus accrued dividends. The aggregate amount of the 9,600 preferred shares redeemed was $240,000,000, plus accrued dividends. Financing for the redemption of the preferred shares was obtained through the prior credit facility. The Prospectus Supplement for any potential offering of preferred shares will describe the terms and conditions for those shares.

Under the requirements of the 1940 Act, the Fund must, immediately after the issuance of any preferred shares, have an "asset coverage" of at least 200%. Asset coverage means the ratio which the value of the total assets of the Fund, less all liability and indebtedness not represented by senior securities (as defined in the 1940 Act), bears to the aggregate amount of senior securities representing indebtedness of the Fund, if any, plus the aggregate liquidation preference of the preferred shares. If the Fund seeks a rating of the preferred shares, asset coverage requirements, in addition to those set forth in the 1940 Act, may be imposed. The liquidation value of the preferred shares is expected to equal their aggregate original purchase price plus redemption premium, if any, together with any accrued and unpaid dividends thereon (on a cumulative basis), whether or not earned or declared. The terms of the preferred shares, including their dividend rate, voting rights, liquidation preference and redemption provisions, will be determined by the Board (subject to applicable law and the Fund's Declaration of Trust) if and when it authorizes the preferred shares. The Fund may issue preferred shares that provide for the periodic redetermination of the dividend rate at relatively short intervals through an auction or remarketing procedure, although the terms of the preferred shares may also enable the Fund to lengthen such intervals. At times, the dividend rate as redetermined on the Fund's preferred shares may approach or exceed the Fund's return after expenses on the investment of proceeds from the preferred shares and the Fund's leverage structure would result in a lower rate of return to common shareholders than if the Fund were not so structured.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Fund, the terms of any preferred shares may entitle the holders of preferred shares to receive a preferential liquidating distribution (expected to equal the original purchase price per share plus redemption premium, if any, together with accrued and unpaid dividends, whether or not earned or declared and on a cumulative basis) before any distribution of assets is made to Common Shareholders. After payment of the full amount of the liquidating distribution to which they are entitled, the preferred shareholders would not be entitled to any further participation in any distribution of assets by the Fund.

Holders of preferred shares, if and when issued, shall be entitled to elect two of the Fund's Trustees, voting as a class. Under the 1940 Act, if at any time dividends on the preferred shares are unpaid in an amount equal to two full years' dividends thereon, the holders of all outstanding preferred shares, voting as a class, will be allowed to elect a majority of the Fund's Trustees until all dividends in default have been paid or declared and set apart for payment. In addition, if required by the rating agency rating the preferred shares or if the Board determines it to be in the best interests of the common shareholders, issuance of the preferred shares may result in more restrictive provisions than required by the 1940 Act being imposed. In this regard, holders of the preferred shares may be entitled to elect a majority of the Board in other circumstances, for example, if one payment on the preferred shares is in arrears.

Outstanding Securities

As of August 28, 2024, the Fund's common shares were the only outstanding securities issued by the Fund. As of the same date, the Fund had 86,607,381 common shares outstanding:

(1) Title of Class	(2) Amount Authorized	(3) Amount Held by Fund or for its account	(4) Amount Outstanding Exclusive of Amount Shown under (3) As of August 28, 2024
Common shares of beneficial interest	Unlimited	None	86,607,381

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, and could have the effect of depriving common shareholders of an opportunity to sell their common shares at a premium over prevailing market prices 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 Board is divided into three classes, with the term of one class expiring at each annual meeting of common shareholders. At each annual meeting, one class of Trustees is elected to a three-year term. This provision could delay for up to two years the replacement of a majority of the Board. A Trustee may be removed from office without cause only by a written instrument signed or adopted by two-thirds of the remaining Trustees or by a vote of the holders of at least two-thirds of the class of shares of the Fund that elected such Trustee and are entitled to vote on the matter.

The Fund's Declaration of Trust provides that the Fund may not merge with another entity, or sell, lease or exchange all or substantially all of its assets without the approval of at least two-thirds of the Trustees and 75% of the affected shareholders.

In addition, the Declaration of Trust requires the favorable vote of the holders of at least 80% of the outstanding shares of each class of the Fund, voting as a class, then entitled to vote to approve, adopt or authorize certain transactions with 5%-or-greater holders of the Fund's outstanding shares and their affiliates or associates, unless two-thirds of the Board have approved by resolution a memorandum of understanding with such holders (prior to the time any such person became a 5%-or-greater shareholder), in which case normal voting requirements would be in effect. For purposes of these provisions, a 5%-or-greater holder of outstanding shares (a "Principal Shareholder") refers to any person who, whether directly or indirectly and whether alone or together with its affiliates and associates, beneficially owns 5% or more of the outstanding shares of beneficial interest of the Fund. The transactions subject to these special approval requirements are: (i) the merger or consolidation of the Fund or any subsidiary of the Fund with or into any Principal Shareholder; (ii) the issuance of any securities of the Fund to any Principal Shareholder for cash (other than pursuant to any automatic dividend reinvestment plan or pursuant to any offering in which such Principal Shareholder acquires securities that represent no greater a percentage of any class or series of securities being offered than the percentage of any class of shares beneficially owned by such Principal Shareholder immediately prior to such offering or, in the case of securities, offered in respect of another class or series, the percentage of such other class or series beneficially owned by such Principal Shareholder immediately prior to such offering); (iii) the sale, lease or exchange of all or any substantial part of the assets of the Fund to any Principal Shareholder (except assets having an aggregate fair market value of less than $1,000,000, aggregating for the purpose of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period); (iv) the sale, lease or exchange to the Fund or any subsidiary thereof, in exchange for securities of the Fund, of any assets of any Principal Shareholder (except assets having an aggregate fair market value of less than $1,000,000, aggregating for the purposes of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period) or (v) the purchase by the Fund, or any entity controlled by the Fund, of any common shares from any Principal Shareholder or any person to whom any Principal Shareholder transferred common shares.

The Board has determined that provisions with respect to the Board and the 80% voting requirements described above, which voting requirements are greater than the minimum requirements under Delaware law or the 1940 Act, are in the best interest of common shareholders generally. Reference should be made to the Declaration of Trust on file with the SEC for the full text of these provisions. See "Additional Information."

Conversion to Open-End Fund

The Fund may be converted to an open-end management investment company at any time if approved by each of the following: (i) a majority of the Trustees then in office, (ii) the holders of not less than 75% of the Fund's outstanding shares entitled to vote thereon and (iii) by such vote or votes of the holders of any class or classes or series of shares as may be required by the 1940 Act. The composition of the Fund's portfolio likely would prohibit the Fund from complying with regulations of the SEC applicable to open-end management investment companies. Accordingly, conversion likely would require significant changes in the Fund's investment policies and liquidation of a substantial portion of the relatively illiquid portion of its portfolio. Conversion of the Fund to an open-end management investment company also would require the redemption of any outstanding preferred shares and could require the repayment of borrowings, which would eliminate the leveraged capital structure of the Fund with respect to the common shares. In the event of conversion, the common shares would cease to be listed on the NYSE American or other national securities exchange or market system. The Board believes, however, that the closed-end structure is desirable, given the Fund's investment objective and policies. Investors should assume, therefore, that it is unlikely that the Board would vote to convert the Fund to an open-end management investment company. Shareholders of an open-end management investment company may require the company to redeem their shares at any time (except in certain circumstances as authorized by or under the 1940 Act) at their NAV, less such redemption charge, if any, as might be in effect at the time of a redemption. The Fund expects to pay all such redemption requests in cash, but intends to reserve the right to pay redemption requests in a combination of cash or securities. If such partial payment in securities were made, investors may incur brokerage costs in converting such securities to cash. If the Fund were converted to an open-end management investment company, it is likely that new common shares would be sold at NAV plus a sales load.

CUSTODIAN, TRANSFER AGENT, DIVIDEND PAYING AGENT AND REGISTRAR

State Street Bank & Trust Company, 1 Congress Street, Boston, MA 02114, is the custodian of the Fund and maintains custody of the Fund's securities, cash and other assets. SS&C GIDS serves as the Fund's transfer agent, dividend paying agent and registrar. Paralel maintains the Fund's general ledger and computes NAV per share daily.

LEGAL MATTERS

Certain legal matters in connection with the common shares will be passed upon for the Fund by Dechert LLP, New York, New York.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen & Company, Ltd. is the Fund's independent registered public accounting firm and audits the Fund's financial statements.

CONTROL PERSONS

Based on a review of Schedule 13D and Schedule 13G filings as of the date of this Prospectus, there are no persons who control the Fund. For purposes of the foregoing statement, "control" means (1) the beneficial ownership, either directly or through one or more controlled companies, of more than 25% of the voting securities of a company; (2) the acknowledgment or assertion by either the controlled or controlling party of the existence of control; or (3) an adjudication under Section 2(a)(9) of the 1940 Act, which has become final, that control exists.

ADDITIONAL INFORMATION

The Fund is subject to the informational requirements of the Securities Exchange Act of 1934 and the 1940 Act and in accordance therewith files reports and other information with the SEC. Reports, proxy statements and other information filed by the Fund with the SEC pursuant to the informational requirements of such Acts can be inspected and copied at the public reference facilities maintained by the SEC, 100 F Street, N.E., Washington, D.C. 20549. The SEC maintains a web site at http://www.sec.gov containing reports, proxy and information statements and other information regarding registrants, including the Fund, that file electronically with the SEC.

This Prospectus constitutes part of a Registration Statement filed by the Fund with the SEC under the Securities Act and the 1940 Act. This Prospectus omits certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and related exhibits for further information with respect to the Fund and the Common Shares offered hereby. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the SEC. Each such statement is qualified in its entirety by such reference. The complete Registration Statement may be obtained from the SEC upon payment of the fee prescribed by its rules and regulations or free of charge through the SEC's website (http://www.sec.gov).

INCORPORATION BY REFERENCE

This Prospectus is part of a registration statement that the Fund has filed with the SEC. The Fund is permitted to "incorporate by reference" the information that it files with the SEC, which means that the Fund can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this Prospectus, and later information that the Fund files with the SEC will automatically update and supersede this information.

The documents listed below, and any reports and other documents subsequently filed with the SEC pursuant to Rule 30(b)(2) under the 1940 Act and Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering, are incorporated by reference into this Prospectus and deemed to be part of this Prospectus from the date of the filing of such reports and documents:

- the Fund's Statement of Additional Information, dated September 10, 2024, filed with this Prospectus ("SAI");
- the Fund's Annual Report on Form N-CSR for the fiscal year ended October 31, 2023, filed with the SEC on January 5, 2024 ("Annual Report");
- the Fund's Semi-Annual Report on Form N-CSR for the period ended April 30, 2024, filed with the SEC on July 3, 2024;
- the Fund's definitive proxy statement on Schedule 14A for our 2024 annual meeting of shareholders, filed with the SEC on February 16, 2024 ("Proxy Statement"); and
- the Fund's description of common shares contained in our Registration Statement on Form 8-A (File No. 333-109089) filed with the SEC on February 20, 2004.

To obtain copies of these filings, see "Where You Can Find More Information."

TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION

A Statement of Additional Information dated as of September 10, 2024 ("Statement of Additional Information"), has been filed with the SEC and is incorporated by reference into this Prospectus. The Statement of Additional Information may be obtained without charge by writing to the Fund at its address at 1700 Broadway, Suite 1850, Denver, Colorado 80290 or by calling the Fund toll-free at (800) 644-5571. The Table of Contents of the Statement of Additional Information is as follows:

THE FUND'S PRIVACY POLICY

The Fund is committed to ensuring your financial privacy. This notice is being sent to comply with privacy regulations of the SEC. The Fund has in effect the following policy with respect to nonpublic personal information about its customers:

- Only such information received from you, through application forms or otherwise, and information about your Fund transactions will be collected.
- None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account).
- Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

For more information about the Fund's privacy policies call (800) 644-5571 (toll-free).

Reaves Utility Income Fund

PROSPECTUS

September 10, 2024

STATEMENT OF ADDITIONAL INFORMATION

September 10, 2024

Reaves Utility Income Fund

1700 Broadway, Suite 1850
Denver, Colorado 80290
(800) 644-5571

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This Statement of Additional Information is not a prospectus and is authorized for distribution to prospective investors only if preceded or accompanied by the prospectus of the Reaves Utility Income Fund (the "Fund") dated September 10, 2024, as may be supplemented from time to time (the "Prospectus"), which is incorporated herein by reference. This Statement of Additional Information should be read in conjunction with the Prospectus, a copy of which may be obtained without charge by contacting your financial intermediary or calling the Fund at (800) 644-5571.

Capitalized terms used in this Statement of Additional Information and not otherwise defined have the meanings given them in the Prospectus.

ADDITIONAL INVESTMENT INFORMATION AND RESTRICTIONS

Primary investment strategies are described in the Prospectus. The following is a description of the various investment policies that may be engaged in, whether as a primary or secondary strategy, and a summary of certain attendant risks. W.H. Reaves & Co., Inc. ("Reaves" or the "Adviser") may not buy any of the following instruments or use any of the following techniques unless it believes that doing so will help to achieve the Fund's investment objective.

Derivative Instruments

Derivative instruments (which are instruments that derive their value from another instrument, security, index or currency) may be purchased or sold to enhance return (which may be considered speculative), to hedge against fluctuations in securities prices, market conditions or currency exchange rates, or as a substitute for the purchase or sale of securities or currencies. Such transactions may be in the U.S. or abroad and may include the purchase or sale of futures contracts on indices and options on stock index futures, the purchase of put options and the sale of call options on securities held, equity swaps and the purchase and sale of currency futures and forward foreign currency exchange contracts. Transactions in derivative instruments involve a risk of loss or depreciation due to: unanticipated adverse changes in securities prices, interest rates, indices, the other financial instruments' prices or currency exchange rates; the inability to close out a position; default by the counterparty; imperfect correlation between a position and the desired hedge; tax constraints on closing out positions; and portfolio management constraints on securities subject to such transactions. The loss on derivative instruments (other than purchased options) may substantially exceed an investment in these instruments. In addition, the entire premium paid for purchased options may be lost before they can be profitably exercised. Transaction costs are incurred in opening and closing positions. Derivative instruments may sometimes increase or leverage exposure to a particular market risk, thereby increasing price volatility. Over-the-counter ("OTC") derivative instruments, equity swaps and forward sales of stocks involve an enhanced risk that the issuer or counterparty will fail to perform its contractual obligations. Some derivative instruments are not readily marketable or may become illiquid under adverse market conditions. In addition, during periods of market volatility, a commodity exchange may suspend or limit trading in an exchange-traded derivative instrument, which may make the contract temporarily illiquid and difficult to price. Commodity exchanges may also establish daily limits on the amount that the price of a futures contract or futures option can vary from the previous day's settlement price. Once the daily limit is reached, no trades may be made that day at a price beyond the limit. This may prevent the closing out of positions to limit losses. The staff of the Securities and Exchange Commission ("SEC") takes the position that certain OTC derivatives, and assets used as cover for certain OTC derivatives, are illiquid. The ability to terminate OTC derivative transactions may depend on the cooperation of the counterparties to such contracts. For thinly traded derivative instruments, the only source of price quotations may be the selling dealer or counterparty. In addition, certain provisions of the Code limit the use of derivative instruments. There can be no assurance that the use of derivative instruments will be advantageous.

Derivatives involve special risks, including possible default by the other party to the transaction, illiquidity and, to the extent Reaves' view as to certain market movements is incorrect, the risk that the use of derivatives could result in significantly greater losses than if it had not been used. Losses resulting from the use of derivatives will reduce a Fund's net asset value, and possibly income, and the losses may be significantly greater than if derivatives had not been used. The degree of a Fund's use of derivatives may be limited by certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"). When used, derivatives may increase the amount and affect the timing and character of taxes payable by shareholders. See "Taxes."

Foreign exchange traded futures contracts and options thereon generally may be used only if Reaves determines that trading on such foreign exchange does not entail risks, including credit and liquidity risks, that are materially greater than the risks associated with trading on exchanges regulated by the Commodity Futures Trading Commission ("CFTC").

Regulatory developments affecting the exchange-traded and OTC derivatives markets may impair the Fund's ability to manage or hedge its investment portfolio through the use of derivatives. The Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") and the rules promulgated thereunder may limit the ability of the Fund to enter into one or more exchange-traded or OTC derivatives transactions.

Reaves has claimed, with respect to the Fund, an exclusion from the definition of the term "commodity pool operator" ("CPO") pursuant to CFTC Regulation 4.5, as promulgated under the Commodity Exchange Act ("CEA"). Therefore, Reaves (with respect to the Fund) is not subject to registration or regulation as a commodity pool or CPO under the CEA. If the Fund becomes subject to these requirements, the Fund may incur additional compliance and other expenses. The Fund's use of derivatives may also be limited by the requirements of the Code, for qualification as a regulated investment company for U.S. federal income tax purposes.

Under CFTC Regulation 4.5, if an investment company such as the Fund uses swaps, commodity futures, commodity options or certain other derivatives used for purposes other than bona fide hedging purposes, it must meet one of the following tests: The aggregate initial margin and premiums required to establish an investment company's positions in such investments may not exceed five percent (5%) of the liquidation value of the investment company's portfolio (after accounting for unrealized profits and unrealized losses on any such investments). Alternatively, the aggregate net notional value of such instruments, determined at the time of the most recent position established, may not exceed one hundred percent (100%) of the liquidation value of the investment company's portfolio (after accounting for unrealized profits and unrealized losses on any such positions). In addition to meeting one of the foregoing trading limitations, the investment company may not market itself as a commodity pool or otherwise as a vehicle for trading in the commodity futures, commodity options or swaps and derivatives markets. In the event that Reaves is required to register as a CPO, the disclosure and operations of the Fund would need to comply with all applicable CFTC regulations. Compliance with these additional registration and regulatory requirements would increase operational expenses. Other potentially adverse regulatory initiatives could also develop.

Foreign exchange traded futures contracts and options thereon generally may be used only if Reaves determines that trading on such foreign exchange does not entail risks, including credit and liquidity risks, that are materially greater than the risks associated with trading on exchanges regulated by the CFTC.

See also "Certain Investment Techniques" and "Hedging Strategy" below.

Certain Investment Techniques

The Fund may from time to time employ certain investment techniques, including those described below and under "Investment Techniques" in the Prospectus, in an effort to hedge against fluctuations in the price of portfolio securities, enhance total return or provide a substitute for the purchase or sale of securities. Some of these techniques, such as purchases of put and call options, options on stock indices and stock index futures and entry into certain credit derivative transactions and short sales, are intended to be hedges against or substitutes for investments in equity investments. Other techniques such as the purchase of interest rate futures and entry into transactions involving interest rate swaps, options on interest rate swaps and certain credit derivatives are intended to be hedges against or substitutes for investments in debt securities. In general, Reaves may choose to use these techniques related to investments in debt securities where Reaves determines that such techniques are advisable to increase income or total return or to reduce risk.

Many of these investment techniques could constitute a form of potential leverage and as such are subject to the risks described below, and under "Risk Factors" and "Use of Leverage" in the Prospectus. In October 2020, the SEC adopted Rule 18f-4, which regulates the use of derivatives, reverse repurchase agreements and certain other transactions by registered investment companies. A Fund's trading of derivatives and other transactions that create future payment or delivery obligations is subject to value-at-risk ("VaR") leverage limits and derivatives risk management program and reporting requirements. Generally, these requirements apply unless a Fund satisfies a "limited derivatives users" exception that is included in the final rule. Under the rule, when a Fund trades reverse repurchase agreements or similar financing transactions, including certain tender option bonds, it needs to aggregate the amount of indebtedness associated with the reverse repurchase agreements or similar financing transactions with the aggregate amount of any other senior securities representing indebtedness when calculating a Fund's asset coverage ratio or treat all such transactions as derivatives transactions. Reverse repurchase agreements or similar financing transactions aggregated with other indebtedness do not need to be included in the calculation of whether a Fund satisfies the limited derivatives users exception, but for funds subject to the VaR testing requirement, reverse repurchase agreements and similar financing transactions must be included for purposes of such testing whether treated as derivatives transactions or not. The SEC also provided guidance in connection with the rule regarding the use of securities lending collateral that may limit a Fund's securities lending activities. In addition, under the rule, a Fund is permitted to invest in a security on a when-issued or forward-settling basis, or with a non-standard settlement cycle, and the transaction will be deemed not to involve a senior security (as defined under Section 18(g) of the 1940 Act), provided that, (i) the Fund intends to physically settle the transaction and (ii) the transaction will settle within 35 days of its trade date (the "Delayed-Settlement Securities Provision"). A Fund may otherwise engage in when-issued, forward-settling and non-standard settlement cycle securities transactions that do not meet the conditions of the Delayed-Settlement Securities Provision so long as the Fund treats any such transaction as a "derivatives transaction" for purposes of compliance with the rule. Furthermore, under the rule, the Fund is permitted to enter into an unfunded commitment agreement, and such unfunded commitment agreement will not be subject to the asset coverage requirements under the 1940 Act, if the Fund reasonably believes, at the time it enters into such agreement, that it will have sufficient cash and cash equivalents to meet its obligations with respect to all such agreements as they come due. These and other proposed and adopted regulatory requirements may limit the ability of a Fund to use derivatives, reverse repurchase agreements and similar financing transactions, when-issued, delayed delivery and forward commitment transactions, and unfunded commitment agreements as part of its investment strategies. Importantly, the Fund is permitted, but is not required to, utilize the instruments and techniques described below and in the Prospectus. Accordingly, at any given time, the Fund's portfolio might not be hedged against, or managed to mitigate, the risks discussed below, and Reaves might choose not to seek to increase income through the use of these instruments or techniques. In addition, certain provisions of the Code, or other applicable laws, may limit the extent to which the Fund may enter into or otherwise utilize these instruments and techniques.

As a general matter, dividends received on hedged stock positions are characterized as ordinary income and are not eligible for favorable tax treatment. In addition, use of derivatives may give rise to short-term capital gains and other income that would not qualify for payments by the Fund of tax-advantaged dividends.

Options on Securities

In an effort to hedge against adverse market shifts, the Fund may purchase put and call options on securities. In addition, the Fund may seek to increase its income or may hedge a portion of its portfolio investments through writing (*i.e.*, selling) covered put and call options. A put option embodies the right of its purchaser to compel the writer of the option to purchase from the option holder an underlying security or its equivalent at a specified price at any time during the option period. In contrast, a call option gives the purchaser the right to buy the underlying security or its equivalent covered by the option or its equivalent from the writer of the option at the stated exercise price.

The Fund would receive a premium when it writes put and call options, which increases the Fund's return on the underlying security in the event the option expires unexercised or is closed out at a profit. By writing a call, the Fund will limit its opportunity to profit from an increase in the market value of the underlying security above the exercise price of the option for as long as the Fund's obligation as the writer of the option continues. Upon the exercise of a put option written by the Fund, the Fund may suffer an economic loss equal to the difference between the price at which the Fund is required to purchase the underlying security and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by the Fund, the Fund may suffer an economic loss equal to an amount not less than the excess of the security's market value at the time of the option exercise over the Fund's acquisition cost of the security, less the sum of the premium received for writing the option and the difference, if any, between the call price paid to the Fund and the Fund's acquisition cost of the security. Thus, in some periods the Fund might receive less total return and in other periods greater total return from its hedged positions than it would have received from leaving its underlying securities unhedged.

The Fund may purchase and write options on securities that are listed on national securities exchanges or are traded over the counter, although it expects, under normal circumstances, to effect such transactions on national securities exchanges.

As a holder of a put option, the Fund would have the right to sell the securities underlying the option and as the holder of a call option, the Fund would have the right to purchase the securities underlying the option, in each case at their exercise price at any time prior to the option's expiration date. The Fund may choose to exercise the options it holds, permit them to expire or terminate them prior to their expiration by entering into closing sale transactions. In entering into a closing sale transaction, the Fund would sell an option of the same series as the one it has purchased. The ability of the Fund to enter into a closing sale transaction with respect to options purchased and to enter into a closing purchase transaction with respect to options sold depends on the existence of a liquid secondary market. There can be no assurance that a closing purchase or sale transaction can be effected if and when the Fund so desires. The Fund's ability to terminate option positions established in the over-the-counter market may be more limited than in the case of exchange-traded options and may also involve the risk that securities dealers participating in such transactions would fail to meet their obligations to the Fund. Similarly, because foreign security exchanges are generally not as liquid as U.S. exchanges, it may be more difficult for the Fund to terminate any options positions that are listed solely on a foreign securities exchange.

In purchasing a put option, the Fund would generally seek to benefit from a decline in the market price of the underlying security, while in purchasing a call option, the Fund would generally seek to benefit from an increase in the market price of the underlying security. If an option purchased is not sold or exercised when it has remaining value, or if the market price of the underlying security remains equal to or greater than the exercise price, in the case of a put, or remains equal to or below the exercise price, in the case of a call, during the life of the option, the option will expire worthless. For the purchase of an option to be profitable, the market price of the underlying security must decline sufficiently below the exercise price, in the case of a put, and must increase sufficiently above the exercise price, in the case of a call, to cover the premium and transaction costs. Because option premiums paid by the Fund are small in relation to the market value of the instruments underlying the options, buying options can result in large amounts of leverage. The leverage offered by trading in options could cause the Fund's net asset value to be subject to more frequent and wider fluctuations than would be the case if the Fund did not invest in options.

A put option on a security generally may be written only if Reaves intends to acquire the security. Call options written on securities generally are covered by ownership of the securities subject to the call option or an offsetting option. As the writer of a put option, the Fund may be compelled by the purchaser of the put option to purchase from the option holder an underlying security or its equivalent at a specified price at any time during the option period. Upon exercise of a put option written by the Fund, the Fund may suffer an economic loss equal to the difference between the price at which the Fund is required to purchase the underlying security and its market value at the time of the option exercise, less the premium received for writing the option. In purchasing a call option, the Fund will seek to benefit from an increase in the market price of the underlying security. If an option is purchased and not sold or exercised when it has remaining value, or the market price of the underlying security remains equal to or below the exercise price during the life of the option, the option will expire worthless.

As the writer of a covered call option, during the option's life the Fund gives up the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but the Fund retains the risk of loss should the price of the underlying security decline.

The writer of an option has no control over the time when it may be required to fulfill its obligation as a writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price. There is no assurance that a liquid market will exist when the Fund seeks to close out an option position. If trading were suspended in an option the Fund purchased, the Fund would not be able to close out the option. If the Fund were unable to close out a covered call option that it had written on a security, the Fund would not be able to sell the underlying security unless the option expired without exercise.

Options on Stock Indices

The Fund may utilize up to 5% of its total assets to purchase put and call options on domestic stock indices in an effort to hedge against risks of market-wide price movements affecting its assets. In addition, the Fund may write covered put and call options on stock indices. A stock index measures the movement of a certain group of stocks by assigning relative values to the common stocks included in the index. Options on stock indices are similar to options on securities. Because no underlying security can be delivered, however, the option represents the holder's right to obtain from the writer, in cash, a fixed multiple of the amount by which the exercise price exceeds (in the case of a put) or is less than (in the case of a call) the closing value of the underlying index on the exercise date. The advisability of using stock index options to hedge against the risk of market-wide movements generally depends on the extent of diversification of the Fund's investments and the sensitivity of its investments to factors influencing the underlying index. The effectiveness of purchasing or writing stock index options as a hedging technique generally depends upon the extent to which price movements in the Fund's securities investments correlate with price movements in the stock index selected. In addition, any successful use by the Fund of options on stock indices is subject to the ability of Reaves to predict correctly changes in the relationship of the underlying index to the Fund's portfolio holdings. No assurance can be given that Reaves' judgment in this respect will be correct.

Interest Rate Swaps, Swaptions, and Credit Derivatives (General)

As described in the Prospectus, the Fund may, from time to time, choose to utilize interest rate swaps and swaptions for hedging purposes. The pricing and valuation terms of interest rate swaps, swaptions and credit derivatives are not standardized, in the case of swaptions and certain other limited circumstances, and there may be no clearinghouse whereby a party to the agreement can enter into an offsetting position to close out a contract. Interest rate swaps, swaptions and credit derivatives are usually (1) between an institutional investor and a broker-dealer firm or bank or (2) between institutional investors. In addition, substantially all over-the-counter swaps are entered into subject to the standards set forth by the International Swaps & Derivatives Association ("ISDA"). ISDA represents participants in the privately negotiated derivatives industry. It helps formulate the investment industry's position on regulatory and legislative issues, develops international contractual standards and offers arbitration on disputes concerning market practice.

Under the rating agency guidelines imposed in connection with any future issuance of preferred shares by the Fund, it is expected that the Fund will be authorized to enter into swaptions and to purchase credit default swaps without limitation but will be subject to limitations on entering into interest rate swap agreements or selling credit protection. Certain rating agency guidelines may be changed from time to time, and it is expected that those relating to interest rate swaps, swaptions, and credit derivatives would be able to be revised by the Board, without a shareholder vote, so long as the relevant rating agency has given written notice that such revisions would not adversely affect the rating of the Fund's preferred shares then in effect.

In addition to any limitations set forth in the Prospectus, the Fund's use of any interest rate and credit swaps and swaptions is currently limited as follows: (1) swaps and swaptions must be U.S. dollar denominated and used for hedging purposes only; (2) no more than 5% of the Fund's total assets, at the time of purchase, may be invested in time premiums paid for swaptions; (3) swaps and swaptions must conform to the standards of the ISDA Master Agreement or be cleared; and (4) the counterparty must be a bank, broker-dealer firm, swap dealer, security-based swap dealer, derivatives clearing organization or clearing agency that, in each case, is regulated under the laws of the United States of America that is (a) on a list approved by the Board, (b) with capital of at least $100 million, and (c) which is rated investment grade by both Moody's and S&P. These criteria can be modified by the Board at any time in its discretion.

The market value of the Fund's investments in credit derivatives and/or premiums paid therefor as a buyer of credit protection generally will not exceed 10% of the Fund's total assets, and the notional value of the credit exposure to which the Fund is subject when it sells credit derivatives generally will not exceed $33^{1}/_{3}$% of the Fund's total assets.

The Fund is generally subject to initial and subsequent mark-to-market collateral requirements. These requirements help insure that the party who is a net obligor at current market value has pledged for safekeeping, for the benefit of the counterparty or its agent, sufficient collateral to cover any losses should the obligor become incapable, for whatever reason, of fulfilling its commitments under the swap or swaption agreements. This is analogous, in many respects, to the collateral requirements in place on regular futures and options exchanges. The Fund is responsible for monitoring the market value of all derivative transactions to insure that they are properly collateralized.

If Reaves determines it is advisable for the Fund to enter into such transactions, the Fund will institute procedures for valuing interest rate swap, swaption, or credit derivative positions to which it is party. Interest rate swaps, swaptions, and credit derivatives are valued in the first instance by the counterparty to the swap or swaption in question. Such valuation is then be compared with the valuation provided by a broker-dealer or bank that is not a party to the contract. In the event of material discrepancies, the Fund has procedures in place for valuing the swap or swaption, subject to the direction of the Board, which include reference to (1) third-party information services, such as Bloomberg, and (2) comparison with Reaves' valuation models.

The use of interest rate swaps, swaptions and credit derivatives, as the foregoing discussion suggests, is subject to risks and complexities beyond what might be encountered in standardized, exchange-traded options and futures contracts. Such risks include operational risks, valuation risks, credit risks and/or counterparty risk (*i.e.*, the risk that the counterparty (whether a clearing corporation in the case of exchange-traded instruments or another third party in the case of over-the-counter instruments) cannot or will not perform its obligations under the agreement). In addition, at the time the interest rate swap, swaption or credit derivative reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the performance of the Fund.

While the Fund may utilize interest rate swaps, swaptions and credit derivatives for hedging purposes, their use might result in poorer overall performance for the Fund than if it had not engaged in any such transactions. If, for example, the Fund had insufficient cash, it might have to sell or pledge a portion of its underlying portfolio of securities in order to meet daily mark-to-market collateralization requirements at a time when it might be disadvantageous to do so. There may be an imperfect correlation between the Fund's portfolio holdings and swaps, swaptions, or credit derivatives entered into by the Fund, which may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. Further, the Fund's use of swaps, swaptions, and credit derivatives to reduce risk involves costs and will be subject to Reaves' ability to predict correctly changes in interest rate relationships, volatility, credit quality, liquidity, market conditions or other factors. No assurance can be given that Reaves' judgment in this respect will be correct.

Credit Derivatives

The Fund may enter into credit derivative transactions, in an effort to either hedge credit exposure or gain exposure to an issuer or group of issuers more economically than can be achieved by investing directly in preferred or debt securities. Credit derivatives fall into two broad categories: credit default swaps and market spread swaps, both of which can reference either a single issuer or obligor or a portfolio of preferred and/or debt securities. In a credit default swap, which is the most common form of credit derivative, the purchaser of credit protection makes a periodic payment to the seller (swap counterparty) in exchange for a payment by the seller should a referenced security or loan, or a specified portion of a portfolio of such instruments, default during the life of the swap agreement. If there were a default event as specified in the swap agreement, the buyer either (i) would receive from the seller the difference between the par (or other agreed-upon) value of the referenced instrument(s) and the then-current market value of the instrument(s) or (ii) have the right to make delivery of the reference instrument(s) to the counterparty in exchange for the par (or other agreed-upon) value of the reference instrument(s). If there were no default, the buyer of credit protection would have spent the stream of payments and received no benefit from the contract. Market spread swaps are based on relative changes in market rates, such as the yield spread between a preferred security and a benchmark Treasury security, rather than default events.

In a market spread swap, two counterparties agree to exchange payments at future dates based on the spread between a reference security (or index) and a benchmark security (or index). The buyer (fixed-spread payer) would receive from the seller (fixed-spread receiver) the difference between the market rate and the reference rate at each payment date, if the market rate were above the reference rate. If the market rate were below the reference rate, then the buyer would pay to the seller the difference between the reference rate and the market rate. The Fund may utilize market spread swaps to "lock in" the yield (or price) of a security or index without having to purchase the reference security or index. Market spread swaps may also be used to mitigate the risk associated with a widening of the spread between the yield or price of a security in the Fund's portfolio relative to a benchmark Treasury security. Market spread options, which are analogous to swaptions, give the buyer the right but not the obligation to buy (in the case of a call) or sell (in the case of a put) the referenced market spread at a fixed price from the seller. Similarly, the seller of a market spread option has the obligation to sell (in the case of a call) or buy (in the case of a put) the referenced market spread at a fixed price from the buyer. Credit derivatives are highly specialized investments for which liquid secondary markets (such as the regulated exchanges on which securities are traded) do not exist.

Short Sales

The Fund may sell a security short. If it sells a security short, it generally will own at least an equal amount of the security sold short or another security convertible or exchangeable for an equal amount of the security sold short without payment of further compensation (known as a "a short sale against-the-box"). In a short sale against-the-box, the short seller is exposed to the risk of being forced to deliver stock that it holds to close the position if the borrowed stock is called in by the lender, which would cause gain or loss to be recognized on the delivered stock. The Fund expects normally to close its short sales against-the-box by delivering newly acquired stock.

The ability to use short sales against-the-box strategies as a tax-efficient management technique with respect to holdings of appreciated securities is limited to circumstances in which the hedging transaction is closed out within thirty days of the end of the Fund's taxable year and the underlying appreciated securities position is held unhedged for at least the next sixty days after the hedging transaction is closed. Not meeting these requirements would trigger the recognition of gain on the underlying appreciated securities position under the federal tax laws applicable to constructive sales. Dividends received on securities with respect to which the Fund is obligated to make related payments (pursuant to short sales or otherwise) will be treated as fully taxable ordinary income. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short-selling exposes the Fund to unlimited risk with respect to that security due to the lack of an upper limit on the price to which an instrument can rise.

Futures Contracts and Options on Futures Contracts

The Fund may enter into interest rate and stock index futures contracts and may purchase and sell put and call options on such futures contracts. The Fund may enter into such transactions for hedging and other appropriate risk-management purposes or in an effort to increase return.

An interest rate futures contract is a standardized contract for the future delivery of a specified security (such as a U.S. Treasury Bond or U.S. Treasury Note) or its equivalent at a future date at a price set at the time of the contract. A stock index futures contract is an agreement to take or make delivery of an amount of cash based on the contract's settlement price. The Fund may only enter into futures contracts traded on regulated commodity exchanges.

Parties to a futures contract must make "initial margin" deposits to secure performance of the contract. There are also requirements to make "variation margin" deposits from time to time as the value of the futures contract fluctuates.

The Fund may either accept or make delivery of cash or the underlying instrument specified at the expiration of an interest rate futures contract or cash at the expiration of a stock index futures contract or, prior to expiration, enter into a closing transaction involving the purchase or sale of an offsetting contract. Closing transactions with respect to futures contracts are effected on the exchange on which the contract was entered into (or a linked exchange).

The Fund may purchase and write put and call options on interest rate futures contracts and stock index futures contracts in order to hedge all or a portion of its investments and may enter into closing purchase transactions with respect to options written by the Fund in order to terminate existing positions. There is no guarantee that such closing transactions can be effected at any particular time or at all. In addition, daily limits on price fluctuations on exchanges on which the Fund conducts its futures and options transactions may prevent the prompt liquidation of positions at the optimal time, thus subjecting the Fund to the potential of greater losses.

An option on an interest rate futures contract or stock index futures contract, as contrasted with the direct investment in such a contract, gives the purchaser of the option the right, in return for the premium paid, to assume a position in a stock index futures contract or interest rate futures contract at a specified exercise price at any time on or before the expiration date of the option. Upon exercise of an option, the delivery of the futures position by the writer of the option to the holder of the option will be accompanied by delivery of the accumulated balance in the writer's futures margin account, which represents the amount by which the market price of the futures contract exceeds, in the case of a call, or is less than, in the case of a put, the exercise price of the option on the futures contract. The potential loss related to the purchase of an option on a futures contract is limited to the premium paid for the option (plus transaction costs).

With respect to options purchased by the Fund, there are no daily cash payments made by the Fund to reflect changes in the value of the underlying contract; however, the value of the option does change daily and that change would be reflected in the net asset value of the Fund.

The use of options and futures transactions entails risks. In particular, the variable degree of correlation between price movements of futures contracts and price movements in the related portfolio position of the Fund could create the possibility that losses on the derivative will be greater than gains in the value of the Fund's position. In addition, futures and options markets could be illiquid in some circumstances and certain OTC options could have no markets. The Fund might not be able to close out certain positions without incurring substantial losses. While the Fund may intend to enter into certain futures contracts and options on futures contracts for hedging purposes, the use of such futures contracts and options on futures contracts might result in a poorer overall performance for the Fund than if it had not engaged in any such transactions. If, for example, the Fund had insufficient cash, it might have to sell a portion of its underlying portfolio of securities in order to meet daily variation margin requirements on its futures contracts or options on futures contracts at a time when it might be disadvantageous to do so. There may be an imperfect correlation between the Fund's portfolio holdings and futures contracts or options on futures contracts entered into by the Fund, which may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. Further, the Fund's use of futures contracts and options on futures contracts to reduce risk involves costs and will be subject to Reaves' ability to predict correctly changes in interest rate relationships or other factors. No assurance can be given that Reaves' judgment in this respect will be correct.

When-Issued, Delayed Delivery and Forward Commitment Transactions

New issues of preferred and debt securities may be offered on a when-issued, forward commitment or delayed delivery basis, which means that delivery and payment for the security normally take place within a certain period of time (e.g., 45 days) after the date of the commitment to purchase. The payment obligation and the dividends that will be received on the security are fixed at the time the buyer enters into the commitment. The Fund would make commitments to purchase securities on a when-issued, forward or delayed delivery basis only with the intention of acquiring the securities, but may sell these securities before the settlement date if Reaves deems it advisable. No additional when-issued, forward or delayed delivery commitments would be made if more than 20% of the Fund's total assets would be so committed.

Securities purchased on a when-issued, forward or delayed delivery basis may be subject to changes in value based upon the public's perception of the creditworthiness of the issuer and changes, real or anticipated, in the level of interest rates. Securities purchased or sold on a when-issued, forward or delayed delivery basis may expose the Fund to risk because they may experience these fluctuations prior to their actual delivery. The Fund would not accrue income with respect to a debt security it has purchased on a when-issued, forward commitment or delayed delivery basis prior to its stated delivery date but would accrue income on a delayed delivery security it has sold. Purchasing or selling securities on a when-issued, forward or delayed delivery basis can involve the additional risk that the yield available in the market when the delivery takes place actually may be higher than that obtained in the transaction itself.

Foreign Currency Transactions

The value of foreign assets as measured in U.S. dollars may be affected favorably or unfavorably by changes in foreign currency rates and exchange control regulations. Currency exchange rates can also be affected unpredictably by intervention by U.S. or foreign governments or central banks, or the failure to intervene, or by currency controls or political developments in the United States or abroad. Foreign currency exchange transactions may be conducted on a spot (*i.e.*, cash) basis at the spot rate prevailing in the foreign currency exchange market or through entering into derivative currency transactions. Currency futures contracts are exchange-traded and change in value to reflect movements of a currency or a basket of currencies. Settlement must be made in a designated currency.

Forward foreign currency exchange contracts are individually negotiated and privately traded so they are dependent upon the creditworthiness of the counterparty. Such contracts may be used when a security denominated in a foreign currency is purchased or sold, or when the Fund anticipates receipt in a foreign currency of dividend or interest payments on such a security. A forward contract can then "lock in" the U.S. dollar price of the security or the U.S. dollar equivalent of such dividend or interest payment, as the case may be. Additionally, when Reaves believes that the currency of a particular foreign country may suffer a substantial decline against the U.S. dollar, it may enter into a forward contract to sell, for a fixed amount of dollars, the amount of foreign currency approximating the value of some or all of the securities held that are denominated in such foreign currency. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible. In addition, it may not be possible to hedge against long-term currency changes. The Fund may engage in cross-hedging by using forward contracts in one currency (or basket of currencies) to hedge against fluctuations in the value of securities denominated in a different currency if Reaves determines that there is an established historical pattern of correlation between the two currencies (or the basket of currencies and the underlying currency). Use of a different foreign currency magnifies exposure to foreign currency exchange rate fluctuations. The Fund may use forward contracts to shift exposure to foreign currency exchange rate changes from one currency to another. Short-term hedging provides a means of fixing the dollar value of only a portion of portfolio assets.

Currency transactions are subject to the risk of a number of complex political and economic factors applicable to the countries issuing the underlying currencies. Furthermore, unlike trading in many other types of instruments, there is no systematic reporting of last sale information with respect to the foreign currencies underlying the derivative currency transactions. As a result, available information may not be complete. In an over-the-counter trading environment, there are no daily price fluctuation limits. There may be no liquid secondary market to close out options purchased or written, or forward contracts entered into, until their exercise, expiration or maturity. There is also the risk of default by, or the bankruptcy of, the financial institution serving as a counterparty.

Corporate Bonds and Other Debt Securities

The Fund may invest in corporate bonds including below investment grade quality, commonly known as "junk bonds" ("Non-Investment Grade Bonds"). Investments in Non-Investment Grade Bonds generally provide greater income and increased opportunity for capital appreciation than investments in higher quality securities, but they also typically entail greater price volatility and principal and income risk, including the possibility of issuer default and bankruptcy. Non-Investment Grade Bonds are regarded as predominantly speculative with respect to the issuer's continuing ability to meet principal and interest payments. Debt securities in the lowest investment grade category also may be considered to possess some speculative characteristics by certain rating agencies. In addition, analysis of the creditworthiness of issuers of Non-Investment Grade Bonds may be more complex than for issuers of higher quality securities.

Non-Investment Grade Bonds may be more susceptible to real or perceived adverse economic and competitive industry conditions than investment grade securities. A projection of an economic downturn or of a period of rising interest rates, for example, could cause a decline in Non-Investment Grade Bond prices because the advent of recession could lessen the ability of an issuer to make principal and interest payments on its debt obligations. If an issuer of Non-Investment Grade Bonds defaults, in addition to risking payment of all or a portion of interest and principal, the Fund may incur additional expenses to seek recovery. In the case of Non-Investment Grade Bonds structured as zero-coupon, step-up or payment-in-kind securities, their market prices will normally be affected to a greater extent by interest rate changes, and therefore tend to be more volatile than securities which pay interest currently and in cash. Reaves seeks to reduce these risks through diversification, credit analysis and attention to current developments in both the economy and financial markets.

The secondary market on which Non-Investment Grade Bonds are traded may be less liquid than the market for investment grade securities. Less liquidity in the secondary trading market could adversely affect the net asset value of the Shares. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the values and liquidity of Non-Investment Grade Bonds, especially in a thinly traded market. When secondary markets for Non-Investment Grade Bonds are less liquid than the market for investment grade securities, it may be more difficult to value the securities because such valuation may require more research, and elements of judgment may play a greater role in the valuation because there is no reliable, objective data available. During periods of thin trading in these markets, the spread between bid and asked prices is likely to increase significantly and the Fund may have greater difficulty selling these securities. The Fund will be more dependent on Reaves' research and analysis when investing in Non-Investment Grade Bonds. Reaves seeks to minimize the risks of investing in all securities through in-depth credit analysis and attention to current developments in interest rate and market conditions.

A general description of the ratings of securities by Standard & Poor's Financial Services LLP, a subsidiary of The McGraw-Hill Companies, Inc. ("S&P"), Fitch, Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's") is set forth in Appendix A to this Statement of Additional Information. Such ratings represent these rating organizations' opinions as to the quality of the securities they rate. It should be emphasized, however, that ratings are general and are not absolute standards of quality. Consequently, debt obligations with the same maturity, coupon and rating may have different yields while obligations with the same maturity and coupon may have the same yield. For these reasons, the use of credit ratings as the sole method of evaluating Non-Investment Grade Bonds can involve certain risks. For example, credit ratings evaluate the safety or principal and interest payments, not the market value risk of Non-Investment Grade Bonds. Also, credit rating agencies may fail to change credit ratings in a timely fashion to reflect events since the security was last rated. Reaves does not rely solely on credit ratings when selecting securities for the Fund, and develops its own independent analysis of issuer credit quality.

In the event that a rating agency or Reaves downgrades its assessment of the credit characteristics of a particular issue, the Fund is not required to dispose of such security. In determining whether to retain or sell a downgraded security, Reaves may consider such factors as Reaves' assessment of the credit quality of the issuer of such security, the price at which such security could be sold and the rating, if any, assigned to such security by other rating agencies. However, analysis of the creditworthiness of issuers of Non-Investment Grade Bonds may be more complex than for issuers of high quality debt securities.

Temporary Investments

The Fund may invest temporarily in cash, money market funds or cash equivalents. Cash equivalents are highly liquid, short-term securities such as commercial paper, certificates of deposit, short-term notes and short-term U.S. Government obligations.

Foreign Securities

Investments in securities of foreign issuers may be subject to risks not usually associated with owning securities of U.S. issuers. For example, the value of foreign securities is affected by changes in currency rates, foreign tax laws (including withholding tax), government policies (in this country or abroad), relations between nations and trading, settlement, custodial and other operational risks. In addition, the costs of investing abroad are generally higher than in the United States, and foreign securities markets may be less liquid, more volatile and less subject to governmental supervision than markets in the United States. As an alternative to holding foreign-traded securities, the Fund may invest in dollar-denominated securities of foreign companies that trade on U.S. exchanges or in the U.S. over-the-counter market (including depositary receipts, which evidence ownership in underlying foreign securities).

Because foreign companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to U.S. companies, there may be less publicly available information about a foreign company than about a domestic company. Volume and liquidity in most foreign debt markets is less than in the United States and securities of some foreign companies are less liquid and more volatile than securities of comparable U.S. companies. There is generally less government supervision and regulation of securities exchanges, broker-dealers and listed companies than in the United States. Mail service between the United States and foreign countries may be slower or less reliable than within the United States, thus increasing the risk of delayed settlements of portfolio transactions or loss of certificates for portfolio securities. Payment for securities before delivery may be required. In addition, with respect to certain foreign countries, there is the possibility of expropriation or confiscatory taxation, political or social instability, or diplomatic developments, which could affect investments in those countries. Moreover, individual foreign economics may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. Foreign securities markets, while growing in volume and sophistication, are generally not as developed as those in the United States, and securities of some foreign issuers (particularly those located in developing countries) may be less liquid and more volatile than securities of comparable U.S. companies.

The Fund may purchase American Depositary Receipts (“ADRs”), European Depositary Receipts (“EDRs”) and Global Depositary Receipts (“GDRs”). ADRs, EDRs and GDRs are certificates evidencing ownership of shares of foreign issuers and are alternatives to purchasing directly the underlying foreign securities in their national markets and currencies. However, they continue to be subject to many of the risks associated with investing directly in foreign securities. These risks include foreign exchange risk as well as the political and economic risks of the underlying issuer’s country. ADRs, EDRs and GDRs may be sponsored or unsponsored. Unsponsored receipts are established without the participation of the issuer. Unsponsored receipts may involve higher expenses, they may not pass-though voting or other shareholder rights, and they may be less liquid.

Master Limited Partnerships

The Fund may invest in master limited partnership (“MLP”) common units. MLPs are typically structured such that common units and general partner interests have first priority to receive quarterly cash distributions up to an established minimum amount (“minimum quarterly distributions” or “MQD”). Common and general partner interests also accrue arrearages in distributions to the extent the MQD is not paid. Once common and general partner interests have been paid, subordinated units receive distributions of up to the MQD; however, subordinated units do not accrue arrearages. Distributable cash in excess of the MQD paid to both common and subordinated units is distributed to both common and subordinated units generally on a pro rata basis.

The general partner is also eligible to receive incentive distributions if the general partner operates the business in a manner that results in distributions paid per common unit surpassing specified target levels. As the general partner increases cash distributions to the limited partners, the general partner receives an increasingly higher percentage of the incremental cash distributions. A common arrangement provides that the general partner can reach a tier where it receives 50% of every incremental dollar paid to common and subordinated unit holders. These incentive distributions encourage the general partner to streamline costs, increase capital expenditures and acquire assets in order to increase the partnership’s cash flow and raise the quarterly cash distribution in order to reach higher tiers. Such results benefit all security holders of the MLP.

To qualify as a partnership for U.S. federal income tax purposes, an MLP must receive at least 90% of its income from qualifying sources such as interest, dividends, real estate rents, gain from the sale or disposition of real property, income and gain from mineral or natural resources activities, income and gain from the transportation or storage of certain fuels, gain from the sale or disposition of a capital asset held for the production of income described in the foregoing and, in certain circumstances, income and gain from commodities or futures, forwards and options with respect to commodities. Mineral or natural resources activities include exploration, development, production, mining, refining, marketing and transportation (including pipelines), of oil and gas, minerals, geothermal energy, fertilizer, timber or industrial source carbon dioxide. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Due to their partnership structure, MLPs generally do not pay income taxes. Thus, unlike investors in corporate securities, direct MLP investors are generally not subject to double taxation (i.e. corporate level tax and tax on corporate dividends).

MLP Common Units. MLP common units represent a limited partnership interest in the MLP. Common units are listed and traded on U.S. securities exchanges or OTC, with their value fluctuating predominantly based on prevailing market conditions and the success of the MLP. We may purchase common units in market transactions as well as directly from the MLP or other parties. Unlike owners of common stock of a corporation, owners of common units have limited voting rights and have no ability annually to elect directors. MLPs generally distribute all available cash flow (cash flow from operations less maintenance capital expenditures) in the form of quarterly distributions. Common units along with general partner units, have first priority to receive quarterly cash distributions up to the MQD and have arrearage rights. In the event of liquidation, common units have preference over subordinated units, but not debt or preferred units, to the remaining assets of the MLP.

I-Shares. I-Shares represent an ownership interest issued by an affiliated party of an MLP. The MLP affiliate uses the proceeds from the sale of I-Shares to purchase limited partnership interests in the MLP in the form of i-units. I-units have similar features as MLP common units in terms of voting rights, liquidation preference and distributions. However, rather than receiving cash, the MLP affiliate receives additional i-units in an amount equal to the cash distributions received by MLP common units. Similarly, holders of I-Shares will receive additional I-Shares, in the same proportion as the MLP affiliates receipt of i-units, rather than cash distributions. I-Shares themselves have limited voting rights which are similar to those applicable to MLP common units. The MLP affiliate issuing the I-Shares is structured as a corporation for U.S. federal income tax purposes. I-Shares are traded on the New York Stock Exchange.

Hedging Strategy

Certain of the investment techniques that the Fund may employ for hedging or, under certain circumstances, to increase income will expose the Fund to risks.

There are economic costs of hedging reflected in the pricing of futures, swaps, options, and swaption contracts which can be significant, particularly when long-term interest rates are substantially above short-term interest rates. The desirability of moderating these hedging costs is a factor (but not the only factor) in Reaves's choice of hedging strategies (and whether to employ a hedging strategy at all). In addition, the Fund may select individual investments based upon their potential for appreciation without regard to the effect on current income in an attempt to mitigate the impact on the Fund's assets of the expected normal cost of hedging.

There may be an imperfect correlation between changes in the value of the Fund's portfolio holdings and hedging positions entered into by the Fund, which may prevent the Fund from achieving an intended hedge or expose the Fund to risk of loss. In addition, the Fund's success in using hedge instruments will be subject to Reaves's ability to predict correctly changes in the relationships of such hedge instruments to the Fund's portfolio holdings, and we cannot assure you that Reaves's judgment in this respect will be accurate. Consequently, any use of hedging transactions might result in a poorer overall performance for the Fund, whether or not adjusted for risk, than if the Fund had not hedged its portfolio holdings.

Cyber Security

In connection with the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, the Fund is susceptible to operational, information security, and related risks due to the possibility of cyber-attacks or other incidents. Cyber incidents may result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices that are used to service the Fund's operations through hacking or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks (which can make a website unavailable) on the Fund's website. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on the Fund's systems.

Cyber security failures or breaches by the Fund's third party service providers (including, but not limited to, ALPS, the custodian and transfer agent) or the NYSE American, may cause disruptions and impact the service providers' and the Fund's business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business or process transactions, inability to calculate the Fund's net asset value, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. The Fund and its shareholders could be negatively impacted as a result of successful cyber-attacks against, or security breakdowns of, the Fund or its third party service providers.

The Fund may incur substantial costs to prevent or address cyber incidents in the future. In addition, there is a possibility that certain risks have not been adequately identified or prepared for. Furthermore, the Fund cannot directly control any cyber security plans and systems put in place by third party service providers. Cyber security risks are also present for issuers of securities in which the Fund invests, which could result in material adverse consequences for such issuers, and may cause the Fund's investment in such securities to lose value.

Investment Restrictions

The following investment restrictions of the Fund are designated as fundamental policies and as such cannot be changed without the approval of the holders of a majority of the Fund's outstanding voting securities, which as used in this Statement of Additional Information means the lesser of (a) 67% of the shares of the Fund present or represented by proxy at a meeting if the holders of more than 50% of the outstanding shares are present or represented at the meeting or (b) more than 50% of outstanding shares of the Fund. As a matter of fundamental policy the Fund may not:

(1) Borrow money, except as permitted by the Investment Company Act of 1940, as amended (the "1940 Act") and the rules promulgated thereunder, as in effect from time to time, or interpretations or modifications thereof by the SEC, the staff of the SEC or any other authority with appropriate jurisdiction;

(2) Issue senior securities, as defined in the 1940 Act, other than (a) preferred shares which immediately after issuance will have asset coverage of at least 200%, (b) indebtedness which immediately after issuance will have asset coverage of at least 300% or (c) the borrowings permitted by investment restriction (1) above. The 1940 Act currently defines "senior security" as any bond, debenture, note or similar obligation or instrument constituting a security and evidencing indebtedness, and any stock of a class having priority over any other class as to distribution of assets or payment of dividends. Debt and equity securities issued by a closed-end investment company meeting the foregoing asset coverage provisions are excluded from the general 1940 Act prohibition on the issuance of senior securities;

(3) Purchase securities on margin (but the Fund may obtain such short-term credits as may be necessary for the clearance of purchases and sales of securities). The purchase of investment assets with the proceeds of a permitted borrowing or securities offering will not be deemed to be the purchase of securities on margin;

(4) Underwrite securities issued by other persons, except insofar as it may technically be deemed to be an underwriter under the Securities Act in selling or disposing of a portfolio investment;

(5) Make loans to other persons, except by (a) the acquisition of loan interests, debt securities and other obligations in which the Fund is authorized to invest in accordance with its investment objectives and policies, (b) entering into repurchase agreements and (c) lending its portfolio securities;

(6) Purchase or sell real estate, although it may purchase and sell securities which are secured by interests in real estate and securities of issuers which invest or deal in real estate. The Fund reserves the freedom of action to hold and to sell real estate acquired as a result of the ownership of securities; and

(7) Purchase or sell physical commodities or contracts for the purchase or sale of physical commodities. Physical commodities do not include futures contracts with respect to securities, securities indices, currencies, interest or other financial instruments.

In addition, as a matter of fundamental policy and as discussed in the Prospectus, the Fund will concentrate its investments in the Utility Industry.

The Fund may borrow money as a temporary measure for extraordinary or emergency purposes, including the payment of dividends and the settlement of securities transactions which otherwise might require untimely dispositions of Fund securities. The 1940 Act currently requires that the Fund have 300% asset coverage with respect to all borrowings other than temporary borrowings. In addition, the Fund may engage in certain derivatives transactions that have economic characteristics similar to leverage, subject to Rule 18f-4 under the 1940 Act. Derivatives transactions entered into by the fund in compliance with Rule 18f-4 will not be considered for purposes of computing asset coverage, as defined in Section 18(h) of the 1940 Act.

The Fund has adopted the following nonfundamental investment policy which may be changed by the Board without approval of the Fund's shareholders. As a matter of nonfundamental policy, the Fund may not make short sales of securities or maintain a short position, unless at all times when a short position is open it either owns an equal amount of such securities or owns securities convertible into or exchangeable, without payment of any further consideration, for securities of the same issue as, and equal in amount to, the securities sold short.

Whenever an investment policy or investment restriction set forth in the Prospectus or this Statement of Additional Information states a maximum percentage of assets that may be invested in any security or other assets or describes a policy regarding quality standards, such percentage limitation or standard shall be determined immediately after and as a result of the Fund's acquisition of such security or asset. Accordingly, any later increase or decrease resulting from a change in values, assets or other circumstances or any subsequent rating change made by a rating service (or as determined by Reaves if the security is not rated by a rating agency) will not compel the Fund to dispose of such security or other asset. Notwithstanding the foregoing, the Fund must always be in compliance with the borrowing policies set forth above.

TRUSTEES AND OFFICERS

The Trustees of the Fund are responsible for the overall management and supervision of the affairs of the Fund. The Trustees and officers of the Fund are listed below. The "Non-interested Trustees" or "Independent Trustees" consist of those Trustees who are not "interested persons" of the Fund, as that term is defined under the 1940 Act. These Trustees are also "independent trustees or directors" as defined under NYSE American Listing Standards.

Name, Position(s) Held with the Fund, Address,[1] and Year of Birth	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee or Nominee[3]
Non-Interested Trustees				
Mary K. Anstine Trustee 1940	Since Inception*	Ms. Anstine is also a trustee of A.V. Hunter Trust. Ms. Anstine was formerly a Director of the Bank of Colorado (later purchased and now known as Northern Trust Bank), and a member of The American Bankers Association and Trust Executive Committee.	1	Ms. Anstine is a Trustee of ALPS ETF Trust (24 funds); Financial Investors Trust (17 funds); and ALPS Variable Investment Trust (7 funds).
Jeremy W. Deems Chairman and Trustee 1976	Chairman Since 2017 Trustee Since 2008***	Mr. Deems is the Co-Founder, Chief Financial Officer of Green Alpha Advisors, LLC, a registered investment adviser, and Co-Portfolio Manager of the AXS Green Alpha ETF. Prior to joining Green Alpha Advisors, Mr. Deems was Chief Financial Officer and Treasurer of Forward Management, LLC, ReFlow Management, Co. LLC, ReFlow Fund, LLC, a private investment fund, and Sutton Place Management, LLC, an administrative services company from 2004 to 2007.	1	Mr. Deems is a Trustee of ALPS ETF Trust (24 funds); Financial Investors Trust (17 funds); and ALPS Variable Investment Trust (7 funds).
Michael F. Holland Trustee 1944	Since Inception*	Mr. Holland is Chairman of Holland & Company, an investment management company.	1	None.

Name, Position(s) Held with the Fund, Address,[1] and Year of Birth	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee or Nominee[3]
JoEllen L. Legg Trustee 1961	Since 2022***	Ms. Legg was formerly Counsel with Practus, LLP, a law firm (2017-2019).	1	Principal Real Estate Income Fund (since February 2024)
E. Wayne Nordberg Trustee 1938	Since 2012**	Mr. Nordberg is currently the Chairman and Co-Chief Investment Officer of Hollow Brook Wealth Management, LLC, a private investment management firm and is a Director/Trustee for Riley Exploration Permian. Mr. Nordberg was formerly a Senior Director at Ingalls & Snyder LLC, a privately owned registered investment adviser.	1	Mr. Nordberg is a Director/ Trustee for Riley Exploration Permian, Inc.
Officers				
Joseph Rhame, III President 1981	President Since 2021	Mr. Rhame is currently the CEO at Reaves Asset Management. and prior to 2019 was Portfolio Manager and Analyst at Reaves.	N/A	N/A
Jill Kerschen Treasurer 1975	Treasurer Since 2022	Ms. Kerschen joined Paralel in 2021 and is currently Director of Fund Administration. Prior to joining Paralel she was Vice President at ALPS Advisors, Inc. from 2019 to 2021 and from 2013 to 2019 she served as Vice President and Fund Controller at ALPS Fund Services, Inc.	N/A	N/A
Bradley J. Swenson Chief Compliance Officer 1972	Chief Compliance Officer Since 2022	Mr. Swenson is President and Chief Compliance Officer, Paralel Distributors LLC, since May 2022; Chief Compliance Officer, Paralel Technologies, since May 2022; President, TruePeak Consulting, LLC, since August 2021; President, ALPS Fund Services, Inc. (“ALPS”) June 2019 to June 2021; Chief Operating Officer, ALPS 2015 to 2019	N/A	N/A

Name, Position(s) Held with the Fund, Address,[1] and Year of Birth	Term of Office and Length of Time Served[2]	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee or Nominee[3]
Christopher Moore Secretary 1984	Secretary Since 2022	Mr. Moore is General Counsel of Paralel Technologies LLC and Paralel Advisors LLC since 2021. Mr. Moore served as Deputy General Counsel and Legal Operations Manager of RiverNorth Capital Management, LLC from 2020-2021; VP and Senior Counsel of ALPS Fund Services, Inc. from 2016-2020.	N/A	N/A

(1) Address: 1700 Broadway, Suite 1850, Denver, Colorado 80290.

(2) The Fund commenced operations on February 24, 2004. The Fund's Board of Trustees is divided into three classes, each class serves for a term of three years. Each year the term of office of one class expires and the successors elected to such class serve for a term of three years.

* Term expires at the Fund's 2026 Annual Meeting of Shareholders.

** Term expires at the Fund's 2027 Annual Meeting of Shareholders.

*** Term expires at the Fund's 2025 Annual Meeting of Shareholders.

(3) The numbers enclosed in the parentheticals represent the number of funds overseen in each respective directorship held by the Trustee.

Additional Information About Each Trustee's Professional Experience And Qualifications

Provided below is a brief summary of the specific experience, qualifications, attributes or skills for each Trustee that warranted their consideration as a Trustee candidate to the Board, which is structured as an individual investment company under the 1940 Act.

Non-Interested Trustees

Mary K. Anstine – Ms. Anstine was President and Chief Executive Officer of HealthOne Alliance in Denver, Colorado from 1995 to 2004. Ms. Anstine has also served in various executive positions with several philanthropic organizations such as the AV Hunter Trust, Colorado Uplift Board. Prior to that, Ms. Anstine was an Executive Vice President of First Interstate Bank of Denver, Colorado and formerly a Director of Trust Bank of Colorado. In addition, Ms. Anstine served on the Executive Committee of the American Bankers Association. Ms. Anstine also currently serves as a Trustee of ALPS ETF Trust, Financial Investors Trust, and ALPS Variable Investment Trust. Ms. Anstine has served as a Trustee for the Fund since its inception. Ms. Anstine also serves as a member of the Fund's Audit Committee and Nominating and Corporate Governance Committee. Ms. Anstine has further enhanced her experience and skills, in conjunction with the other Trustees, through the Board's oversight of the Fund's officers in dealing with a diverse range of topics, to include but not limited to, portfolio management, legal and regulatory matters, compliance oversight, preparation of financial statements and oversight of the Fund's multiple service providers. The Board, in its judgment of Ms. Anstine's professional experience in management and oversight of a variety corporate and non-profit organization and as a Trustee of several other investment companies, believes Ms. Anstine contributes a seasoned perspective to the Board.

Jeremy W. Deems – Mr. Deems is currently Co-Founder and Chief Financial Officer of Green Alpha Advisors, LLC, an investment management firm, and a co-portfolio manager of the AXS Green Alpha ETF. Mr. Deems was formerly the Chief Financial Officer and Treasurer of Forward Management, LLC, an investment management firm, ReFlow Management Co., LLC, a liquidity resourcing company, and ReFlow Fund, LLC, a private investment fund. Mr. Deems was also Chief Financial Officer and Treasurer of Sutton Place Management, LLC, an administrative services company, from 2004 and 2007. Prior to that, Mr. Deems served as Controller of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC and Sutton Place Management, LLC. Mr. Deems currently serves as a Trustee of ALPS ETF Trust, Financial Investors Trust, and ALPS Variable Investment Trust. In addition, Mr. Deems held a Certified Public Accountant license from August 2001 to February 2017. Mr. Deems has been a Trustee since 2008 for the Fund. Mr. Deems also serves as a Chairman of the Fund's Audit Committee and as a member of the Fund's Nominating & Corporate Governance Committee. Mr. Deems has further enhanced his experience and skills, in conjunction with the other Trustees, through the Board's oversight of the Fund officers in dealing with a diverse range of topics, to include but not limited to, portfolio management, legal and regulatory matters, compliance oversight, preparation of financial statements and oversight of the Fund's multiple service providers. The Board, in its judgment of Mr. Deems' professional experience in management and oversight of firms specializing in financial services and as a Trustee of several other investment companies with diverse product lines, believes Mr. Deems contributes an extensive experience in investment company operations and accounting oversight to the Board.

Michael F. Holland – Mr. Holland is currently the Chairman of Holland & Company, an investment management firm, since 1995 and has over 40 years of experience in the financial services industry. Mr. Holland began his career at J.P. Morgan in 1968 spending twelve years managing both equity and fixed income assets for major institutional clients and high net worth individuals. He also served as Chief Executive Officer of First Boston Asset Management in the early 1980's and later served as Chairman of Salomon Brothers Asset Management. He has also been a General Partner of the Blackstone Group, Chief Executive Officer of Blackstone Alternative Asset Management and a former Vice Chairman of Oppenheimer & Co., Inc. Mr. Holland has served as a Trustee for the Fund since its inception. Mr. Holland also serves as a member of the Fund's Audit Committee and Nominating and Corporate Governance Committee. Mr. Holland has further enhanced his experience and skills, in conjunction with the other Trustees, through the Board's oversight of the Fund officers in dealing with a diverse range of topics, to include but not limited to, portfolio management, legal and regulatory matters, compliance oversight, preparation of financial statements and oversight of the Fund's multiple service providers. The Board, in its judgment of Mr. Holland's professional experience in efficient and effective operations of an investment adviser and oversight of closed- end investment companies, believes Mr. Holland contributes a wealth of industry experience in investment company operations to the Board.

JoEllen L. Legg – Ms. Legg was formerly Counsel with Practus, LLP, a law firm (2017-2019). She previously served as Vice President and Assistant General Counsel of ALPS Fund Services, Inc., an administrator and transfer agent, and of ALPS Distributors, Inc., a broker-dealer, as Senior Counsel (Corporate and Securities) of Adelphia Communications Corporation, a public cable company, and held Associate positions at Fried, Frank, Harris, Shriver & Jacobson, LLP and Patton Boggs LLP, law firms. Ms. Legg has served a Trustee of the Fund since 2022. Ms. Legg also serves as a member of the Fund's Audit Committee and the chairman of the Nominating and Corporate Governance Committee. She has also served as a Trustee of the Principal Real Estate Income Fund (since 2024). Ms. Legg has further enhanced her experience and skills, in conjunction with the other Trustees, through the Board's oversight of the Fund's officers in dealing with a diverse range of topics, to include but not limited to, portfolio management, legal and regulatory matters, compliance oversight, preparation of financial statements and oversight of the Fund's multiple service providers. The Board, in its judgment of Ms. Legg's professional experience in management and oversight of firms specializing in corporate and legal administrative services, believes Ms. Legg contributes an extensive experience in investment company legal operations to the Board.

E. Wayne Nordberg – Mr. Nordberg is currently the Chairman and Co-Chief Investment Officer of Hollow Brook Wealth Management, LLC, a private investment management firm serving family offices, foundations, charities and pensions and is a Director/Trustee for Riley Exploration Permian. He has over 50 years of experience in investment research and portfolio management. In addition, he also serves on the Board of Directors of Rily Permian Exploration, Inc. Mr. Nordberg has served as a Director of Annaly Capital Management, Inc., the largest mortgage real estate investment trust listed on the New York Stock Exchange. In addition, he has also served on the Board of Directors of PetroQuest Energy, Inc., an oil and gas exploration company. From 2003 to 2007, Mr. Nordberg was a Senior Director at Ingalls & Snyder LLC, a privately owned registered investment advisor. He also formerly served on the Board of Directors of Lord, Abbett & Co., a mutual fund family, from 1988 to 1998. Mr. Nordberg has served as Trustee of the Fund since 2012. Mr. Nordberg also serves as a member of the Fund's Audit Committee and Nominating and Corporate Governance Committee. The Board, in its judgment of Mr. Nordberg's extensive experience in senior management positions with a variety of portfolio management firms and as a board director for a variety of companies, believes that Mr. Nordberg contributes a tenured perspective to the Board.

Leadership Structure of the Board

The Board, which has overall responsibility for the oversight of the Fund's investment programs and business affairs, believes that it has structured itself in a manner that allows it to effectively perform its oversight obligations. Mr. Deems, the Chairman of the Board ("Chairman"), is an Independent Trustee. The Trustees also complete an annual self-assessment during which the Trustees review their overall structure and consider where and how its structure remains appropriate in light of the Fund's current circumstances. The Chairman's role is to preside at all meetings of the Board and in between Board meetings to generally act as the liaison between the Board and the Fund's officers, attorneys and various other service providers, including but not limited to, the Fund's investment adviser, administrator and other such third parties servicing the Fund.

The Board has two standing committees, each of which enhances the leadership structure of the Board: the Audit Committee and the Nominating and Corporate Governance Committee. The Audit Committee and Nominating and Corporate Governance Committee are each chaired by, and composed of, members who are Independent Trustees.

Audit Committee. The role of the Fund's Audit Committee is to assist the Board in its oversight of (i) the quality and integrity of the Fund's financial statements, reporting process and the independent registered public accounting firm (the "independent accountants") and reviews thereof, (ii) the Fund's accounting and financial reporting policies and practices, its internal controls and, as appropriate, the internal controls of certain service providers, (iii) the Fund's compliance with legal and regulatory requirements, and (iv) the independent accountants' qualifications, independence and performance. The Audit Committee is also required to prepare an audit committee report pursuant to the rules of the SEC for inclusion in the Fund's annual proxy statement. The Audit Committee operates pursuant to the Audit Committee Charter (the "Charter") that was most recently reviewed and approved by the Board on September 8, 2023. The Charter is available at the Fund's website, www.utilityincomefund.com. As set forth in the Charter, management is responsible for maintaining appropriate systems for accounting and internal control, and the Fund's independent accountants are responsible for planning and carrying out proper audits and reviews. The independent accountants are ultimately accountable to the Board and to the Audit Committee, as representatives of shareholders. The independent accountants for the Fund report directly to the Audit Committee.

The Audit Committee met three times during the fiscal year ended October 31, 2023. The Audit Committee is composed of all five of the Fund's Independent Trustees (as such term is defined by the NYSE American listing standards); namely, Mss. Mary K. Anstine and JoEllen L. Legg and Messrs. Jeremy W. Deems, Michael F. Holland and E. Wayne Nordberg. None of the members of the Audit Committee is an "interested person" of the Fund.

Nominating and Corporate Governance Committee. The Board has a Nominating and Corporate Governance Committee composed of all five Independent Trustees as such term is defined by the NYSE American listing standards; namely, Mss. Mary K. Anstine and JoEllen L. Legg and Messrs. Jeremy W. Deems, Michael F. Holland, and E. Wayne Nordberg. The Nominating and Corporate Governance Committee met one time during the fiscal year ended October 31, 2023. None of the members of the Nominating and Corporate Governance Committee are "interested persons" of the Fund. The Nominating and Corporate Governance Committee is responsible for identifying and recommending to the Board individuals believed to be qualified to become Trustees in the event that a position is vacated or created.

The Nominating and Corporate Governance Committee will consider Trustee candidates recommended by shareholders. In considering candidates submitted by shareholders, the Nominating and Corporate Governance Committee will take into consideration the needs of the Board, the qualifications of the candidate and the interests of shareholders. The Nominating and Corporate Governance Committee has not determined any minimum qualifications necessary to serve as a Trustee of the Fund, nor has it adopted a formal diversity policy, but it may consider diversity of professional experience, education and skills when evaluating potential nominees. Any notice by a shareholder that the shareholder wishes to recommend a person for election as a Trustee must include: (i) a brief description of the business desired to be brought before the annual or special meeting and the reasons for conducting such business at the annual or special meeting; (ii) the name and address, as they appear on the Fund's books, of the shareholder proposing such business or nomination; (iii) a representation that the shareholder is a holder of record of stock of the Fund entitled to vote at such meeting and intends to appear by conference call or by proxy at the meeting to present such proposal or nomination; (iv) the class and number of shares of the capital stock of the Fund, which are beneficially owned by the shareholder and, if applicable, the proposed nominee to the Board; (v) any material interest of the shareholder or nominee in such business; (vi) the extent to which such shareholder (including such shareholder's principals) or the proposed nominee to the Board has entered into any hedging transaction or other arrangement with the effect or intent of mitigating or otherwise managing profit, loss or risk of changes in the value of the common stock or the daily quoted market price of the Fund held by such shareholder (including such shareholder's principals) or the proposed nominee, including independently verifiable information in support of the foregoing; and (vii) in the case of a nomination of any person for election as a Trustee, such other information regarding such nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to Regulation 14A under the 1934 Act.

The shareholder recommendation described above must be sent to the Fund's Secretary c/o Paralel Technologies LLC. The Fund's Nominating and Corporate Governance Committee has adopted a charter and is available on the Fund's website www.utilityincomefund.com.

Oversight of Risk Management

The Fund is confronted with a multitude of risks, such as investment risk, counter party risk, valuation risk, political risk, risk of operational failures, business continuity risk, regulatory risk, legal risk and other risks not listed here. The Board recognizes that not all risk that may affect the Fund can be known, eliminated or even mitigated. In addition, there are some risks that may not be cost effective or an efficient use of the Fund's limited resources to moderate. As a result of these realities, the Board, through its oversight and leadership, has and will continue to deem it necessary for shareholders of the Fund to bear certain and undeniable risks, such as investment risk, in order for the Fund to operate in accordance with its Prospectus, Statement of Additional Information and other related documents.

However, as required under the 1940 Act, the Board has adopted on the Fund's behalf a risk program that mandates the Funds various service providers, including the investment adviser, to adopt a variety of processes, procedures and controls to identify various risks, mitigate the likelihood of such adverse events from occurring and/or attempt to limit the effects of such adverse events on the Fund. The Board fulfills its leadership role by receiving a variety of quarterly written reports prepared by the Fund's CCO that (1) evaluate the operation, policies and procedures of the Fund's service providers, (2) makes known any material changes to the policies and procedures adopted by the Fund or its service providers since the CCO's last report, and (3) disclose any material compliance matters that occurred since the date of the last CCO report. In addition, the Independent Trustees meet quarterly in executive sessions without the presence of any Interested Trustees, the investment adviser, the administrator, or any of their affiliates. This configuration permits the Independent Trustees to effectively receive information and have private discussions necessary to perform its risk oversight role, exercise independent judgment, and allocate areas of responsibility between the full Board, its various committees and certain officers of the Fund. Furthermore the Independent Trustees have engaged independent legal counsel and auditors to assist the Independent Trustees in performing their oversight responsibilities. As discussed above and in consideration of other factors not referenced herein, the Board has determined its leadership role concerning risk management, as one of oversight and not active management of the Fund's day-to-day risk management operations.

Fund Share Ownership

Set forth in the table below is the dollar range of equity securities held in the Fund by each of the Fund's Trustees as of December 31, 2023. Since the Fund is not affiliated or associated with any "Fund Complex," as defined under the 1940 Act, the aggregate dollar range of equity securities in the Fund Complex beneficially owned by each Trustee and nominee for election as Trustee is not applicable to the Fund.

Name of Trustee	Dollar Range of Equity Securities Held in the Fund[1,2]
Non-Interested Trustees	
Mary K. Anstine	$10,001-$50,000
Jeremy W. Deems	None
Michael F. Holland	$10,001-$50,000
E. Wayne Nordberg	$100,001-$500,000
JoEllen L. Legg	None

(1) This information has been furnished by each Trustee and Nominee for election as Trustee as of December 31, 2023. "Beneficial Ownership" is determined in accordance with Section 16a-1(a)(2) of the Securities Exchange Act of 1934, as amended (the "1934 Act").

(2) Ownership amount constitutes less than 1% of the total shares outstanding.

Independent Trustee Transactions/Relationships with Fund Affiliates

As of December 31, 2023, neither the Independent Trustees nor members of their immediate families owned securities, beneficially or of record, of the Adviser, or an affiliate or person directly or indirectly controlling, controlled by, or under common control with the Adviser. In addition, over the past five years, neither the Independent Trustees nor members of their immediate families have had any direct or indirect interest, the value of which exceeds $120,000, in the Adviser or any of its affiliates. Further, during each of the last two fiscal years, neither the Independent Trustees nor members of their immediate families have conducted any transactions (or series or transactions) or maintained any direct or indirect relationship in which the amount involved exceeds $120,000 and to which the Adviser or any of its affiliates was a party.

Compensation of Officers and Trustees

The following table sets forth certain information regarding the compensation of the Trustees for the fiscal year ended October 31, 2023. Trustees and Officers of the Fund who are employed by Paralel Technologies LLC ("Paralel") or Reaves receive no compensation from the Fund. The Fund is not a member or affiliate of any Fund Complex.

Compensation Table For The Fiscal Year Ended October 31, 2023

Name of Person and Position*	Aggregate Compensation Paid From the Fund*
Non-Interested Trustees	
Mary K. Anstine *Trustee*	$84,000
Jeremy W. Deems *Chairman of the Board and Trustee*	$99,000
Michael F. Holland *Trustee*	$82,000
E. Wayne Nordberg *Trustee*	$82,000
JoEllen L. Legg *Trustee*	$82,000

* Represents the total compensation paid to such persons during the fiscal year ended October 31, 2023 by the Fund. The Fund is not a member or affiliate of any Fund Complex.

Effective January 1, 2024, the Fund paid each Independent Trustee and Interested Trustee an annual retainer of $69,000 plus $9,500 per meeting attended in person and by telephone, together with the Trustee's actual out-of-pocket expenses relating to their attendance at such meetings. Mr. Deems receives an additional per meeting fee equal to $5,000 per meeting attended in person and by telephone as Chairman of the Board and an additional per meeting fee equal to $4,000 per meeting attended in person and by telephone as the Audit Committee Chairman. Ms. Legg receives an additional per meeting fee equal to $2,500 per meeting attended in person and by telephone as Chairman of the Nominating and Corporate Governance Committee. The aggregate remuneration (not including out-of-pocket expenses) paid by the Fund to all Trustees during the fiscal year ended October 31, 2023 amounted to $429,000.

During the fiscal year ended October 31, 2023, the Trustees of the Fund met four times. Each Trustee then serving in such capacity attended at least 75% of the meetings of Trustees and of any committee of which he or she is a member.

Codes of Ethics

Reaves and the Fund have each adopted a code of ethics governing personal securities transactions. Under Reaves' code of ethics, Reaves employees may purchase and sell securities (including securities held or eligible for purchase by the Fund), subject to certain pre-clearance and reporting requirements and other procedures. The Fund's code of ethics permits personnel subject thereto to invest in securities, including securities that may be purchased or held by the Fund. However, the Fund's code of ethics generally prohibits, among other things, persons subject thereto from purchasing or selling securities if they know at the time of such purchase or sale that the security is being considered for purchase or sale by the Fund or is being purchased or sold by the Fund.

The codes of ethics can be reviewed on the EDGAR Database on the SEC's Internet site (http://www.sec.gov) and copies may be obtained from the SEC, after paying a fee, by electronic request at the following e-mail address: publicinfo@sec.gov.

Proxy Voting Policy

Subject to the right of a majority of the Fund's non-interested Trustees to give Reaves written instructions as to the voting or non-voting of proxies on any specific matter, including a matter presenting an actual or potential conflict of interest as described below, the Fund has delegated the voting of proxies with respect to securities owned by it to Reaves. In the absence of such written instructions, Reaves will vote proxies in a manner that it deems to be in the best interests of the Fund. Reaves will consider only those factors that relate to the Fund's investment in the securities to be voted, including how the vote will economically impact and affect the value of the Fund's investment in such securities (keeping in mind that, after conducting an appropriate cost/benefit analysis, not voting at all on a particular matter may be in the best interest of the Fund). In general, Reaves believes that voting proxies in accordance with the policies described below will be in the best interests of the Fund.

Reaves will generally vote to support management recommendations relating to routine matters such as the election of directors (where no corporate governance issues are implicated), the selection of independent auditors, an increase in or reclassification of common shares, the addition or amendment of indemnification provisions in the company's charter or by-laws, changes in the board of directors and compensation of outside directors. Reaves will generally vote in favor of management or shareholder proposals that Reaves believes will maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the company's board of directors and management and maintain or increase the rights of shareholders.

On non-routine matters, Reaves will generally vote in favor of management proposals for merger or reorganization if the transaction appears to offer fair value, against shareholder proposals that consider only non-financial impacts of mergers or reorganizations and against anti-greenmail provisions.

If a proxy includes a routine matter that implicates corporate governance changes, a non-routine matter to which none of the specific policies described above is applicable, or a matter involving an actual or potential conflict of interest as described below, Reaves may engage an independent third party to determine whether and how the proxy should be voted.

In exercising its voting discretion, Reaves and its employees will seek to avoid any direct or indirect conflict of interest presented by the voting decision. If any substantive aspect or foreseeable result of the matter to be voted on presents an actual or potential conflict of interest involving Reaves (or an affiliate of Reaves), any issuer of a security for which Reaves (or an affiliate of Reaves) acts as sponsor, advisor, manager, custodian, distributor, underwriter, broker or other similar capacity or any person with whom Reaves (or an affiliate of Reaves) has an existing material contract or business relationship not entered into in the ordinary course of business (Reaves and such other persons having an interest in the matter being called "Interested Persons"), Reaves will make written disclosure of the conflict to the disinterested Trustees of the Fund indicating how Reaves proposes to vote on the matter and its reasons for doing so. If Reaves does not receive timely written instructions as to voting or non-voting on the matter from the Fund's disinterested Trustees, Reaves may take any of the following actions which it deems to be in the best interests of the Fund: (i) engage an independent third party to determine whether and how the proxy should be voted and vote or refrain from voting on the matter as determined by the third party; (ii) vote on the matter in the manner proposed to the disinterested Trustees if the vote is against the interests of all Interested Persons; or (iii) refrain from voting on the matter.

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling (800) 644-5571, or on the SEC's website at www.sec.gov.

INVESTMENT ADVISORY AND OTHER SERVICES

Reaves has been managing assets of investment companies since 1993. Reaves maintains a staff of experienced investment professionals to service the needs of its clients.

Except as provided in the administration and fund accounting agreement between Paralel and the Fund (the "Administration Agreement"), the Fund will be responsible for all of its costs and expenses not expressly stated to be payable by Reaves under the Investment Advisory and Management Agreement between Reaves and the Fund (the "Advisory Agreement') or Paralel under the Administration Agreement. Such costs and expenses to be borne by the Fund include, without limitation: advisory fees; taxes and governmental fees; expenses related to portfolio transactions and management of the portfolio; expenses associated with secondary offerings of shares; trustee fees and expenses; expenses associated with tender offers and other share repurchases; and other extraordinary expenses.

The Advisory Agreement became effective on August 26, 2010 for an initial period of two years and continues in effect from year to year thereafter so long as such continuance is approved at least annually (i) by the vote of a majority of the noninterested Trustees of the Fund or of Reaves cast in person at a meeting specifically called for the purpose of voting on such approval and (ii) by the Board or by vote of a majority of the outstanding Shares of the Fund. The agreement may be terminated at any time without penalty on sixty (60) days' written notice by the Trustees of the Fund or Reaves, as applicable, or by vote of the majority of the outstanding shares of the Fund. The agreement will terminate automatically in the event of its assignment. The agreement provides that, in the absence of willful misfeasance, bad faith, gross negligence or reckless disregard of its obligations or duties to the Fund under such agreements on the part of Reaves, or a loss resulting from a breach of fiduciary duty by Reaves with respect to the receipt of compensation for services (in which case damages shall be limited by the 1940 Act), Reaves shall not be liable to the Fund or any shareholder for any loss incurred, to the extent not covered by insurance.

Reaves is an employee-owned corporation organized under the laws of Delaware. It is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. As of June 30, 2024, Reaves had approximately $3.247 billion in assets under management. Messrs. John P. Bartlett, Timothy O. Porter, Joseph Rhame III, Brian W. Weeks, Stephen Gavlick and David M. Pass are controlling persons of Reaves by virtue of their respective positions as President; Vice President; Chief Executive Officer; Vice President; Chief Compliance Officer; and Vice President, Secretary, Chief Operating Officer and Chief Financial Officer of Reaves.

The total dollar amounts paid to Reaves by the Fund under the Advisory Agreement for the last three fiscal years ended October 31, 2023, 2022 and 2021 were $14,859,528, $15,361,570 and $13,561,200, respectively.

Investment Advisory Services

Under the general supervision of the Board, Reaves will carry out the investment and reinvestment of the assets of the Fund, will furnish continuously an investment program with respect to the Fund, will determine which securities should be purchased, sold or exchanged, and will implement such determinations. Reaves will furnish to the Fund investment advice and provide related office facilities and personnel for servicing the investments of the Fund. Reaves will compensate all Trustees and officers of the Fund who are members of the Reaves organization and who render investment services to the Fund, and will also compensate all other Reaves personnel who provide research and investment services to the Fund.

Portfolio Managers

Other Accounts Managed by Portfolio Managers. There may be certain inherent conflicts of interest that arise in connection with the portfolio managers' management of the Fund's investments and the investments of any other accounts they manage. Such conflicts could include aggregation of orders for all accounts managed by a particular portfolio manager, the allocation of purchases across all such accounts, the allocation of IPOs and any soft dollar arrangements that the Fund's investment adviser may have in place that could benefit the Fund and/or such other accounts. The investment adviser has adopted policies and procedures designed to address any such conflicts of interest to ensure that all management time, resources and investment opportunities are allocated equitably.

The table below identifies (as of October 31, 2023), for each portfolio manager, the number of accounts, other than the Fund for which he or she has day-to-day management responsibilities and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Unless noted otherwise, none of the accounts shown are subject to fees based on performance.

	Registered Investment Companies[1]		Other Pooled Investment Vehicles[2]		Other Accounts[3]	
Name of Portfolio Manager	Number of Accounts	Total Assets	Number of Accounts	Total Assets	Number of Accounts	Total Assets
John P. Bartlett	1	$ 42,163,797	0	$0	0	$0
Timothy O. Porter	1	$ 26,790,942	0	$0	494	$ 331,649,330
Joseph Rhame, III	1	$ 442,163,797	0	$0	494	$ 331,649,330

(1) Registered Investment Companies include all open and closed-end mutual funds. For Registered Investment Companies, assets represent net assets of all open-end investment companies and gross assets of all closed-end investment companies.

(2) Other Pooled Investment Vehicles include, but are not limited to, securities of issuers exempt from registration under Section 3(c) of the 1940 Act, such as private placements and hedge funds.

(3) Other Accounts include, but are not limited to, individual managed accounts, separate accounts, institutional accounts, pension funds and collateralized bond obligations.

Compensation of Portfolio Managers. Compensation paid by the Adviser to the portfolio managers is designed to be competitive and attractive, and primarily consists of a fixed base salary, based on market factors and each person's level of responsibility, and a bonus. The amount of the bonus is based on the overall after-tax profitability of the Firm, each fiscal-year, and the contribution of each portfolio manager to the Firm's overall performance.

Individual compensation is designed to reward the overall contribution of portfolio managers to the performance of the Adviser. To date, the Adviser has not linked bonuses to the performance of any particular portfolio. Compensation levels are set by senior management following a review of overall performance. From time to time, the Adviser has engaged industry consultants to ensure that compensation remains competitive and to identify and plan for new and emerging compensation trends. Equity holders within the Adviser, including the portfolio managers, receive only a modest return on their capital investment, usually a mid-single digit percentage of their share of the Adviser's book value. The Adviser believes this practice is consistent with industry standards and that it allows the Adviser to maximize the incentive compensation pool. This pool is critical in the Adviser's ability to continue to attract and retain professionals of the highest quality while simultaneously growing the intrinsic value of the Adviser. The Adviser has no deferred compensation, stock option or other equity programs. Given the portfolio manager compensation policy described above and the fact that the Adviser has no performance-based advisory relationships, the Adviser does not believe that any material compensation conflicts exist.

Certain Conflicts of Interest. The investment strategy for the Fund includes securities that could also be found in different investment strategies utilized by the Adviser for other clients. As such, securities bought and sold for the Fund may be held and transacted for other clients of the Adviser. No trades are executed between clients of the Adviser (cross trades), including the Fund. The Adviser has policies and procedures in place to manage these investment activities.

Consistent with its fiduciary duties, the Adviser allocates trades on an equitable basis with respect to both its investment company and non-investment company clients (including clients in which the Adviser or a person associated with the Adviser may have an interest). No advisory client, including those clients in which the Adviser or persons associated with the Adviser have a direct or indirect beneficial interest is favored by the Adviser over any other client, and each client who participates in an aggregated order participates at the average share price, with transaction costs charged to each such client in accordance with its then in effect commission schedule.

The Adviser's allocation policies apply to fully and partially filled orders as directed by the Portfolio Manager(s) of the applicable accounts.

The Adviser does not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients and is consistent with the terms of the Adviser's investment advisory agreement with each client for which trades are being aggregated. No advisory client is favored over any other client, and each client that participates in an aggregated order participates at an average share price for all such transactions in that security on a given business day, with transactions costs charged to each such client in accordance with its then in effect commission schedule.

Although, the Adviser rarely participates in Initial Public Offerings ("IPOs"), IPO allocations, whenever possible, will be allocated on a pro-rata basis among all accounts that such allocation would be deemed appropriate given each account's investment strategy and other factors pursuant to the Adviser's policies and procedures.

As a result of such allocations, there may be instances where the Fund will not participate in a transaction that is allocated among other accounts. Additionally, trades executed by different firms, including Reaves, will not be aggregated and allocated as to price; thus, there may be instances where the Fund does not pay or receive the same price as other investment accounts managed by the Adviser. While these aggregation and allocation policies could have a detrimental effect on the price or amount of the securities available to the Fund from time to time, it is the opinion of the Trustees of the Fund that the benefits received from Reaves' organization outweigh any disadvantage that may arise from exposure to simultaneous transactions.

Portfolio Manager Ownership of Fund Securities. The following table sets forth the dollar range of equity securities in the Fund beneficially owned, as of October 31, 2023, by each of the portfolio managers identified in the Fund's Prospectus.

Name of Portfolio Manager	**Dollar Range of Equity Securities in the Fund[1]**
John P. Bartlett	$100,001 - $500,000
Timothy O. Porter	$10,001 - $50,000
Joseph Rhame, III	$100,001 - $500,000

(1) "Beneficial Ownership" is determined in accordance with Section 16a-1(a)(2) of the Securities Exchange Act of 1934, as amended.

Administrative Services

Under the Administration Agreement, effective September 19, 2022, Paralel is responsible for providing the Fund with fund accounting, tax, fund administration, and compliance services, providing the Fund with certain executive officers, and generally managing the business affairs of the Fund, subject to the supervision of the Board. Paralel will furnish to the Fund all office facilities, equipment and personnel for administering the affairs of the Fund. Paralel will compensate all Trustees and officers of the Fund who are members of the Paralel organization and who render executive and administrative services to the Fund, and will also compensate all other Paralel personnel who perform management and administrative services for the Fund. Paralel's administrative services include, preparation and filing of documents required to comply with federal and state securities laws, supervising the activities of the Fund's custodian and transfer agent, providing assistance in connection with the Trustees and shareholders' meetings, providing services in connection with repurchase offers, if any, and other administrative services necessary to conduct the Fund's business. Under the Administration Agreement, Paralel is also obligated to pay all expenses incurred by the Fund, with the exception of advisory fees; taxes and governmental fees; expenses related to portfolio transactions and management of the portfolio; expenses associated with secondary offerings of shares; trustee fees and expenses; expenses associated with tender offers and other share repurchases; and other extraordinary expenses. For its services under the Administration Agreement Paralel receives a monthly fee at the annual rate of 0.15% on the first $2 billion of the average daily total assets of the Fund and 0.10% on any amount in excess of $2 billion of the average daily total assets of the Fund. The total dollar amounts paid by the Fund to Paralel under the Administration Agreement for the fiscal year ended October 31, 2023 and the period from September 19, 2022 through October 31, 2022 were $3,593,187 and $406,580, respectively.

Prior to September 19, 2022, ALPS Fund Services, Inc. ("ALPS") served as the Fund's administrator and received a fee based on the Fund's average daily total assets. From its fees, ALPS paid all routine operating expenses incurred by the Fund subject to materially similar exceptions as listed in the Administration Agreement. The total dollar amounts paid by the Fund to ALPS for the period from November 1, 2021 through September 18, 2022 and fiscal year ended October 31, 2021 were $6,304,948 and $6,249,742, respectively.

Prior to September 19, 2022, pursuant to a Chief Compliance Officer Services Agreement, the Fund paid ALPS for providing Chief Compliance Officer services to the Fund an annual fee payable in monthly installments.

ADDITIONAL INFORMATION ABOUT NET ASSET VALUE

For purposes of determining the net asset value of the Fund's common shares, exchange traded options are valued at the last reported sale price at the close of the principal exchange or board of trade on which such option or contract is traded, or in the absence of a sale, at the mean between the last reported bid and asked prices. Non-exchange traded options are also valued at the mean between the last reported bid and asked prices. Forward currency contracts are valued at the mean between reported bid and asked prices. Financial futures contracts listed on commodity exchanges and exchange-traded options are valued at closing settlement prices.

Generally, the Fund completes its trading in foreign securities (if any) each day at various times prior to the close of the NYSE American. The values of these securities used in determining the net asset value of the Fund's common shares generally are computed as of such times. Occasionally, events affecting the value of foreign securities may occur between such times and the close of the NYSE American which will not be reflected in the computation of the Fund's net asset value (unless the Fund deems that such events would materially affect its net asset value, in which case an adjustment would be made and reflected in such computation). Foreign securities and currency held by the Fund will be valued in U.S. dollars; such values will be computed by the custodian based on foreign currency exchange rate quotations supplied by an independent quotation service.

PORTFOLIO TRADING

Decisions concerning the execution of portfolio security transactions, including the selection of the market and the executing firm, are made by Reaves. Reaves is also responsible for the execution of transactions for all other accounts managed by it. Reaves places the portfolio security transactions of the Fund and of all other accounts managed by it for execution with many firms. While Reaves, as a registered broker-dealer, regularly acts as executing broker in equity securities transactions for other clients, it generally will not act as executing broker for the Fund. Whether Reaves acts as executing broker or places transactions for execution with other firms, Reaves uses its best efforts to obtain execution of portfolio security transactions at prices which are advantageous to the Fund and at reasonably competitive spreads or (when a disclosed commission is being charged) at reasonably competitive commission rates. In seeking such execution, Reaves will use its best judgment in evaluating the terms of a transaction, and will give consideration to various relevant factors, including without limitation the full range and quality of the executing firm's services, the value of the brokerage and research services provided, the responsiveness of the firm to Reaves, the size and type of the transaction, the nature and character of the market for the security, the confidentiality, speed and certainty of effective execution required for the transaction, the general execution and operational capabilities of the executing firm, the reputation, reliability, experience and financial condition of the firm, the value and quality of the services rendered by the firm in this and other transactions, and the reasonableness of the spread or commission, if any.

Transactions on stock exchanges and other agency transactions involve the payment of negotiated brokerage commissions. Such commissions vary among different broker-dealer firms, and a particular broker-dealer may charge different commissions according to such factors as the difficulty and size of the transaction and the volume of business done with such broker-dealer. Transactions in foreign securities often involve the payment of brokerage commissions, which may be higher than those in the United States. There is generally no stated commission in the case of securities traded in the over-the- counter markets, but the price paid or received usually includes an undisclosed dealer markup or markdown. In an underwritten offering the price paid often includes a disclosed fixed commission or discount retained by the underwriter or dealer.

Fixed income obligations which may be purchased and sold by the Fund are generally traded in the over-the-counter market on a net basis (*i.e.*, without commission) through broker-dealers or banks acting for their own account rather than as brokers, or otherwise involve transactions directly with the issuers of such obligations. The Fund may also purchase fixed income and other securities from underwriters, the cost of which may include undisclosed fees and concessions to the underwriters.

Although spreads or commissions paid on portfolio security transactions will, in the judgment of Reaves, be reasonable in relation to the value of the services provided, commissions exceeding those which another firm might charge may be paid to broker-dealers who were selected to execute transactions on behalf of Reaves' clients in part for providing brokerage and research services to Reaves.

As authorized in Section 28(e) of the 1934 Act, a broker or dealer who executes a portfolio transaction on behalf of the Fund may receive a commission which is in excess of the amount of commission another broker or dealer would have charged for effecting that transaction. Accordingly, Reaves may utilize brokers or dealers that provide additional brokerage or research services and charge commissions in excess of other brokers or dealers (soft dollar arrangements) if it determines in good faith that such compensation was reasonable in relation to the value of the brokerage and research services provided. This determination may be made on the basis of that particular transaction or on the basis of overall responsibilities which Reaves and its affiliates have for accounts over which they exercise investment discretion. In making any such determination, Reaves will not attempt to place a specific dollar value on the brokerage and research services provided or to determine what portion of the commission should be related to such services. Brokerage and research services may include advice as to the value of securities, the advisability of investing in, purchasing, or selling securities, and the availability of securities or purchasers or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy and the performance of accounts; effecting securities transactions and performing functions incidental thereto (such as clearance and settlement); and the "Research Services" referred to in the next paragraph.

It is a common practice of the investment advisory industry and of the advisers of investment companies, institutions and other investors to receive research, analytical, statistical and quotation services, data, information and other services, products and materials which assist such advisers in the performance of their investment responsibilities ("Research Services") from broker-dealer firms which execute portfolio transactions for the clients of such advisers and from third parties with which such broker-dealers have arrangements. Consistent with this practice, Reaves receives Research Services from many broker-dealer firms with which Reaves places the Fund's transactions. These Research Services include such matters as general economic, political, business and market information, industry and company reviews, evaluations of securities and portfolio strategies and transactions, proxy voting data and analysis services, technical analysis of various aspects of the securities market, recommendations as to the purchase and sale of securities and other portfolio transactions, financial, industry and trade publications, news and information services, pricing and quotation equipment and services, and research oriented computer hardware, software, data bases and services. Any particular Research Service obtained through a broker-dealer may be used by Reaves in connection with client accounts other than those accounts which pay commissions to such broker-dealer. Any such Research Service may be broadly useful and of value to Reaves in rendering investment advisory services to all or a significant portion of its clients, or may be relevant and useful for the management of only one client's account or of a few clients' accounts, or may be useful for the management of merely a segment of certain clients' accounts, regardless of whether any such account or accounts paid commissions to the broker-dealer through which such Research Service was obtained. The advisory fee paid by the Fund is not reduced because Reaves receives such Research Services. Reaves evaluates the nature and quality of the various Research Services obtained through broker-dealer firms and attempts to allocate sufficient portfolio security transactions to such firms to ensure the continued receipt of Research Services which Reaves believes are useful or of value to it in rendering investment advisory services to its clients.

Reaves may also receive Research Services from underwriters and dealers in fixed-price offerings, which Research Services are reviewed and evaluated by Reaves in connection with its investment responsibilities. The investment companies advised by Reaves or its affiliates may allocate trades in such offerings to acquire information relating to the performance, fees and expenses of such companies and other mutual funds, which information is used by the Trustees of such companies to fulfill their responsibility to oversee the quality of the services provided by various entities, including Reaves, to such companies. Such companies may also pay cash for such information.

Subject to the requirement that Reaves shall use its best efforts to seek and execute portfolio security transactions at advantageous prices and at reasonably competitive spreads or commission rates, Reaves is authorized to consider as a factor in the selection of any broker-dealer firm with whom portfolio orders may be placed the fact that such firm has sold or is selling shares of the Fund or of other investment companies advised by Reaves.

Securities considered as investments for the Fund may also be appropriate for other investment accounts managed by Reaves or its affiliates. Whenever decisions are made to buy or sell securities by the Fund and one or more of such other accounts simultaneously, Reaves will allocate the security transactions (including "hot" issues) in a manner which it believes to be equitable under the circumstances. As a result of such allocations, there may be instances where the Fund will not participate in a transaction that is allocated among other accounts. Additionally, trades executed by different firms, including Reaves, will not be aggregated and allocated as to price; thus, there may be instances where the Fund does not pay or receive the same price as other investment accounts managed by Reaves. While these aggregation and allocation policies could have a detrimental effect on the price or amount of the securities available to the Fund from time to time, it is the opinion of the Trustees of the Fund that the benefits received from Reaves' organization outweigh any disadvantage that may arise from exposure to simultaneous transactions.

The Fund paid brokerage commissions in the aggregate amounts of $1,500,961, $544,583 and $359,619 during fiscal years ended October 31, 2023, 2022 and 2021, respectively, not including the gross underwriting spread on securities purchased in underwritten public offerings.

The Fund did not pay any brokerage commissions during fiscal years ended October 31, 2023, 2022 or 2023 to any broker that (1) is an affiliated person of the Fund, (2) is an affiliated person of an affiliated person of the Fund or (3) has an affiliated person that is an affiliated person of the Fund or the investment adviser.

During the Fund's last fiscal year, pursuant to agreements or understandings with brokers or otherwise through an internal allocation procedure, the investment adviser directed certain of the Fund's brokerage transactions to certain brokers because of the research services provided by those brokers as described above. The aggregate principal amount of the transactions involved was $7,596,017 and the aggregate amount of the related commissions was $1,500,961 for fiscal year ended October 31, 2023.

The Fund had not acquired during its most recent fiscal year securities of its regular brokers or dealers as defined in Rule 10b-1 under the 1940 Act, or their parents.

PRINCIPAL SHAREHOLDERS AND CONTROL PERSONS

As of August 28, 2024, no persons beneficially owned five percent or more of the Fund's outstanding common shares.

As of August 28, 2024, the officers and Trustees of the Fund, as a group, own less than 1% of the Fund's outstanding voting securities.

TAXES

The Fund has elected to be treated and has qualified each year as a regulated investment company (a "RIC") under the Code, and the Fund intends to so qualify in the future. Accordingly, the Fund must, among other things, (i) derive in each taxable year at least 90% of its gross income (including tax-exempt interest) from dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities or foreign currencies, or other income (including but not limited to gain from options, futures and forward contracts) derived with respect to its business of investing in such stock, securities or currencies; (ii) diversify its holdings so that, at the end of each quarter of each taxable year (a) at least 50% of the market value of the Fund's total assets is represented by cash and cash items, U.S. government securities, the securities of other regulated investment companies and other securities, with such other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of the Fund's total assets and not more than 10% of the outstanding voting securities of such issuer and (b) not more than 25% of the market value of the Fund's total assets is invested in the securities of any issuer (other than U.S. government securities and the securities of other regulated investment companies) or of any two or more issuers that the Fund controls and that are determined to be engaged in the same business or similar or related trades or businesses and (iii) distribute substantially all of its net income and net short-term and long-term capital gains (after reduction by any available capital loss carryforwards) in accordance with the timing requirements imposed by the Code, so as to maintain its RIC status and to avoid paying any federal income or excise tax. To the extent it qualifies for treatment as a RIC and satisfies the above-mentioned distribution requirements, the Fund will not be subject to federal income tax on income paid to its shareholders in the form of dividends or capital gain distributions.

In order to avoid incurring a federal excise tax obligation, the Code requires that the Fund distribute (or be deemed to have distributed) by December 31 of each calendar year an amount at least equal to the sum of (i) 98% of its ordinary income for such year (taking into account certain deferrals and elections) and (ii) 98.2% of its capital gain net income (which is the excess of its realized net long-term capital gain over its realized net short-term capital loss), generally computed on the basis of the one-year period ending on October 31 of such year, after reduction by any available capital loss carryforwards, plus (iii) 100% of any ordinary income and capital gain net income from the prior year (as previously computed) that were not paid out during such year and on which the Fund paid no federal income tax. A regulated investment company which fails to meet these requirements is liable for a nondeductible 4% excise tax on the portion of the undistributed amounts of such income that are less than the required distributions. For these purposes, the Fund will be deemed to have distributed any income or gain on which it paid U.S. federal income tax.

If the Fund does not qualify as a RIC for any taxable year, the Fund's taxable income will be subject to corporate income taxes, and all distributions from earnings and profits, including distributions of net capital gain (if any), will be taxable to the shareholder as ordinary income. Such distributions generally will be eligible (i) for the dividends received deduction in the case of corporate shareholders and (ii) for treatment as "qualified dividends" in the case of individual shareholders. In addition, in order to requalify for taxation as a RIC, the Fund may be required to recognize unrealized gains, pay substantial taxes and interest, and make certain distributions.

Distributions from the Fund generally will be taxable to common shareholders as dividend income to the extent derived from investment income and net short-term capital gains, as described below, and as determined at the end of the year. Distributions of net capital gains (that is, the excess of net gains from the sale of capital assets held more than one year over net losses from the sale of capital assets held for not more than one year) properly reported as "capital gain dividends" will be taxable to common shareholders as long-term capital gain, regardless of how long a common shareholder has held the shares in the Fund.

If a common shareholder's distributions are automatically reinvested pursuant to the Plan and the Plan Administrator invests the distribution in shares acquired on behalf of the shareholder in open-market purchases, for U.S. federal income tax purposes, the common shareholder will generally be treated as having received a taxable distribution in the amount of the cash dividend that the common shareholder would have received if the shareholder had elected to receive cash. If a common shareholder's distributions are automatically reinvested pursuant to the Plan and the Plan Administrator invests the distribution in newly issued shares of the Fund, the common shareholder will generally be treated as receiving a taxable distribution equal to the fair market value of the stock the common shareholder receives.

Certain income distributions paid by the Fund to individual taxpayers are taxed at rates equal to those applicable to net long-term capital gains (currently subject to a maximum rate of 20%). This tax treatment applies only if certain holding period requirements and other requirements are satisfied by the common shareholder and the dividends are attributable to qualified dividends received by the Fund itself. For this purpose, "qualified dividends" means dividends received by the Fund from U.S. corporations and qualifying foreign corporations, provided that the Fund satisfies certain holding period and other requirements in respect of the stock of such corporations. In the case of securities lending transactions, payments in lieu of dividends are not qualified dividends. Dividends received by the Fund from REITs are qualified dividends eligible for this lower tax rate only in limited circumstances.

A dividend will not be treated as qualified dividend income (whether received by the Fund or paid by the Fund to a shareholder) if (1) the dividend is received with respect to any share held for fewer than 61 days during the 121-day period beginning on the date which is 60 days before the date on which such share becomes ex-dividend with respect to such dividend, (2) to the extent that the recipient is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to positions in substantially similar or related property or (3) if the recipient elects to have the dividend treated as investment income for purposes of the limitation on deductibility of investment interest. Distributions of income by the Fund other than qualified dividend income and distributions of net realized short-term gains (on stocks held for one year or less) are taxed as ordinary income, at rates currently up to 37%.

The benefits of the reduced tax rates applicable to long-term capital gains and qualified dividend income may be impacted by the application of the alternative minimum tax to individual shareholders.

Individuals and certain other noncorporate entities are generally eligible for a 20% deduction with respect to ordinary dividends received from REITs ("qualified REIT dividends") and certain taxable income from MLPs. Under final Treasury Regulations, a regulated investment company may pass through to its shareholders qualified REIT dividends eligible for the 20% deduction, reduced by allocable Fund expenses. However, the regulations do not provide a mechanism for a regulated investment company to pass through to its shareholders income from MLPs that would be eligible for such deduction as if the income had been received directly by the shareholders.

The Fund's investment in zero coupon and certain other securities will cause it to realize income prior to the receipt of cash payments with respect to these securities. Such income will be accrued daily by the Fund and, in order to avoid a tax payable by the Fund, the Fund may be required to liquidate securities that it might otherwise have continued to hold in order to generate cash so that the Fund may make required distributions to its shareholders.

Investments in lower rated or unrated securities may present special tax issues for the Fund to the extent that the issuers of these securities default on their obligations pertaining thereto. The Code is not entirely clear regarding the federal income tax consequences of the Fund's taking certain positions in connection with ownership of such distressed securities.

Any recognized gain or income attributable to market discount on long-term debt obligations (*i.e.*, obligations with a term of more than one year except to the extent of a portion of the discount attributable to original issue discount) purchased by the Fund is taxable as ordinary income. A long-term debt obligation is generally treated as acquired at a market discount if purchased after its original issue at a price less than (i) the stated principal amount payable at maturity, in the case of an obligation that does not have original issue discount or (ii) in the case of an obligation that does have original issue discount, the sum of the issue price and any original issue discount that accrued before the obligation was purchased, subject to a *de minimis* exclusion.

The Fund's investments in options, futures contracts, hedging transactions, forward contracts (to the extent permitted) and certain other transactions will be subject to special tax rules (including mark-to-market, constructive sale, straddle, wash sale, short sale and other rules), the effect of which may be to accelerate income to the Fund, defer Fund losses, cause adjustments in the holding periods of securities held by the Fund, convert capital gain into ordinary income and convert short-term capital losses into long-term capital losses. These rules could therefore affect the amount, timing and character of distributions to shareholders. The Fund may be required to limit its activities in options and futures contracts in order to enable it to maintain its RIC status.

The Fund's transactions in foreign currencies, foreign currency-denominated debt obligations and certain foreign currency options, futures contracts and forward contracts (and similar instruments) may give rise to ordinary income or loss to the extent such income or loss results from fluctuations in the value of the foreign currency concerned.

Income received by the Fund from sources within foreign countries may be subject to withholding and other taxes imposed by such countries. Tax conventions between certain countries and the U.S. may reduce or eliminate such taxes. Common shareholders generally will not be entitled to claim a credit or deduction with respect to foreign taxes.

If the Fund acquires any equity interest in certain foreign corporations that receive at least 75% of their annual gross income from passive sources (such as interest, dividends, certain rents and royalties, or capital gains) or that hold at least 50% of their assets in investments producing such passive income ("passive foreign investment companies"), the Fund could be subject to U.S. federal income tax and additional interest charges on "excess distributions" received from such companies or on gain from the sale of stock in such companies, even if all income or gain actually received by the Fund is timely distributed to its shareholders. The Fund would not be able to pass through to its shareholders any credit or deduction for such a tax. An election may generally be available that would ameliorate these adverse tax consequences, but any such election could require the Fund to recognize taxable income or gain (subject to tax distribution requirements) without the concurrent receipt of cash. These investments could also result in the treatment of associated capital gains as ordinary income. The Fund may limit and/or manage its holdings in passive foreign investment companies to limit its tax liability or maximize its return from these investments.

The sale, exchange or redemption of Fund shares may give rise to a gain or loss. In general, any gain or loss realized upon a taxable disposition of shares will be treated as long-term capital gain or loss if the shares have been held for more than twelve months. Otherwise, the gain or loss on the taxable disposition of Fund shares will be treated as short-term capital gain or loss. Long-term capital gain rates applicable to individuals have been reduced, in general, to 20% (or a lower rate for certain individuals in lower tax brackets). The deductibility of capital losses is subject to limitations under the Code. Any loss realized upon the sale or exchange of Fund shares with a holding period of 6 months or less will be treated as a long-term capital loss to the extent of any capital gain distributions received with respect to such shares. In addition, all or a portion of a loss realized on a redemption or other disposition of Fund shares may be disallowed under "wash sale" rules to the extent the shareholder acquires other shares of the same Fund (whether through the reinvestment of distributions or otherwise) within the period beginning 30 days before the redemption of the loss shares and ending 30 days after such date. Any disallowed loss will result in an adjustment to the shareholder's tax basis in some or all of the other shares acquired.

Sales charges paid upon a purchase of shares cannot be taken into account for purposes of determining gain or loss on a sale of the shares before the 91st day after their purchase to the extent a sales charge is reduced or eliminated in a subsequent acquisition of shares of the Fund (or of another fund) on or before January 31 of the following calendar year pursuant to the reinvestment or exchange privilege. Any disregarded amounts will result in an adjustment to the shareholder's tax basis in some or all of any other shares acquired.

Dividends and distributions on the Fund's shares are generally subject to federal income tax as described herein to the extent they do not exceed the Fund's realized income and gains, even though such dividends and distributions may economically represent a return of a particular shareholder's investment. Such distributions are likely to occur in respect of shares purchased at a time when the Fund's net asset value reflects gains that are either unrealized, or realized but not distributed. Such realized gains may be required to be distributed even when the Fund's net asset value also reflects unrealized losses. Certain distributions declared in October, November or December and paid in the following January will be taxed to shareholders as if received on December 31 of the year in which they were declared. In addition, certain other distributions made after the close of a taxable year of the Fund may be "spilled back" and treated as paid by the Fund (except for purposes of the 4% excise tax) during such taxable year. In such case, shareholders will be treated as having received such dividends in the taxable year in which the distributions were actually made.

Certain distributions reported by the Fund as Section 163(j) interest dividends may be treated as interest income by shareholders for purposes of the tax rules applicable to interest expense limitations under Section 163(j) of the Code. Such treatment by the shareholder is generally subject to holding period requirements and other potential limitations, although the holding period requirements are generally not applicable to dividends declared by money market funds and certain other funds that declare dividends daily and pay such dividends on a monthly or more frequent basis. The amount that the Fund is eligible to report as a Section 163(j) dividend for a tax year is generally limited to the excess of the Fund's business interest income over the sum of the Fund's (i) business interest expense and (ii) other deductions properly allocable to the Fund's business interest income.

In addition to the taxes set forth above, a tax of 3.8% is imposed on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from both ordinary income dividends as well as capital gains dividends.

Amounts paid by the Fund to individuals and certain other shareholders who have not provided the Fund with their correct taxpayer identification number ("TIN") and certain certifications required by the Internal Revenue Service (the "IRS") as well as shareholders with respect to whom the Fund has received certain information from the IRS or a broker may be subject to "backup" withholding of federal income tax arising from the Fund's taxable dividends and other distributions as well as the gross proceeds of sales of shares, (currently, at a rate equal to 24%). An individual's TIN is generally his or her social security number. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from payments made to a Shareholder may be refunded or credited against such Shareholder's U.S. federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

The foregoing discussion does not address the special tax rules applicable to certain classes of investors, such as tax-exempt entities, foreign investors, insurance companies and financial institutions. Shareholders should consult their own tax advisers with respect to special tax rules that may apply in their particular situations, as well as the state, local, and, where applicable, foreign tax consequences of investing in the Fund.

The Fund will inform shareholders of the source and tax status of all distributions promptly after the close of each calendar year. The IRS has taken the position that if a RIC has more than one class of shares, it may designate distributions made to each class in any year as consisting of no more than that class's proportionate share of particular types of income for that year, including ordinary income and net capital gain. A class's proportionate share of a particular type of income for a year is determined according to the percentage of total dividends paid by the RIC during that year to the class. Accordingly, the Fund intends to designate a portion of its distributions in capital gain dividends in accordance with the IRS position.

Shareholders are advised to consult with their own tax advisers for more detailed information concerning U.S. federal, state, local and foreign income or other taxes.

State and Local Taxes

Under current law, provided that the Fund qualifies as a RIC for federal income tax purposes, the Fund should not be liable for any income, corporate excise or franchise tax in the state of Delaware.

Shareholders should consult their own tax advisers as to the state or local tax consequences of investing in the Fund.

OTHER INFORMATION

The Fund is an organization of the type commonly known as a "Delaware statutory trust." Under Delaware law, shareholders of such a trust may, in certain circumstances, be held personally liable as partners for the obligations of the trust. The Declaration of Trust contains an express disclaimer of shareholder liability in connection with the Fund property or the acts, obligations or affairs of the Fund. The Declaration of Trust also provides for indemnification out of the Fund property of any shareholder held personally liable for the claims and liabilities to which a shareholder may become subject by reason of being or having been a shareholder. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which the Fund itself is unable to meet its obligations. The Fund has been advised by its counsel that the risk of any shareholder incurring any liability for the obligations of the Fund is remote.

The Declaration of Trust provides that the Trustees will not be liable for actions taken in good faith in the reasonable belief that such actions were in the best interests of the Fund or, in the case of any criminal proceeding, as to which a Trustee did not have reasonable cause to believe that such actions were unlawful; but nothing in the Declaration of Trust protects a Trustee against any liability to the Fund or its shareholders to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of his office. Voting rights are not cumulative, which means that the holders of more than 50% of the shares voting for the election of Trustees can elect 100% of the Trustees and, in such event, the holders of the remaining less than 50% of the shares voting on the matter will not be able to elect any Trustees.

The Declaration of Trust provides that no person shall serve as a Trustee if shareholders holding two-thirds of the outstanding shares entitled to vote on the election of such trustee have voted to remove him from that office.

The Fund's Prospectus and this Statement of Additional Information do not contain all of the information set forth in the Registration Statement that the Fund has filed with the SEC. The complete Registration Statement may be obtained from the SEC upon payment of the fee prescribed by its rules and regulations.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen & Company, Ltd. is the Fund's independent registered public accounting firm, providing audit and tax services to the Fund.

CUSTODIAN, TRANSFER AGENT, DIVIDEND PAYING AGENT AND REGISTRAR

State Street Bank and Trust Company ("State Street"), 1 Congress Street, Boston, MA 02114, is the Fund's custodian and as such maintains custody of the Fund's securities, cash and other assets. State Street is a global financial services company that provides various financial services to institutions, corporations and individuals. Global Investor & Distribution Solutions, Inc. ("SS&C GIDS"), 333 West 11th Street, 5th Floor, Kansas City, MO 64105, serves as the Fund's transfer agent, dividend paying agent, and registrar. SS&C GIDS also serves as the plan administrator for the Fund's Dividend Reinvestment Plan.

INCORPORATION BY REFERENCE

This Prospectus is part of a registration statement that the Fund has filed with the SEC. The Fund is permitted to "incorporate by reference" the information that it files with the SEC, which means that the Fund can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this Prospectus, and later information that the Fund files with the SEC will automatically update and supersede this information.

The documents listed below, and any reports and other documents subsequently filed with the SEC pursuant to Rule 30(b)(2) under the 1940 Act and Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering, are incorporated by reference into this Prospectus and deemed to be part of this Prospectus from the date of the filing of such reports and documents:

- the Fund's Statement of Additional Information, dated September 10, 2024, filed with this Prospectus ("SAI");
- the Fund's Annual Report on Form N-CSR for the fiscal year ended October 31, 2023, filed with the SEC on January 5, 2024 ("Annual Report");
- the Fund's Semi-Annual Report on Form N-CSR for the period ended April 30, 2024, filed with the SEC on July 3, 2024;
- the Fund's definitive proxy statement on Schedule 14A for our 2024 annual meeting of shareholders, filed with the SEC on February 16, 2024 ("Proxy Statement"); and
- the Fund's description of common shares contained in our Registration Statement on Form 8-A (File No. 333-109089) filed with the SEC on February 20, 2004.

FINANCIAL STATEMENTS

The Fund's financial statements for the fiscal year ended October 31, 2023, incorporated in this Statement of Additional Information by reference to the Fund's Annual Report to Shareholders, have been audited by Deloitte & Touche LLP ("Deloitte"), an independent registered public accounting firm, as stated in their report. Such financial statements are incorporated by reference in reliance upon the report of such firm given their authority as experts in accounting and auditing. The address of Deloitte is 1601 Wewatta Street, Suite 400 Denver, CO 80202. The services Deloitte, or one of its affiliates, provided included examination of the financial statements of the Fund, services relating to filings by the Fund with the SEC, and consultation on matters related to the preparation and filing of tax returns. Effective on March 7, 2024, Cohen & Company, Ltd. ("Cohen") was engaged as the Fund's independent registered public accounting firm for the upcoming fiscal year ending October 31, 2024. The address of Cohen is 1350 Euclid Avenue, Suite 800, Cleveland, Ohio 44115. The services Cohen, or one of its affiliates, provides include the examination of the financial statements of the Fund, services relating to filings by the Fund with the SEC, and consultation on matters related to the preparation and filing of tax returns.

The Fund's unaudited Semi-Annual Report for the fiscal period ended April 30, 2024, is incorporated by reference in this Statement of Additional Information. A copy of the Fund's Annual Report and unaudited Semi-Annual Report are available on the SEC's website at www.sec.gov. Copies may also be obtained free of charge by writing to the Fund at its address at 1700 Broadway, Suite 1850, Denver, Colorado 80290 or by calling the Fund' toll free at (800) 644-5571.

APPENDIX A

CREDIT RATINGS

MOODY'S RATINGS

Global Long-Term Rating Scale

Long-term ratings are opinions of the relative credit risk of financial obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honored as promised. Such ratings use Moody's Ratings Global Scale and reflect both the likelihood of default and any financial loss suffered in the event of default.

Aaa: Obligations rated Aaa are judged to be of the highest quality, with minimal risk.

Aa: Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A: Obligations rated A are considered upper medium-grade and are subject to low credit risk.

Baa: Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics.

Ba: Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.

B: Obligations rated B are considered speculative and are subject to high credit risk.

Caa: Obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.

Ca: Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery in principal and interest.

C: Obligations rated C are the lowest-rated class of bonds and are typically in default, with little prospect for recovery of principal and interest

Note: Moody's Ratings appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates amid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Global Short-Term Ratings Scale

Short-term ratings, unlike our long-term ratings, apply to an individual issuer's capacity to repay all short-term obligations rather than to specific short-term borrowing programs.

Moody's employs the following designations to indicate the relative repayment ability of rated issuers:

P-1: Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

P-2: Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

P-3: Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.

NP: Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

STANDARD & POORS' RATINGS

1. This document contains S&P Global Ratings' definitions of credit ratings and other credit-related opinions. The credit ratings are classified into two types: general-purpose credit ratings and special-purpose ratings. S&P Global Ratings uses letters, numbers, words, or combinations of these in each rating scale to summarize its opinion. The rating definitions provide the meaning of the letters, numbers, and words. Additionally, some ratings feature qualifiers, suffixes, identifiers, prefixes, or a combination of these. Definitions of this supplementary information are included. NR indicates that a rating has not been assigned or is no longer assigned.

2. Section I describes the general-purpose credit rating, both issue and issuer credit ratings, and the long-term and short-term credit ratings. Section II provides information on CreditWatch, rating outlooks, and local currency and foreign currency ratings. Special-purpose ratings are detailed in section III. Qualifiers are covered in section IV. Section V details national and regional scale ratings. Other credit-related opinions are described in section VI. Section VII details seven identifiers. Section IX includes a list of contacts for further information.

3. S&P Global Ratings provides other services not covered in this ratings definitions document. Information about other products and services is located on the S&P Global Ratings website at http://www.standardandpoors.com.

I. GENERAL-PURPOSE CREDIT RATINGS

4. The following sets of rating definitions are for long-term and short-term credit ratings for both issuer and issue ratings. These types of credit ratings cover the broadest set of credit risk factors and are not limited in scope. Some refer to these as the "traditional" credit ratings.

A. Issue Credit Ratings

5. An S&P Global Ratings issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P Global Ratings' view of the obligor's capacity and willingness to meet its financial commitments as they come due, and this opinion may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.

6. Issue credit ratings can be either long-term or short-term. Short-term issue credit ratings are generally assigned to those obligations considered short-term in the relevant market, typically with an original maturity of no more than 365 days. Short-term issue credit ratings are also used to indicate the creditworthiness of an obligor with respect to put features on long-term obligations. We would typically assign a long-term issue credit rating to an obligation with an original maturity of greater than 365 days. However, the ratings we assign to certain instruments may diverge from these guidelines based on market practices.

1. Long-Term Issue Credit Ratings

7. Issue credit ratings are based, in varying degrees, on S&P Global Ratings' analysis of the following considerations:

- The likelihood of payment--the capacity and willingness of the obligor to meet its financial commitments on an obligation in accordance with the terms of the obligation;
- The nature and provisions of the financial obligation, and the promise we impute; and
- The protection afforded by, and relative position of, the financial obligation in the event of a bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

8. An issue rating is an assessment of default risk but may incorporate an assessment of relative seniority or ultimate recovery in the event of default. Junior obligations are typically rated lower than senior obligations, to reflect lower priority in bankruptcy, as noted above. (Such differentiation may apply when an entity has both senior and subordinated obligations, secured and unsecured obligations, or operating company and holding company obligations.)

Table 1

Long-Term Issue Credit Ratings*	
Category	**Definition**
AAA	An obligation rated 'AAA' has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong.
A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.
BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.
BB, B, CCC, CC, and C	Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.
BB	An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation.
B	An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.
CCC	An obligation rated 'CCC' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitments on the obligation.
CC	An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.
C	An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared with obligations that are rated higher.
D	An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within the next five business days in the absence of a stated grace period or within the earlier of the stated grace period or the next 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

***Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.**

2. Short-Term Issue Credit Ratings

Table 2

Short-Term Issue Credit Ratings	
Category	**Definition**
A-1	A short-term obligation rated 'A-1' is rated in the highest category by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments on these obligations is extremely strong.
A-2	A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitments on the obligation is satisfactory.
A-3	A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken an obligor's capacity to meet its financial commitments on the obligation.
B	A short-term obligation rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.
C	A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.
D	A short-term obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

B. Issuer Credit Ratings

9. An S&P Global Ratings issuer credit rating is a forward-looking opinion about an obligor's overall creditworthiness. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation.

10. Sovereign credit ratings are forms of issuer credit ratings.

11. Issuer credit ratings can be either long-term or short-term. Long-term issuer credit ratings focus on the obligor's capacity and willingness over the long-term to meet all of its financial commitments, both long- and short-term, as they come due, whereas short-term issuer credit ratings focus on the obligor's capacity and willingness over the short-term to meet all of its financial commitments as they come due.

1 Long-Term Issuer Credit Ratings

Table 3

Long-Term Issuer Credit Ratings*	
Category	**Definition**
AAA	An obligor rated ‘AAA’ has extremely strong capacity to meet its financial commitments. ‘AAA’ is the highest issuer credit rating assigned by S&P Global Ratings.
AA	An obligor rated ‘AA’ has very strong capacity to meet its financial commitments. It differs from the highest-rated obligors only to a small degree.
A	An obligor rated ‘A’ has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.
BBB	An obligor rated ‘BBB’ has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor’s capacity to meet its financial commitments.
BB, B, CCC, and CC	Obligors rated ‘BB’, ‘B’, ‘CCC’, and ‘CC’ are regarded as having significant speculative characteristics. ‘BB’ indicates the least degree of speculation and ‘CC’ the highest. While such obligors will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.
BB	An obligor rated ‘BB’ is less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions that could lead to the obligor’s inadequate capacity to meet its financial commitments.
B	An obligor rated ‘B’ is more vulnerable than the obligors rated ‘BB’, but the obligor currently has the capacity to meet its financial commitments. Adverse business, financial, or economic conditions will likely impair the obligor’s capacity or willingness to meet its financial commitments.
CCC	An obligor rated ‘CCC’ is currently vulnerable and is dependent upon favorable business, financial, and economic conditions to meet its financial commitments.
CC	An obligor rated ‘CC’ is currently highly vulnerable. The ‘CC’ rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.
SD and D	An obligor is rated ’SD’ (selective default) or ‘D’ if S&P Global Ratings considers there to be a default on one or more of its financial obligations, whether long- or short-term, including rated and unrated obligations but excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms. A ‘D’ rating is assigned when S&P Global Ratings believes that the default will be a general default and that the obligor will fail to pay all or substantially all of its obligations as they come due. An ’SD’ rating is assigned when S&P Global Ratings believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner. A rating on an obligor is lowered to ‘D’ or ’SD’ if it is conducting a distressed debt restructuring.
***Ratings from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.**	

2. Short-Term Issuer Credit Ratings

Table 4

Short-Term Issuer Credit Ratings	
Category	**Definition**
A-1	An obligor rated ‘A-1’ has strong capacity to meet its financial commitments. It is rated in the highest category by S&P Global Ratings. Within this category, certain obligors are designated with a plus sign (+). This indicates that the obligor’s capacity to meet its financial commitments is extremely strong.
A-2	An obligor rated ‘A-2’ has satisfactory capacity to meet its financial commitments. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category.
A-3	An obligor rated ‘A-3’ has adequate capacity to meet its financial obligations. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor’s capacity to meet its financial commitments.
B	An obligor rated ‘B’ is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor’s inadequate capacity to meet its financial commitments.
C	An obligor rated ‘C’ is currently vulnerable to nonpayment that would result in an ’SD’ or ‘D’ issuer rating and is dependent upon favorable business, financial, and economic conditions to meet its financial commitments.
SD and D	An obligor is rated ’SD’ (selective default) or ‘D’ if S&P Global Ratings considers there to be a default on one or more of its financial obligations, whether long- or short-term, including rated and unrated obligations but excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms. A ‘D’ rating is assigned when S&P Global Ratings believes that the default will be a general default and that the obligor will fail to pay all or substantially all of its obligations as they come due. An ’SD’ rating is assigned when S&P Global Ratings believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner. A rating on an obligor is lowered to ‘D’ or ’SD’ if it is conducting a distressed debt restructuring.

FITCH'S RATINGS

Fitch Ratings—A brief description of the applicable Fitch Ratings ("Fitch") ratings symbols and meanings (as published by Fitch) follows:

Fitch's credit ratings relating to issuers are an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Credit ratings relating to securities and obligations of an issuer can include a recovery expectation. Credit ratings are used by investors as indications of the likelihood of receiving the money owed to them in accordance with the terms on which they invested. The agency's credit ratings cover the global spectrum of corporate, sovereign financial, bank, insurance, and public finance entities (including supranational and sub-national entities) and the securities or other obligations they issue, as well as structured finance securities backed by receivables or other financial assets.

The terms "investment grade" and "speculative grade" have established themselves over time as shorthand to describe the categories 'AAA' to 'BBB' (investment grade) and 'BB' to 'D' (speculative grade). The terms investment grade and speculative grade are market conventions, and do not imply any recommendation or endorsement of a specific security for investment purposes. Investment grade categories indicate relatively low to moderate credit risk, while ratings in the speculative categories either signal a higher level of credit risk or that a default has already occurred.

For the convenience of investors, Fitch may also include issues relating to a rated issuer that are not and have not been rated on its web page. Such issues are also denoted as 'NR'.

Credit ratings express risk in relative rank order, which is to say they are ordinal measures of credit risk and are not predictive of a specific frequency of default or loss.

Fitch's credit ratings do not directly address any risk other than credit risk. In particular, ratings do not deal with the risk of a market value loss on a rated security due to changes in interest rates, liquidity and other market considerations. However, in terms of payment obligation on the rated liability, market risk may be considered to the extent that it influences the *ability* of an issuer to pay upon a commitment. Nonetheless, ratings do not reflect market risk to the extent that they influence the size or other conditionality of the *obligation* to pay upon a commitment (for example, payments linked to performance of an equity index).

In the default components of ratings assigned to individual obligations or instruments, the agency typically rates to the likelihood of non-payment or default in accordance with the terms of that instrument's documentation. In limited cases, Fitch may include additional considerations (i.e. rate to a higher or lower standard than that implied in the obligation's documentation).

International Long-Term Ratings

Issuer Credit Rating Scales

AAA	Highest credit quality. 'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality. 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

BB Speculative. ‘BB’ ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments.

B Highly speculative. ‘B’ ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

CCC Substantial credit risk. Very low margin for safety. Default is a real possibility.

CC Very high levels of credit risk. Default of some kind appears probable.

C Near default. A default or default-like process has begun, or the issuer is in standstill, or for a closed funding vehicle, payment capacity is irrevocably impaired. Conditions that are indicative of a ‘C’ category rating for an issuer include:

- the issuer has entered into a grace or cure period following non-payment of a material financial obligation;
- the issuer has entered into a temporary negotiated waiver or standstill agreement following a payment default on a material financial obligation;
- the formal announcement by the issuer or their agent of a distressed debt exchange; or
- a closed financing vehicle where payment capacity is irrevocably impaired such that it is not expected to pay interest and/or principal in full during the life of the transaction, but where no payment default is imminent.

RD Restricted default. ‘RD’ ratings indicate an issuer that in Fitch’s opinion has experienced:

- an uncured payment default or distressed debt exchange on a bond, loan or other material financial obligation but
- has not entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, and
- has not otherwise ceased operating.

This would include:

- the selective payment default on a specific class or currency of debt;
- the uncured expiry of any applicable grace period, cure period or default forbearance period following a payment default on a bank loan, capital markets security or other material financial obligation;
- the extension of multiple waivers or forbearance periods upon a payment default on one or more material financial obligations, either in series or in parallel; ordinary execution of a distressed debt exchange on one or more material financial obligations.

D Default. ‘D’ ratings indicate an issuer that in Fitch’s opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or that has otherwise ceased business.

Default ratings are not assigned prospectively to entities or their obligations; within this context, non-payment on an instrument that contains a deferral feature or grace period will generally not be considered a default until after the expiration of the deferral or grace period, unless a default is otherwise driven by bankruptcy or other similar circumstance, or by a distressed debt exchange.

In all cases, the assignment of a default rating reflects the agency’s opinion as to the most appropriate rating category consistent with the rest of its universe of ratings, and may differ from the definition of default under the terms of an issuer’s financial obligations or local commercial practice.

International Short-Term Ratings

A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity or security stream and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-term deposit ratings may be adjusted for loss severity. Short-Term Ratings are assigned to obligations whose initial maturity is viewed as "short term" based on market convention (a long-term rating can also be used to rate an issue with short maturity). Typically, this means up to 13 months for corporate, sovereign, and structured obligations and up to 36 months for obligations in U.S. public finance markets.

F1	Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good short-term credit quality. Good intrinsic capacity for timely payment of financial commitments.
F3	Fair short-term credit quality. The intrinsic capacity for timely payment of financial commitments is adequate.
B	Speculative short-term credit quality. Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.
C	High short-term default risk. Default is a real possibility.
RD	Restricted default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.
D	Default. Indicates a broad-based default event for an entity, or the default of a short-term obligation.

Notes to Long-Term and Short-Term ratings:

Within rating categories, Fitch may use modifiers. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the 'AAA' ratings and ratings below the 'CCC' category.

Ratings that have been withdrawn will be indicated by the symbol 'WD'.

Rating Watch: Rating Watches indicate that there is a heightened probability of a rating change and the likely direction of such a change. These are designated as "Positive", indicating that a rating could stay at its present level or potentially be upgraded, "Negative", to indicate that the rating could stay at its present level or potentially be downgraded, or "Evolving", if ratings may be raised, lowered or affirmed. However, ratings can be raised or lowered without being placed on Rating Watch first.

A Rating Watch is typically event-driven and, as such, it is generally resolved over a relatively short period. The event driving the Watch may be either anticipated or have already occurred, but in both cases, the exact rating implications remain undetermined. The Watch period is typically used to gather further information and/or subject the information to further analysis.

Long-Term Credit Ratings – Issuer Credit Rating Scales

Rated entities in a number of sectors, including financial and nonfinancial corporations, sovereigns, insurance companies and certain sectors within public finance, are generally assigned IDRs. IDRs are also assigned to certain entities or enterprises in global infrastructure, project finance and public finance. IDRs opine on an entity's relative vulnerability to default – including by way of a distressed debt exchange (DDE) – on financial obligations. The threshold default risk addressed by the IDR is generally that of the financial obligations whose non-payment would best reflect the uncured failure of that entity. As such, IDRs also address relative vulnerability to bankruptcy, administrative receivership or similar concepts.

In aggregate, IDRs provide an ordinal ranking of issuers based on the agency's view of their relative vulnerability to default, rather than a prediction of a specific percentage likelihood of default.

Investment Grade

AAA: Highest Credit Quality. 'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA: Very high credit quality. 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A: High credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB: Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

Speculative Grade

BB: Speculative. "'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments.

B: Highly speculative. 'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

CCC: Substantial credit risk. Very low margin for safety. Default is a real possibility.

CC: Very high levels of credit risk. Default of some kind appears probable.

C: Near default. A default or default-like process has begun, or for a closed funding vehicle, payment capacity is irrevocably impaired. Conditions that are indicative of a 'C' category rating for an issuer include: (a) The issuer has entered into a grace or cure period following non-payment of a material financial obligation; (b) The formal announcement by the issuer or their agent of a DDE; and (c) A closed financing vehicle where payment capacity is irrevocably impaired such that it is not expected to pay interest and/or principal in full during the life of the transaction, but where no payment default is imminent.

RD: Restricted Default: "RD' ratings indicate an issuer that in Fitch's opinion has experienced:

- an uncured payment default or distressed debt exchange on a bond, loan or other material financial obligation, but
- has not entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, and
- has not otherwise ceased operating. This would include:
- the selective payment default on a specific class or currency of debt;
- the uncured expiry of any applicable original grace period, cure period or default forbearance period following a payment default on a bank loan, capital markets security or other material financial obligation;

D. Default: 'D' ratings indicate an issuer that in Fitch Ratings' opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure or that has otherwise ceased business and debt is still outstanding.

Default ratings are not assigned prospectively to entities or their obligations; within this context, non-payment on an instrument that contains a deferral feature or grace period will generally not be considered a default until after the expiration of the deferral or grace period, unless a default is otherwise driven by bankruptcy or other similar circumstance, or by a distressed debt exchange.

In all cases, the assignment of a default rating reflects the agency's opinion as to the most appropriate rating category consistent with the rest of its universe of ratings and may differ from the definition of default under the terms of an issuer's financial obligations or local commercial practice.

Note: The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to 'AAA' ratings and ratings below the 'CCC' category.

Limitations of the Issuer Credit Rating Scale:

Specific limitations relevant to the issuer credit rating scale include:

- The ratings do not predict a specific percentage of default likelihood over any given time period.
- The ratings do not opine on the market value of any issuer's securities or stock, or the likelihood that this value may change.
- The ratings do not opine on the liquidity of the issuer's securities or stock.
- The ratings do not opine on the possible loss severity on an obligation should an issuer (or an obligation with respect to structured finance transactions) default, except in the following cases:
    - Ratings assigned to individual obligations of issuers in corporate finance, banks, non-bank financial institutions, insurance and covered bonds.
    - In limited circumstances for U.S. public finance obligations where Chapter 9 of the Bankruptcy Code provides reliably superior prospects for ultimate recovery to local government obligations that benefit from a statutory lien on revenues or during the pendency of a bankruptcy proceeding under the Code if there is sufficient visibility on potential recovery prospects.
- The ratings do not opine on the suitability of an issuer as counterparty to trade credit.
- The ratings do not opine on any quality related to an issuer's business, operational or financial profile other than the agency's opinion on its relative vulnerability to default or in the case of bank Viability Ratings on its relative vulnerability to failure. For the avoidance of doubt, not all defaults will be considered a default for rating purposes. Typically, a default relates to a liability payable to an unaffiliated, outside investor.
- The ratings do not opine on any quality related to a transaction's profile other than the agency's opinion on the relative vulnerability to default of an issuer and/or of each rated tranche or security.
- The ratings do not predict a specific percentage of extraordinary support likelihood over any given period.
- The ratings do not opine on the suitability of any security for investment or any other purposes.

Ratings assigned by Fitch Ratings articulate an opinion on discrete and specific areas of risk. The above list is not exhaustive, and is provided for the reader's convenience.

Short-Term Ratings Assigned to Issuers and Obligations

A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-term deposit ratings may be adjusted for loss severity. Short-Term Ratings are assigned to obligations whose initial maturity is viewed as "short term" based on market convention. Typically, this means up to 13 months for corporate, sovereign, and structured obligations and up to 36 months for obligations in U.S. public finance markets.

F1: Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added '+' to denote any exceptionally strong credit feature.

F2: Good Short-Term Credit Quality. Good intrinsic capacity for timely payment of financial commitments.

F3: Fair short-term credit quality. The intrinsic capacity for timely payment of financial commitments is adequate.

B: Speculative short-term credit quality. Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.

C: High short-term default risk. Default is a real possibility.

RD: Restricted Default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.

D: Default. Indicates a broad-based default event for an entity, or the default of a short-term obligation.

Limitations of the Short-Term Ratings Scale:

Specific limitations relevant to the Short-Term Ratings Scale include:

- The ratings do not predict a specific percentage of default likelihood over any given time period.
- The ratings do not opine on the market value of any issuer's securities or stock, or the likelihood that this value may change.
- The ratings do not opine on the liquidity of the issuer's securities or stock.
- The ratings do not opine on the possible loss severity on an obligation should an issuer (or an obligation with respect to structured finance transactions) default, except in the following cases:
    - Ratings assigned to individual obligations of issuers in corporate finance, banks, non-bank financial institutions, insurance and covered bonds.
    - In limited circumstances for U.S. public finance obligations where Chapter 9 of the Bankruptcy Code provides reliably superior prospects for ultimate recovery to local government obligations that benefit from a statutory lien on revenues or during the pendency of a bankruptcy proceeding under the Code if there is sufficient visibility on potential recovery prospects.
- The ratings do not opine on the suitability of an issuer as counterparty to trade credit.
- The ratings do not opine on any quality related to an issuer's business, operational or financial profile other than the agency's opinion on its relative vulnerability to default or in the case of bank Viability Ratings on its relative vulnerability to failure. For the avoidance of doubt, not all defaults will be considered a default for rating purposes. Typically, a default relates to a liability payable to an unaffiliated, outside investor.
- The ratings do not opine on any quality related to a transaction‘s profile other than the agency‘s opinion on the relative vulnerability to default of an issuer and/or of each rated tranche or security.
- The ratings do not predict a specific percentage of extraordinary support likelihood over any given period.
- The ratings do not opine on the suitability of any security for investment or any other purposes.

Ratings assigned by Fitch Ratings articulate an opinion on discrete and specific areas of risk. The above list is not exhaustive, and is provided for the reader's convenience.

ADDITIONAL INFORMATION:

'NR': This action is used when an issue has reached its redemption date and rating coverage is discontinued. This indicates that a previously rated issue has been repaid, but other issues of the same program (rated or unrated) may remain outstanding. For the convenience of investors, Fitch may also include issues relating to a rated issuer or transaction that are not and have not been rated on its section of the web page relating to the respective issuer or transaction. Such issues will also be denoted 'NR'.

‘Withdrawn’: The rating has been withdrawn and the issue or issuer is no longer rated by Fitch. Withdrawals may occur for one or several of the following reasons:

- Incorrect or insufficient information.
- Bankruptcy of the rated entity, debt restructuring or default.
- Reorganization of rated entity (e.g. merger or acquisition of rated entity or rated entity no longer exists).
- The debt instrument was taken private.
- Withdrawal of a guarantor rating.
- An expected rating that is no longer expected to convert to a final rating.
- Criteria or policy change.
- Bonds were pre-refunded, repaid early (off schedule), or canceled. This includes cases where the issuer has no debt outstanding and is no longer issuing debt.
- Ratings are no longer considered relevant to the agency’s coverage.
- Commercial reasons.
- Other reasons.

When a public rating is withdrawn, Fitch will issue a Rating Action Commentary that details the current rating and Outlook or Watch status (if applicable), a statement that the rating is withdrawn and the reason for the withdrawal.

Withdrawals cannot be used to forestall a rating action. Every effort is therefore made to ensure that the rating opinion upon withdrawal reflects an updated view. Where significant elements of uncertainty remain (for example, a rating for an entity subject to a takeover bid) or where information is otherwise insufficient to support a revised opinion, the agency attempts when possible to indicate in the withdrawal disclosure the likely direction and scale of any rating movement had coverage been maintained.

Ratings that have been withdrawn will be indicated by the symbol ‘WD’.

PART C

OTHER INFORMATION

Item 25. Financial Statements and Exhibits

(1) Financial Statements

Financial Statements Included in Part A:

Financial Highlights for fiscal years ended October 31, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023. Financial Highlights for the fiscal period ended April 30, 2024 (unaudited).

Financial Statements Included in Part B:

Incorporated by reference in the Statement of Additional Information included herein are the Registrant's audited financial statements for the fiscal year ended October 31, 2023, notes to such financial statements and the report of independent registered public accounting firm thereon, as contained in the Fund's Form N-CSR filed with the Securities and Exchange Commission on January 5, 2024. The unaudited Semi-Annual Report for the fiscal period ending April 30, 2024, as contained in the Fund's Form N-CSR filed with the Securities and Exchange Commission on July 3, 2024 is incorporated by reference.

(2) Exhibits

(a) Agreement and Declaration of Trust dated September 15, 2003 (Incorporated by reference from post-effective amendment no. 1 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on October 22, 2003)

(b) Amended and Restated Bylaws dated March 10, 2009 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(c) Not applicable

(d)

(1) Form of Certificate for Common Shares of Beneficial Interest (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(2) Form of Subscription Certificate for Rights Offering +

(3) Form of Notice of Guaranteed Delivery for Rights Offering +

(e) Dividend Reinvestment Plan dated February 20, 2004 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(f) Not applicable

(g) (1)

(a) Investment Advisory and Management Agreement dated August 26, 2010 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(b) Amendment to Investment Advisory and Management Agreement dated August 26, 2010 (Incorporated by reference from amendment no. 21 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on November 24, 2021)

(h)

(1) Distribution Agreement between Registrant and Paralel Distributors LLC, dated September 5, 2024. *

(2) Sub-Placement Agent Agreement between Paralel Distributors LLC and UBS Securities LLC, dated September 5, 2024. *

(i) Not applicable

(j) Custody Agreement dated February 24, 2004 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(k)

(1) Stock Transfer Agency Agreement dated February 24, 2004 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(2) Administration and Fund Accounting Agreement dated September 19, 2022 (Incorporated by reference to Exhibit 1.3 to the Registrant's Current Report on Form 8-K filed with the SEC on September 19, 2022)

(3) Form of Subscription Agent Agreement +

(4) Form of Information Agent Agreement +

(5) Credit Agreement with State Street Bank and Trust Company, dated April 27, 2022 *

(l) Opinion and Consent of Dechert LLP *

(m) Not applicable

(n) (1) Consent of Deloitte & Touche LLP *

(2) Consent of Cohen & Company, Ltd.*

(o) Not applicable

(p) Initial Subscription Agreement (Incorporated by reference from post-effective amendment no. 4 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on February 24, 2004)

(q) Not applicable

(r)

(1) Code of Ethics of the Fund dated March 14, 2006 (Incorporated by reference from amendment no. 9 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on May 17, 2012)

(2) Code of Ethics of the Adviser dated January 12, 2023 *

(3) Code of Ethics of the Principal Executive and Financial Officers of the Fund dated February 20, 2004 (Incorporated by reference from post-effective amendment no. 4 to Registrant's registration statement under the Investment Company Act of 1940 on Form N-2 filed with the SEC on February 24, 2004)

(s) Calculation of Filing Fee Tables *

(t) Power of Attorney *

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* Filed herewith
+ To be filed by amendment upon the filing of any prospectus supplement relating to such offering.

Item 26. Marketing Arrangements

None.

Item 27. Other Expenses of Issuance and Distribution

The approximate expenses in connection with the offering are as follows:

Registration and Filing Fees	$132,102
Exchange Fees	$65,000
FINRA Fees	$135,500
Accounting Fees and Expenses	$20,000
Legal Fees and Expenses	$50,000
Miscellaneous	$20,000
Total	$422,602

Item 28. Persons Controlled by or Under Common Control With Registrant

None.

Item 29. Number of Holders of Securities

Set forth below is the number of record holders as of August 28, 2024 of each class of securities of the Registrant:

Title of Class	**Number of Record Holders**
Common Shares of Beneficial Interest	19

Item 30. Indemnification

Article IV of the Registrant's Agreement and Declaration of Trust provides as follows:

4.1 No Personal Liability of Shareholders, Trustees, etc. No Shareholder of the Trust shall be subject in such capacity to any personal liability whatsoever to any Person in connection with Trust Property or the acts, obligations or affairs of the Trust. Shareholders shall have the same limitation of personal liability as is extended to stockholders of a private corporation for profit incorporated under the general corporation law of the State of Delaware. No Trustee or officer of the Trust shall be subject in such capacity to any personal liability whatsoever to any Person, other than the Trust or its Shareholders, in connection with Trust Property or the affairs of the Trust, save only liability to the Trust or its Shareholders arising from bad faith, willful misfeasance, gross negligence or reckless disregard for his duty to such Person; and, subject to the foregoing exception, all such Persons shall look solely to the Trust Property for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any Shareholder, Trustee or officer, as such, of the Trust, is made a party to any suit or proceeding to enforce any such liability, subject to the foregoing exception, he shall not, on account thereof, be held to any personal liability.

4.2 Mandatory Indemnification.

(a) The Trust shall indemnify the Trustees and officers of the Trust (each such person being an "indemnitee") against any liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and reasonable counsel fees reasonably incurred by such indemnitee in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, before any court or administrative or investigative body in which he may be or may have been involved as a party or otherwise (other than, except as authorized by the Trustees, as the plaintiff or complainant) or with which he may be or may have been threatened, while acting in any capacity set forth above in this Section 4.2 by reason of his having acted in any such capacity, except with respect to any matter as to which he shall not have acted in good faith in the reasonable belief that his action was in the best interest of the Trust or, in the case of any criminal proceeding, as to which he shall have had reasonable cause to believe that the conduct was unlawful, provided, however, that no indemnitee shall be indemnified hereunder against any liability to any person or any expense of such indemnitee arising by reason of (i) willful misfeasance, (ii) bad faith, (iii) gross negligence (negligence in the case of Affiliated Indemnitees), or (iv) reckless disregard of the duties involved in the conduct of his position (the conduct referred to in such clauses (i) through (iv) being sometimes referred to herein as "disabling conduct"). Notwithstanding the foregoing, with respect to any action, suit or other proceeding voluntarily prosecuted by any indemnitee as plaintiff, indemnification shall be mandatory only if the prosecution of such action, suit or other proceeding by such indemnitee was authorized by a majority of the Trustees.

(b) Notwithstanding the foregoing, no indemnification shall be made hereunder unless there has been a determination (1) by a final decision on the merits by a court or other body of competent jurisdiction before whom the issue of entitlement to indemnification hereunder was brought that such indemnitee is entitled to indemnification hereunder or, (2) in the absence of such a decision, by (i) a majority vote of a quorum of those Trustees who are neither Interested Persons of the Trust nor parties to the proceeding ("Disinterested Non-Party Trustees"), that the indemnitee is entitled to indemnification hereunder, or (ii) if such quorum is not obtainable or even if obtainable, if such majority so directs, independent legal counsel in a written opinion conclude that the indemnitee should be entitled to indemnification hereunder. All determinations to make advance payments in connection with the expense of defending any proceeding shall be authorized and made in accordance with the immediately succeeding paragraph (c) below.

(c) The Trust shall make advance payments in connection with the expenses of defending any action with respect to which indemnification might be sought hereunder if the Trust receives a written affirmation by the indemnitee of the indemnitee's good faith belief that the standards of conduct necessary for indemnification have been met and a written undertaking to reimburse the Trust unless it is subsequently determined that he is entitled to such indemnification and if a majority of the Trustees determine that the applicable standards of conduct necessary for indemnification appear to have been met. In addition, at least one of the following conditions must be met: (1) the indemnitee shall provide adequate security for his undertaking, (2) the Trust shall be insured against losses arising by reason of any lawful advances, or (3) a majority of a quorum of the Disinterested Non-Party Trustees, or if a majority vote of such quorum so direct, independent legal counsel in a written opinion, shall conclude, based on a review of readily available facts (as opposed to a full trial-type inquiry), that there is substantial reason to believe that the indemnitee ultimately will be found entitled to indemnification.

(d) The rights accruing to any indemnitee under these provisions shall not exclude any other right to which he may be lawfully entitled.

(e) Notwithstanding the foregoing, subject to any limitations provided by the 1940 Act and this Declaration, the Trust shall have the power and authority to indemnify Persons providing services to the Trust to the full extent provided by law provided that such indemnification has been approved by a majority of the Trustees.

4.3 No Duty of Investigation; Notice in Trust Instruments, etc. No purchaser, lender, transfer agent or other person dealing with the Trustees or with any officer, employee or agent of the Trust shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by said officer, employee or agent or be liable for the application of money or property paid, loaned, or delivered to or on the order of the Trustees or of said officer, employee or agent. Every obligation, contract, undertaking, instrument, certificate, Share, other security of the Trust, and every other act or thing whatsoever executed in connection with the Trust shall be conclusively taken to have been executed or done by the executors thereof only in their capacity as Trustees under this Declaration or in their capacity as officers, employees or agents of the Trust. The Trustees may maintain insurance for the protection of the Trust Property, its Shareholders, Trustees, officers, employees and agents in such amount as the Trustees shall deem adequate to cover possible liability, and such other insurance as the Trustees in their sole judgment shall deem advisable or is required by the 1940 Act.

4.4 Reliance on Experts, etc. Each Trustee and officer or employee of the Trust shall, in the performance of its duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust, upon an opinion of counsel, or upon reports made to the Trust by any of the Trust's officers or employees or by any adviser, administrator, manager, distributor, selected dealer, accountant, appraiser or other expert or consultant selected with reasonable care by the Trustees, officers or employees of the Trust, regardless of whether such counsel or other person may also be a Trustee.

Item 31. Business and Other Connections of Investment Adviser

None.

Item 32. Location of Accounts and Records

All applicable accounts, books and documents required to be maintained by the Registrant by Section 31(a) of the 1940 Act and the Rules promulgated thereunder are in the possession and custody of the Registrant, c/o Paralel Technologies LLC, 1700 Broadway, Suite 1850, Denver, Colorado 80290; and Reaves Asset Management, 10 Exchange Place, Jersey City, New Jersey 07302.

Item 33. Management Services

Not applicable.

Item 34. Undertakings

1. Not applicable.

2. Not applicable.

3. The Registrant undertakes:

   a. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration statement:

      (1) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(2) to reflect in the prospectus any facts or events after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement; Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Filing Fee Tables" in the effective registration statement.

(3) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs a(1), a(2), and a(3) of this section do not apply to the extent the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference into the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

b. that, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

c. to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

d. that, for the purpose of determining liability under the Securities Act to any purchaser:

(1) if the Registrant is relying on Rule 430B:

(A) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (x), or (xi) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(2) If the Registrant is subject to Rule 430C: each prospectus filed pursuant to Rule 424(b) under the Securities Act as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A under the Securities Act, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use; and

e. that for the purpose of determining liability of the Registrant under the Securities Act to any purchaser in the initial distribution of securities:

The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:

(1) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424 under the Securities Act;

(2) free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(3) the portion of any other free writing prospectus or advertisement pursuant to Rule 482 under the Securities Act relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(4) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

4. The Registrant undertakes that:

a. for the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) under the Securities Act shall be deemed to be part of the registration statement as of the time it was declared effective; and

b. for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

5. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act , each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference into the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

6. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

7. The Registrant undertakes to send by first class mail or other means designed to ensure equally prompt delivery, within two business days of receipt of an oral or written request, any prospectus or Statement of Additional Information.

SIGNATURES

Pursuant to requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the city of Jersey City, New Jersey on the 10th day of September, 2024.

REAVES UTILITY INCOME FUND

By: /s/ Joseph Rhame, III
Name: Joseph Rhame, III
Title: President

Pursuant to the requirements of the Securities Act of 1933, registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
		September 10, 2024
*	Trustee	
Mary K. Anstine		September 10, 2024
*	Trustee	
Jeremy W. Deems		September 10, 2024
*	Trustee	
Michael F. Holland		September 10, 2024
*	Trustee	
E. Wayne Nordberg		September 10, 2024
/s/ Jill Kerschen	Treasurer	
Jill Kerschen		September 10, 2024
*	Trustee	
JoEllen L. Legg		September 10, 2024
/s/ Joseph Rhame, III	President	
Joseph Rhame, III		

* By: /s/ Christopher Moore
Christopher Moore
Attorney-in-fact

INDEX TO EXHIBITS

Exhibit No.	Description
(h)(1)	Distribution Agreement between Registrant and Paralel Distributors LLC, dated September 5, 2024.
(h)(2)	Sub-Placement Agent Agreement between Paralel Distributors LLC and UBS Securities LLC, dated September 5, 2024.
(k)(5)	Credit Agreement with State Street Bank and Trust Company, dated April 27, 2022
(l)	Opinion and Consent of Dechert LLP
(n)(1)	Consent of Deloitte & Touche LLP
(n)(2)	Consent of Cohen & Company, Ltd.
(r)(2)	Code of Ethics of the Adviser dated January 12, 2023
(s)	Calculation of Filing Fee Tables
(t)	Power of Attorney

Exhibit 99.(h)(1)

DISTRIBUTION AGREEMENT

This DISTRIBUTION AGREEMENT (this "Agreement") made as of September 5, 2024 by and between Reaves Utility Income Fund, a Delaware statutory trust (the "Fund"), and Paralel Distributors LLC, a Delaware limited liability company (the "Distributor").

WHEREAS, the Fund is registered under the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (collectively, the "Investment Company Act"), as a diversified, closed-end, management investment company;

WHEREAS, the Fund has filed a registration statement on Form N-2 pursuant to the Investment Company Act and the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively, the "Securities Act"), to register common shares of beneficial interest, no par value, of the Fund (the "Common Shares"), which may be issued and sold from time to time through various specified transactions, including at-the-market ("ATM") offerings pursuant to Rule 415 under the Securities Act;

WHEREAS, the Distributor is registered as a broker-dealer under the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act"), and is a member in good standing of the Financial Industry Regulatory Authority, Inc. ("FINRA");

WHEREAS, the Fund and the Distributor wish to enter into a distribution agreement with each other with respect to ATM offerings, from time to time, of the Common Shares, and

WHEREAS the Fund is managed by the Fund's investment adviser, W.H. Reaves & Co., Inc. ("Adviser").

NOW THEREFORE, the parties agree as follows:

Section 1. Appointment of the Distributor; ATM Offerings.

(a) Subject to the terms and conditions of this Agreement, the Fund hereby appoints the Distributor as its principal underwriter and placement agent for up to 10,000,000 Common Shares of the Fund to be offered pursuant to the Registration Statement (as defined herein) through ATM offerings from time to time (the "Shares") and the Fund agrees that it will issue such Shares as the Distributor may sell. The Distributor agrees to enter into sub-placement agent agreements with selected dealers, each of whom shall be registered as a broker-dealer under the provisions of the Exchange Act and a member in good standing of FINRA who will use reasonable efforts to identify opportunities for the sale of Shares (each, a "sub-placement agent"), but neither the Distributor nor any sub-placement agent is obligated to sell any specific number of the Shares (though the Distributor will only be authorized to sell on any Offering Date the maximum number of Shares agreed to with the Fund pursuant to Section 1(d) hereof). The Distributor will not purchase any Shares for its own account. The Shares will only be sold on such days as shall be agreed to by the Distributor and the Fund (each, an "Offering Date"). The Distributor hereby accepts such appointment.

(b) The Distributor acknowledges that Shares will be offered and sold only as set forth from time to time in the Registration Statement including, without limitation, pricing of Shares, handling of investor funds and payment of sales commissions.

(c) The Fund may suspend or terminate any ATM offering of its Shares at any time. Upon notice to the Distributor of the terms of such suspension or termination, the Distributor shall suspend the ATM offering of Shares in accordance with such terms until the Fund notifies the Distributor that such ATM offering may be resumed; provided, however, that such suspension or termination shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(d) The price per Share shall be determined by the Fund together with the Distributor or any sub-placement agent by reference to trades in the Common Shares on the primary exchange for the Common Shares. In no event shall the price per Share be less than the then current net asset value per Common Share (which net asset value shall be determined as of a time within forty-eight hours, excluding Sundays and holidays, next preceding the time of such determination) plus the per Share amount of the commission to be paid to the Distributor (the "Minimum Price"). The Fund may establish a minimum sales price per Share on any Offering Date in excess of the Minimum Price (the "Minimum Sales Price"), and the Fund shall communicate such Minimum Sales Price to the Distributor. The Fund shall have sole discretion to establish a Minimum Sales Price for any Offering Date and may consider, among other factors, the degree to which the market price per Common Share exceeds the Fund's net asset value per Common Share, and the amount of assets the Fund desires to raise through ATM offerings. The Distributor shall suspend the sale of Shares if the per share price of the Shares is less than the Minimum Price or the Minimum Sales Price. The Distributor or any sub-placement agent shall, together with the Fund, determine the maximum number of Shares to be sold through the Distributor or through such sub-placement agent for any Offering Date, and the Distributor or such sub-placement agent shall not be authorized to sell Shares on any Offering Date in excess of such maximum.

(e) The Distributor will confirm to the Fund, following the close of trading on the Fund's primary exchange on each Offering Date for the Shares, the number of Shares sold through the Distributor and through any sub-placement agent, the time of sale, the gross sales price per Share and the compensation payable to the Distributor and such sub-placement agent, or to which the Distributor and such sub-placement agent are entitled with respect to such sales. The Fund reserves the right to reject any order in whole or in part.

(f) Settlement for sales of the Shares pursuant to this Section 1 will occur on the business day following the date on which such sales are made (each such day, a "Settlement Date"). On each Settlement Date, the Shares sold through the Distributor and through any sub-placement agent for settlement on such date shall be delivered by the Fund at the Distributor's request to such sub-placement agent's account at The Depository Trust Company through its Deposit and Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties, against payment of the gross sales proceeds for the sale of such Shares, less the sales commission to be paid to the Distributor and such sub-placement agent.

(g) In selling Shares, the Distributor shall act solely as an agent of the Fund and not as principal.

Section 2. Representations and Warranties by the Fund.

The Fund represents, warrants to and agrees with the Distributor, as of the date hereof and as of each Offering Date and Settlement Date, that:

(a) "An "automatic shelf registration statement" as defined in Rule 405 under the Securities Act on Form N-2 (the "Registration Statement") (i) has been prepared by the Fund in conformity with the requirements of the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively, the "Securities Act") and the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (collectively, the "1940 Act") in all material respects; and (ii) has been filed with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act and the 1940 Act; the Registration Statement sets forth the terms of the offering, sale and plan of distribution of the Shares and contains additional information concerning the Fund and its business; no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Fund; the Registration Statement, including any amendments thereto, became effective upon filing; no stop order of the Commission preventing or suspending the use of the Basic Prospectus (as defined herein), the Prospectus Supplement (as defined herein) or the Prospectus (as defined herein), or the effectiveness of the Registration Statement, has been issued, and no proceedings for such purpose have been instituted or, to the Fund's knowledge, have been threatened by the Commission. Except where the context otherwise requires, "Registration Statement," as used herein, means, collectively, the various parts of the registration statement pertaining to the offering and sale of the Shares, as amended at the time of effectiveness for purposes of Section 11 of the Securities Act (the "Effective Time"), as such section applies to the Distributor, as well as any new registration statement, post-effective amendment or new shelf registration statement relating to the Shares, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Securities Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Distributor, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Securities Act. "Basic Prospectus," as used herein, means the final prospectus filed as part of the Registration Statement, including the related statement of additional information, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "Prospectus Supplement," as used herein, means the final prospectus supplement, including the related statement of additional information, relating to the Shares, filed by the Fund with the Commission pursuant to Rule 424(b) under the Securities Act, in the form furnished by the Fund to the Distributor in connection with the offering of the Shares. Except where the context otherwise requires, "Prospectus," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. Any reference herein to the Registration Statement, the Basic Prospectus, the Prospectus Supplement or the Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein."

(b) The Fund is duly registered under the Investment Company Act as a closed-end management investment company. A notification of registration of the Fund as an investment company under the Investment Company Act on Form N-8A (the "Investment Company Act Notification") has been prepared by the Fund in conformity with the Investment Company Act and has been filed with the Commission and, at the time of filing thereof and at the time of filing any amendment or supplement thereto, conformed in all material respects with all applicable provisions of the Investment Company Act. The Fund has not received any notice in writing from the Commission pursuant to Section 8(e) of the Investment Company Act with respect to the Investment Company Act Notification or the Registration Statement (or any amendment or supplement to either of them). No person is serving or acting as an officer, trustee or investment adviser of the Fund except in accordance with the provisions of the Investment Company Act, provided that for purposes of the foregoing representation with respect to officers and trustees, the Fund shall be entitled to rely on representations from such officers and trustees.

(c) The Registration Statement, the Investment Company Act Notification and the Prospectus, as from time to time amended or supplemented, each complied when it became effective or was filed (as the case may be), complies as of the date hereof and, as amended or supplemented, will comply, at each time of purchase of Shares in connection with the ATM offerings, and at all times during which a prospectus is required by the Securities Act to be delivered in connection with any sale of Shares, in all material respects, with the requirements of the Securities Act and the Investment Company Act; the Registration Statement did not, as of the Effective Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends at the later of the time of purchase of Shares in connection with the ATM offerings, and the end of the period during which a prospectus is required by the Securities Act to be delivered in connection with any sale of Shares did or will the Prospectus, as from time to time amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Fund does not make any representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus or the Prospectus in reliance upon and in conformity with information furnished in writing by the Distributor or any sub-placement agents, or on the Distributor's or any sub-placement agent's behalf, to the Fund expressly for use in the Registration Statement or the Prospectus (the "Agent Provided Information").

(d) The financial statements incorporated by reference in the Registration Statement or the Prospectus, together with the related notes and schedules, present fairly in all material respects the financial position of the Fund as of the dates indicated and the results of operations, cash flows and changes in shareholders' equity of the Fund for the periods specified and have been prepared in compliance in all material respects with the requirements of the Securities Act, the Investment Company Act and the Exchange Act, and in conformity in all material respects with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; the other financial and statistical data contained or incorporated by reference in the Registration Statement or the Prospectus are accurately and fairly presented, in all material respects, and prepared on a basis consistent with the financial statements and books and records of the Fund in all material respects; there are no financial statements that are required to be included or incorporated by reference in the Registration Statement, the Basic Prospectus or the Prospectus by the Securities Act, the Investment Company Act or the Exchange Act that are not included or incorporated by reference as required; and the Fund does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not described in the Registration Statement (excluding the exhibits thereto).

(e) As of the date of this Agreement, the Fund has an authorized and outstanding capitalization as set forth in the Registration Statement, the Basic Prospectus and the Prospectus and, with respect to any issuance and sale under this Agreement, the Fund shall have as of the date of the most recent amendment or supplement to the Registration Statement or Prospectus, an authorized and outstanding capitalization as set forth in the Registration Statement and the Prospectus; all of the issued and outstanding Common Shares have been duly authorized and validly issued and are fully paid and non-assessable, have been issued in material compliance with all applicable securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right.

(f) The Fund has been duly formed, has legal existence as a statutory trust and is in good standing under the laws of Delaware, with full power and authority to own, lease and operate and conduct its business as described in the Registration Statement, the Basic Prospectus and the Prospectus and to issue, sell and deliver the Shares as contemplated herein. The Fund is duly qualified to do business as a foreign entity and is in good standing in each jurisdiction where the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on the business, properties, financial condition or results of operations of the Fund.

(g) The Shares have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued, fully paid and non-assessable and free of statutory and contractual preemptive rights, resale rights, rights of first refusal and similar rights; the Shares, when issued and delivered against payment therefor as provided herein, will be free of any restriction upon the voting or transfer thereof pursuant to the Fund's Agreement and Declaration of Trust or Amended and Restated Bylaws or any agreement or other instrument to which the Fund is a party. The Common Shares, including the Shares, conform in all material respects to the description thereof, if any, contained or incorporated by reference in the Registration Statement, the Basic Prospectus or the Prospectus; and the certificates for the Shares, if any, are in due and proper form.

(h) The Fund is in material compliance with the rules of the NYSE American LLC (the "Stock Exchange"), including, without limitation, the requirements for continued listing of the Shares on the Stock Exchange and the Fund has not received any written notice from the Stock Exchange regarding the delisting of the Shares from the Stock Exchange. The Shares will be duly listed, and admitted and authorized for trading, subject to official notice of issuance, on the Stock Exchange.

(i) No approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Stock Exchange), or approval of the shareholders of the Fund that has not already been obtained, is required in connection with the issuance and sale of the Shares or the consummation by the Fund of the transactions contemplated hereby, other than (i) the registration of the Shares under the Securities Act, which has been effected, (ii) the listing of the Shares with the Stock Exchange, upon official notice of issuance, (iii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered by the Fund or (iv) any necessary qualification pursuant to the rules of FINRA.

(j) Prior to the execution of this Agreement, the Fund has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) or used any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) in connection with the offer or sale of the Shares, and from and after the execution of this Agreement, the Fund will not, directly or indirectly, offer or sell any Shares by means of any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) or use any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) in connection with the offer or sale of the Shares, other than the Prospectus, as amended or supplemented from time to time in accordance with the provisions of this Agreement; and the Fund is not an "ineligible issuer" (as defined in Rule 405 under the Securities Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Securities Act with respect to the offering of the Shares contemplated by the Registration Statement.

Section 3. Duties of the Fund.

(a) The Fund shall take, from time to time, but subject always to any necessary approval of the Board of Trustees of the Fund (each a "Trustee," and together the "Board") or of its shareholders, all necessary action to fix the number of authorized Common Shares, to the end that the Fund will have a number of authorized but unissued Common Shares at least equal to the number of Common Shares available for sale pursuant to this Agreement.

(b) For purposes of the ATM offering of Shares, the Fund will furnish to the Distributor and any sub-placement agents copies of its most recent amendment to its Registration Statement, its most recent Prospectus and all amendments and supplements thereto, and other documentation the Distributor may reasonably request for use in the ATM offering of Shares. The Distributor and the sub-placement agents are authorized to furnish to prospective investors only such information concerning the Fund and the ATM offering as may be contained in the Registration Statement, the Prospectus, the Fund's publicly available formation documents, or any other documents (including sales material), that are expressly approved by the Fund for such purpose.

(c) The Fund shall furnish to the Distributor copies of all financial statements of the Fund which the Distributor may reasonably request for use in connection with its duties hereunder, and this shall include, upon request by the Distributor, one certified copy of all financial statements prepared for the Fund by independent public accountants.

(d) The Fund shall use its best efforts to qualify and maintain, to the extent required by applicable law, the qualification of Shares for sale under the securities laws of such jurisdictions as the Distributor and the Fund may approve, provided that the Fund shall not be required in connection therewith to qualify as a foreign corporation or dealer in securities or to file a general consent to service of process in any jurisdiction or meet any other requirement in connection with this Section 3(d) deemed by the Fund to be unduly burdensome. Any such qualification may be withheld, terminated or withdrawn by the Fund at any time in its discretion. The expense of qualification and maintenance of qualification shall be borne by the Fund. The Distributor shall furnish such information and other material relating to its affairs and activities as may be required by the Fund in connection with such qualification.

(e) The Fund will furnish, in reasonable quantities upon request by the Distributor, copies of its annual and semi-annual reports.

(f) The Fund will furnish the Distributor with such other documents as it may reasonably require, from time to time, for the purpose of enabling it to perform its duties as contemplated by this Agreement.

Section 4. Duties of the Distributor.

(a) The Distributor shall use its best efforts to perform its duties hereunder. The services of the Distributor to the Fund hereunder are not to be deemed exclusive and nothing herein contained shall prevent the Distributor from entering into like arrangements with other investment companies so long as the performance of its obligations with respect to the Fund hereunder is not impaired thereby.

(b) In performing its duties hereunder, the Distributor shall comply with the requirements of all applicable laws relating to the sale of securities in all material respects. Neither the Distributor nor any sub-placement agent having an agreement to offer and sell Shares pursuant to Section 5 hereof nor any other person is authorized by the Fund to give any information or to make any representations, other than those contained in its Registration Statement, Prospectus and any sales literature specifically approved for such use by the Fund.

(c) The Distributor shall review and file with FINRA as applicable, all sales literature (advertisements, brochures and shareholder communications) prepared in connection with the ATM offerings for the Fund.

(d) The Distributor agrees to supply the following additional services, either on its own or in conjunction with the Fund's other service providers, including but not limited to Adviser, together with such other services as set forth throughout this Agreement:

1. handling inquiries from sub-placement agents regarding the Fund;

2. assisting in the enhancement of communications between sub-placement agents and the Fund;

3. communicating the Minimum Price or Minimum Sales Price to any sub-placement agents and instructing any sub-placement agents not to sell Shares if such sales cannot be effected at or above the Minimum Price or the Minimum Sales Price;

4. communicating the maximum amount of Shares to be sold on any Offering Date to any sub-placement agents;

5. notifying any sub-placement agents of any suspension or termination of the ATM offering of Shares, together with any corresponding resumption of the ATM offering of Shares;

6. coordinating delivery of any Shares sold through sub-placement agents to such sub-placement agents on the Settlement Date against payment of the gross sales proceeds for the sale of such Shares, less any applicable sub-placement agent selling commission;

7. delivering the Fund's Prospectus to any sub-placement agents;

8. identifying potential sub-placement agents;

9. monitoring the performance of sub-placement agents;

10. providing any necessary reconciliation, accounting and recordkeeping services in respect of the ATM offerings of Shares, including with respect to the underwriting compensation paid by the Fund to the Distributor in respect thereof; and

11. providing such other information, assistance and services as may be reasonably requested by the Fund.

For the avoidance of doubt, the Distributor shall not sell any shares of the Fund directly to any investors.

(e) The Distributor shall report to the Board at least quarterly, or more frequently, as requested by the Board, regarding: (i) the nature of the services provided by the Distributor hereunder; (ii) the amount of compensation sub-placement agents, if any, are entitled to retain or be paid by the Distributor; and (iii) the aggregate amount of underwriting compensation paid by the Fund to the Distributor in respect of the ATM offerings of Shares.

(f) The Distributor represents and warrants to the Fund that it has all necessary licenses to perform the services contemplated hereunder and will perform such services in compliance with all applicable rules and regulations.

Section 5. Agreements with Sub-placement Agents.

(a) The Distributor may enter into sub-placement agent agreements or selected dealer agreements, on such terms and conditions as the Distributor determines are not inconsistent with this Agreement, with sub-placement agents to act as the Distributor's agents to effect the sale of the Shares in the ATM offerings. Such sub-placement agents shall sell Shares only at market prices subject to the Minimum Price and the Minimum Sales Price. This Agreement shall not be construed as authorizing any dealer or other person to accept orders for sale on the Fund's behalf or to otherwise act as the Fund's agent for any purpose. The Distributor shall not be responsible for the acts of other dealers or agents except as and to the extent that they shall be acting for the Distributor or under the Distributor's direction or authority.

(b) The Distributor shall offer and sell Shares only through such sub-placement agents who are acting as brokers or dealers who are registered as broker-dealers under the provisions of the Exchange Act and members in good standing of FINRA and who agree to abide by the rules of FINRA.

(c) The Distributor shall obtain assurance, reasonably satisfactory to the Fund, from any sub-placement agents which it engages of the compliance by such sub-placement agents with the terms of this Agreement, applicable federal and state securities laws and the rules of FINRA.

Section 6. Sales Commission; Compensation.

(a) The Fund shall pay the Distributor an amount equal to 1.00% of the gross sales price per Share of the Shares sold.

(b) The Distributor shall pay to the sub-placement agents the sub-placement agent commissions agreed to between the Distributor and such sub-placement agents, or may authorize such sub-placement agents to retain such sub-placement agent commissions from the gross sales proceeds from the sale of such Shares, which shall be payable from the commissions payable to the Distributor under Section 6(a) hereof.

(c) The Fund hereby represents and warrants to the Distributor that (i) the terms of this Agreement, (ii) the fees and expenses associated with this Agreement, and (iii) any benefits accruing to the Distributor or to the Fund's investment adviser or sponsor or another affiliate of the Fund in connection with this Agreement, which the Fund has agreed to pay, including but not limited to any fee waivers, conversion cost reimbursements, up-front payments, signing payments or periodic payments relating to this Agreement have been fully disclosed to the Board and that, if required by applicable law, the Board has approved or will approve the terms of this Agreement, any such fees and expenses, and any such benefits.

Section 7. Payment of Expenses.

(a) The Fund shall bear all of its own costs and expenses, including fees and disbursements of its counsel and auditors, in connection with the preparation of its Prospectus, Statement of Additional Information, if any, the preparation and filing of any required registration statements under the Securities Act and/or the Investment Company Act, and all amendments and supplements thereto, and in connection with any fees and expenses incurred with respect to any filing requirements of FINRA and preparing and mailing annual and interim reports and proxy materials to shareholders (including but not limited to the expense of setting in type any such Registration Statement, Prospectus, interim reports or proxy materials).

(b) The Fund shall bear any cost and expenses of qualification of the Shares for sale pursuant to this Agreement.

(c) The Distributor shall bear all expenses incurred by it in connection with its duties and activities under this Agreement, including the compensation of sub-placement agents for sales of the Fund's Shares, provided that it shall pay such sub-placement agents only for so long as and to the extent that it receives such compensation from the Fund, and fees and expenses of Distributor's counsel (except for any FINRA filing fees or "blue sky" fees paid on behalf of the Fund or the Distributor by such counsel).

Section 8. Limitation of Liability; Indemnification.

(a) The Distributor shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the matters to which this Agreement relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its obligations and duties under this Agreement. The Distributor shall not be liable for any damages arising out of any action or omission to act by any prior service provider of the Fund or for any failure to discover any such error or omission (provided that this sentence shall not apply where the Distributor was the prior service provider). Notwithstanding anything in this Agreement to the contrary, the Distributor shall not be liable for damages occurring directly or indirectly by reason of circumstances beyond its reasonable control.

(b) The Fund agrees that it will indemnify, defend and hold harmless the Distributor, its several officers, and directors, and any person who controls the Distributor within the meaning of Section 15 of the Securities Act, from and against any losses, claims, damages or liabilities, joint or several, to which the Distributor, its several officers, and directors, and any person who controls the Distributor within the meaning of Section 15 of the Securities Act, may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) (i) arise out of, or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectuses or in any application or other document executed by or on behalf of the Fund or are based upon information furnished by or on behalf of the Fund filed in any state in order to qualify the Shares under the securities or blue sky laws thereof ("Blue Sky Application") or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) any liability of the Distributor resulting from a representation, covenant or warranty that the Distributor makes, or any indemnification that the Distributor provides, on behalf of the Fund in a sub-placement agent agreement relating to the Fund that has been provided to the Fund; or (iii) arise out of, or are based upon, any breach of the representations, warranties or covenants of the Fund contained in this Agreement; provided, however, that the Fund shall not be liable in any case to the extent that such loss, claim, damage or liability arises out of, or is based upon, any untrue statement, alleged untrue statement, or omission or alleged omission made in the Registration Statement, the Prospectus or any Blue Sky Application with respect to the Fund in reliance upon and in conformity with any information furnished in writing by the Distributor, or on the Distributor's behalf, to the Fund expressly for use in the Registration Statement or the Prospectus, or arising out of the failure of the Distributor to deliver a current Prospectus.

(c) The Distributor will indemnify and hold harmless the Fund and its several officers and trustees, and any person who controls the Fund within the meaning of Section 15 of the Securities Act, from and against any losses, claims, damages or liabilities, joint or several, to which any of them may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectus or any Blue Sky Application, or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, which statement or omission was made in reliance upon and in conformity with information furnished in writing to the Fund or any of its several officers by or on behalf of the Distributor specifically for inclusion therein, and will reimburse the Fund and its several officers, trustees and such controlling persons for any legal or other expenses reasonably incurred by any of them in investigating, defending or preparing to defend any such action, proceeding or claim.

(d) An indemnified person under this Section 8 (the "Indemnified Party") shall give written notice to the other party (the "Indemnifying Party") of any loss, damage, expense, liability or claim in respect of which the Indemnifying Party has a duty to indemnify such Indemnified Party under Section 8(b) or (c) hereof (a "Claim"), specifying in reasonable detail the nature of the loss, damage, expense, liability or claim for which indemnification is sought, except that any delay or failure so to notify such Indemnifying Party shall only relieve such Indemnifying Party of its obligations hereunder to the extent, if at all, that such Indemnifying Party is actually prejudiced by reason of such delay or failure.

(e) If a Claim results from any action, suit or proceeding brought or asserted against an Indemnified Party, the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses. The Indemnified Party shall have the right to employ separate counsel in such action, suit or proceeding and participate in such defense thereof, but the fees and expenses of such separate counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Party has agreed in writing to pay such fees and expenses, (ii) the Indemnifying Party has failed within a reasonable time to assume the defense and employ counsel or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both such Indemnified Party and Indemnifying Party and such Indemnified Party shall have been advised by its counsel that representation of such Indemnified Party and Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between the Indemnifying Party and the Indemnified Party (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of such Indemnified Party). It is understood, however, that the Indemnifying Party shall, in connection with any one action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties not having actual or potential differing interests with the Indemnifying Party or among themselves, which firm shall be designated in writing by an authorized representative of such parties and that all such fees and expenses shall be reimbursed promptly as they are incurred. The Indemnifying Party shall not be liable for any settlement of any such action, suit or proceeding effected without its written consent, but if settled with such written consent or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Party agrees to indemnify and hold harmless any Indemnified Party from and against any loss, liability, damage or expense by reason by such settlement or judgment.

(f) With respect to any Claim not within Section 8(e) hereof, the Indemnifying Party shall have twenty (20) days from receipt of notice from the Indemnified Party of such Claim within which to respond thereto. If the Indemnifying Party does not respond within such twenty-day period, it shall be deemed to have accepted responsibility to make payment and shall have no further right to contest the validity of such Claim. If the Indemnifying Party notifies the Indemnified Party within such twenty-day period that it rejects such Claim in whole or in part, the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party under applicable law.

(g) If the indemnification provided for in this Section 8 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, damages, expenses, liabilities or claims in such proportion as is appropriate to reflect (i) the relative benefits received by the Indemnified Party, on the one hand, and the Indemnifying Party, on the other hand, from the offering of the Shares; or (ii) if, but only if, the allocation provided for in clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Indemnified Party, on the one hand, and of the Indemnifying Party, on the other, in connection with any statements or omissions or other matters which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative fault of the parties hereto shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by such party, on one hand, or by the other party, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party hereto as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 8(g). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(h) Notwithstanding any other provisions in this Section 8, no party shall be entitled to indemnification or contribution under this Agreement against any loss, claim, liability, expense or damage arising by reason of such person's willful misfeasance, bad faith or gross negligence in the performance of its duties hereunder or by reason of such person's reckless disregard of such person's obligations and duties thereunder.

(i) The indemnity and contribution agreements contained in this Section 8 and the covenants, warranties and representations of the parties contained in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Fund, its, trustees or officers or any person (including each officer or trustee of such person) who controls the Fund within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, or by or on behalf of the Distributor, its directors or officers or any person who controls the Distributor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

(j) IN NO EVENT WILL ANY PARTY TO THIS AGREEMENT BE LIABLE TO ANY OTHER PERSON OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES.

Section 9. Duration and Termination of this Agreement.

(a) This Agreement may be terminated at any time, without the payment of any penalty, by the Fund or by the Distributor, on sixty days' written notice to the other party.

(b) Unless earlier terminated pursuant to Section 9(a) hereof, this Agreement shall automatically terminate upon the issuance and sale of all of the Shares through the Distributor or any sub-placement agents on the terms and subject to the conditions set forth herein.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 9(a) or 9(b) hereof.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; provided that such termination shall not be effective until the close of business on the date of receipt of such notice by the other party. If such termination shall occur prior to the Settlement Date for any sale of Shares, such Shares shall settle in accordance with the provisions of this Agreement.

Section 10. Amendments of this Agreement.

This Agreement may be amended by the parties only pursuant to a written instrument executed by the Fund and the Distributor.

Section 11. Governing Law.

This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement, directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of the State of New York. To the extent that the applicable law of the State of New York, or any of the provisions herein, conflict with the applicable provisions of the Investment Company Act, the latter shall control.

Section 12. Waiver of Jury Trial.

EACH OF THE FUND (ON ITS BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS AFFILIATES) AND THE DISTRIBUTOR (ON ITS BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS MEMBERS AND AFFILIATES) WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) IN ANY WAY ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Section 13. Miscellaneous.

(a) The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect.

(b) This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby.

(c) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns and the officers, and directors, trustees, and controlling persons referred to in Section 8 hereof. Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party.

(d) The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split, stock dividend or similar event effected with respect to the Shares.

(e) The terms "affiliated person" and "interested person," when used in this Agreement, shall have the respective meanings specified in the Investment Company Act.

Section 14. Proprietary and Confidential Information.

(a) The Distributor agrees on behalf of itself and its employees to treat confidentially and as proprietary information of the Fund all records and other information relative to the Fund and prior, present or potential shareholders, and not to use such records and information for any purpose other than performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Fund, which approval shall not be unreasonably withheld and shall not be required where the Distributor may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Fund. The provisions of this Section 14 shall survive termination of this Agreement.

(b) Notwithstanding anything in this Agreement to the contrary, each party hereto agrees that: (i) any Nonpublic Personal Information, as defined under Section 248.3(t) of Regulation S-P ("Regulation S-P"), promulgated under the Gramm-Leach-Bliley Act (the "Act"), disclosed by a party hereunder is for the specific purpose of permitting the other party to perform the services set forth in this Agreement, and (ii) with respect to such information, each party will comply with Regulation S-P and the Act and will not disclose any Nonpublic Personal Information received in connection with this Agreement to any other party, except to the extent as necessary to carry out the services set forth in this Agreement or as otherwise permitted by Regulation S-P or the Act.

Section 15. Notices.

All communications hereunder will be in writing and effective only on receipt, and will be mailed, delivered or emailed and confirmed to:

If to the Distributor:

Paralel Distributors LLC
1700 N Broadway, Suite 1850
Denver, Colorado 80290
Attention: General Counsel
Email: [removed]

For all operational notices or communications:

Denver, Colorado 80290
Attention: General Counsel
Email: [removed]

If to the Fund:

Reaves Utility Income Fund
1700 N Broadway, Suite 1850
Denver, Colorado 80290
Attention: General Counsel
Denver, Colorado 80290
Attention: General Counsel
Email: [removed]

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written. This Agreement may be executed by the parties hereto in any number of counterparts, all of which shall constitute one and the same instrument.

REAVES UTILITY INCOME FUND

By: /s/ Joseph Rhame III
Name: Joseph Rhame III
Title: President

PARALEL DISTRIBUTORS LLC

By: /s/ Bradley Swenson
Name: Bradley Swenson
Title: President

Exhibit 99.(h)(2)

SUB-PLACEMENT AGENT AGREEMENT

Paralel Distributors LLC
1700 Broadway, Suite 1850
Denver, Colorado 80290

September 5, 2024

UBS Securities LLC
1285 Avenue of the Americas
New York, New York 10019

RE: At-the-Market Offerings by Reaves Utility Income Fund

Ladies and Gentlemen:

From time to time Paralel Distributors LLC (the "*Distributor*", "*we*" or "*us*") will act as manager of registered at-the-market offerings by Reaves Utility Income Fund, a Delaware statutory trust (the "*Fund*"), of up to 10,000,000 shares (the "*Shares*") of beneficial interest, no par value, of the Fund (the "*Common Shares*"). In the case of such offerings, the Fund has agreed with the Distributor to issue and sell through the Distributor, as sales agent, the Shares (the "*Distribution Agreement*").

We hereby agree to retain UBS Securities LLC (the "*Agent*" or "*you*") as a sub-placement agent with respect to the offerings of the Shares to be issued and sold by the Fund (the "*Offerings*") as the Fund and the Distributor may indicate from time to time, and you agree to act in such capacity, all upon, and subject to, the terms and conditions set forth below:

SECTION 1. Description of Offerings.

(a) The Shares are to be sold on a daily basis or otherwise as shall be determined by the Fund together with the Distributor or the Agent on any day (each, an "*Offering Date*") that is a trading day for the exchange on which the Fund's Shares are listed and primarily trade (the "*Stock Exchange*") (other than a day on which the Stock Exchange is scheduled to close prior to its regular weekday closing time). Promptly after the Fund together with the Distributor or the Agent have determined the maximum amount of the Shares to be distributed by the Distributor for any Offering Date, which shall not in any event exceed the amount available for issuance under the currently effective Registration Statement (as defined herein) (the "*Maximum Daily Amount*"), and the minimum price per Share below which the Shares may not be sold by the Agent on any Offering Date (the "*Minimum Daily Price*"), the Distributor and/or the Fund's investment adviser, W.H. Reaves & Co., Inc., shall advise the Agent of the Maximum Daily Amount and the Minimum Daily Price. Subject to the terms and conditions hereof, the Agent shall use its reasonable best efforts to sell all of the Shares designated in accordance with the plan of distribution set forth in the Prospectus Supplement (as defined herein); provided, however, that in no event shall the Agent sell Shares in excess of the Maximum Daily Amount or for a price per Share below the Minimum Daily Price. The gross sales price of the Shares sold under this Section 1(a) shall be the market price at which the Agent sells such Shares.

(b) Notwithstanding the foregoing, the Distributor or the Fund may instruct the Agent by telephone (confirmed promptly by e-mail or other electronic means) of a revised Minimum Daily Price and/or a revised Maximum Daily Amount and the Agent shall not sell Shares for a price per Share below such revised Minimum Daily Price, or in a quantity in excess of such revised Maximum Daily Amount, after the giving of such notice. In addition, the Distributor or the Fund may, upon notice to the Agent by telephone (confirmed promptly by e-mail or other electronic means), suspend the offering of the Shares at any time; provided, however, that such suspension or termination shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice.

(c) The Agent agrees not to make any sales of the Shares pursuant to this Section 1, other than through transactions for which compliance with Rule 153 under the Securities Act of 1933, as amended (the "*Securities Act*"), will satisfy the prospectus delivery requirements of Section 5(b)(2) of the Securities Act.

(d) The compensation to the Agent, as a sub-placement agent for each sale of the Shares pursuant to this Section 1, shall be the Applicable Selling Agent Commission (as set forth on the Addendum hereto) with respect to the Shares sold, multiplied by the Gross Sales Proceeds (the "*Agent Compensation*"), as further described in the Addendum to this Sub-Placement Agent Agreement (the "*Agreement*"). The Agent shall not be responsible for any fees imposed by any governmental or self-regulatory organization on the Fund or the Distributor in respect of such sales. The Distributor may pay the Agent Compensation to the Agent, or may authorize the Agent to retain the Agent Compensation from the Gross Sales Proceeds. The Agent Compensation shall be payable solely out of the compensation the Distributor receives from the Fund pursuant to the Distribution Agreement (the "*Related Compensation*"). Notwithstanding anything to the contrary in any other provision of this Agreement (or, for the avoidance of doubt, in the Addendum hereto), the Distributor shall have no obligation to pay any portion of the Agent Compensation to the Agent, or authorize the retention by the Agent of any portion of the Agent Compensation from the Gross Sales Proceeds, until the Distributor receives at least an equivalent amount of Related Compensation, and the Distributor's obligation to the Agent for the Agent Compensation is limited solely to amounts payable out of the Related Compensation.

(e) The Agent shall provide written confirmation to the Distributor following the close of trading on the Stock Exchange on each Offering Date setting forth for each sale the number of Shares sold, the time of sale, the Gross Sales Price per Share, and the compensation that the Agent is owed with respect to such sales.

(f) Settlement for sales of the Shares pursuant to this Section 1 will occur on the business day following the date on which such sales are made (each such day, a "*Settlement Date*"). On each Settlement Date, the Shares sold through the Agent for settlement on such date shall be delivered by the Fund at the request of the Distributor to the Agent against payment of (i) the Gross Sales Proceeds for the sale of such Shares or (ii) to the extent authorized by the Distributor, the Gross Sales Proceeds, less the Related Compensation. If the Agent is authorized by the Distributor to retain the Agent Compensation from the Gross Sales Proceeds for the sale of the Shares, then the Agent shall (i) pay to the Distributor an amount equal to the Related Compensation minus the Agent Compensation in same day funds delivered to the account(s) designated by the Distributor and (ii) remit to the Fund the Gross Sales Proceeds, less the Related Compensation. If the Distributor shall default on its obligation to deliver the Shares on any Settlement Date, subject to the terms of Section 5 herein, the Distributor shall (A) hold the Agent harmless against any reasonable loss, claim or damage arising from or as a result of such default by the Distributor and (B) pay the Agent any commission to which it would otherwise be entitled absent such default. If the Agent breaches this Agreement by failing to deliver proceeds on any Settlement Date for the Shares delivered by the Distributor, subject to the terms of Section 5 herein, the Agent shall (A) hold the Distributor harmless against any reasonable loss, claim or damage arising from or as a result of such default by the Agent, (B) deliver such proceeds to the Distributor as soon as practicable and (C) pay the Distributor interest based on the effective overnight Federal Funds rate.

(g) In connection with this Agreement and the Offerings, the Distributor shall, no more than once per calendar quarter in which the Fund and the Distributor have requested, or anticipate requesting, that the Agent sell Shares pursuant to an Offering, provide to the Agent such certificates and other documents, in any case, as the Agent may reasonably request upon reasonable notice (but in no event upon notice of less than five business days) relating to authorization, capacity, enforceability and compliance matters. Any such certifications shall be made as of the end of the calendar quarter immediately preceding the calendar quarter in which such request by the Agent is made.

(h) In connection with this Agreement and the Offerings, the Agent will promptly notify the Distributor of any material non-confidential claim or complaint, any material enforcement action or other material proceeding by a regulatory authority with respect to the Fund, the Shares or the Offerings against or directed at or to the Agent or its principals, affiliates, officers, directors, employees or agents, or any person who controls the Agent, within the meaning of Section 15 of the Securities Act.

(i) In connection with this Agreement and the Offerings, the Agent will promptly notify the Distributor of any examination by any regulatory agency or self-regulatory organization that has resulted in a material compliance deficiency in connection with the Offerings.

SECTION 2. Representations and Warranties by the Distributor. The Distributor represents, warrants to and agrees with the Agent, as of the date hereof and as of each Offering Date and Settlement Date, that:

(a) Based upon representations made by the Fund to the Distributor, an "automatic shelf registration statement" as defined in Rule 405 under the Securities Act on Form N-2 (the "*Registration Statement*") (i) has been prepared by the Fund in conformity with the requirements of the Securities Act and the Investment Company Act of 1940, as amended, and the rules and regulations thereunder (collectively, the "*1940 Act*") in all material respects; and (ii) has been filed with the U.S. Securities and Exchange Commission (the "*Commission*") under the Securities Act and the 1940 Act; the Registration Statement sets forth the terms of the offering, sale and plan of distribution of the Shares and contains additional information concerning the Fund and its business; no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Fund; the Registration Statement, including any amendments thereto, became effective upon filing; no stop order of the Commission preventing or suspending the use of the Basic Prospectus (as defined herein), the Prospectus Supplement (as defined herein) or the Prospectus (as defined herein), or the effectiveness of the Registration Statement, has been issued, and no proceedings for such purpose have been instituted or, to the Fund's knowledge, have been threatened by the Commission. Except where the context otherwise requires, "*Registration Statement*," as used herein, means, collectively, the various parts of the registration statement pertaining to the offering and sale of the Shares, as amended at the time of effectiveness for purposes of Section 11 of the Securities Act (the "*Effective Time*"), as such section applies to the Distributor, as well as any new registration statement, post-effective amendment or new shelf registration statement relating to the Shares, including (1) all documents filed as a part thereof or incorporated or deemed to be incorporated by reference therein, (2) any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act, to the extent such information is deemed, pursuant to Rule 430B or Rule 430C under the Securities Act, to be part of the registration statement at the time of such registration statement's effectiveness for purposes of Section 11 of the Act, as such section applies to the Distributor, and (3) any registration statement filed to register the offer and sale of Shares pursuant to Rule 462(b) under the Securities Act. "*Basic Prospectus*," as used herein, means the final prospectus filed as part of the Registration Statement, including the related statement of additional information, together with any amendments or supplements thereto as of the date of this Agreement. Except where the context otherwise requires, "*Prospectus Supplement*," as used herein, means the final prospectus supplement, including the related statement of additional information, relating to the Shares, filed by the Fund with the Commission pursuant to Rule 424(b) under the Securities Act, in the form furnished by the Fund to the Distributor in connection with the offering of the Shares. Except where the context otherwise requires, "*Prospectus*," as used herein, means the Prospectus Supplement together with the Basic Prospectus attached to or used with the Prospectus Supplement. Any reference herein to the Registration Statement, the Basic Prospectus, the Prospectus Supplement or the Prospectus shall be deemed to refer to and include the documents, if any, incorporated by reference, or deemed to be incorporated by reference, therein.

(b) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, (i) the Fund is duly registered under the 1940 Act as a closed-end management investment company; (ii) a notification of registration of the Fund as an investment company under the 1940 Act on Form N-8A (the "*1940 Act Notification*") has been prepared by the Fund in conformity with the 1940 Act and has been filed with the Commission and, at the time of filing thereof and at the time of filing any amendment or supplement thereto, conformed in all material respects with all applicable provisions of the 1940 Act; (iii) the Fund has not received any notice in writing from the Commission pursuant to Section 8(e) of the 1940 Act with respect to the 1940 Act Notification or the Registration Statement (or any amendment or supplement to either of them); and (iv) no person is serving or acting as an officer, trustee or investment adviser of the Fund except in accordance with the provisions of the 1940 Act, provided that for purposes of the foregoing representation with respect to officers and trustees of the Fund, the Fund shall be entitled to rely on representations from such officers and trustees.

(c) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, the Registration Statement, the 1940 Act Notification and the Prospectus, as from time to time amended or supplemented, each complied when it became effective or was filed (as the case may be), complies as of the date hereof and, as amended or supplemented, will comply, at each time of purchase of Shares in connection with each Offering, and at all times during which a prospectus is required by the Securities Act to be delivered in connection with any sale of Shares, in all material respects, with the requirements of the Securities Act and the 1940 Act; the Registration Statement did not, as of the Effective Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; at no time during the period that begins on the earlier of the date of the Basic Prospectus and the date the Basic Prospectus was filed with the Commission and ends at the later of each time of purchase of Shares in connection with each Offering, and the end of the period during which a prospectus is required by the Securities Act to be delivered in connection with any sale of Shares, did or will the Prospectus, as from time to time amended or supplemented, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Distributor does not make any representation or warranty with respect to any statement contained in the Registration Statement, the Basic Prospectus or the Prospectus in reliance upon and in conformity with information furnished in writing by the Agent or on the Agent's behalf to the Distributor or the Fund expressly for use in the Registration Statement or the Prospectus (the "*Agent Provided Information*"). The Agent confirms that (i) the Agent's name on the front cover and under the headings "Prospectus Supplement Summary" and "Plan of Distribution" in the Prospectus Supplement and (ii) the tenth paragraph and the second sentence of the eleventh paragraph under the heading "Plan of Distribution" in the Prospectus Supplement was the only information furnished in writing to the Distributor or the Fund by or on behalf of the Agent expressly for use in the Registration Statement or Prospectus.

(d) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, the financial statements incorporated by reference in the Registration Statement or the Prospectus, together with the related notes and schedules, present fairly in all materials respects the financial position of the Fund as of the dates indicated and the results of operations, cash flows and changes in shareholders' equity of the Fund for the periods specified and have been prepared in compliance in all material respects with the requirements of the Securities Act, the 1940 Act and the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), and in conformity in all material respects with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved; the other financial and statistical data contained or incorporated by reference in the Registration Statement or the Prospectus are accurately and fairly presented, in all material respects, and prepared on a basis consistent with the financial statements and books and records of the Fund in all material respects; there are no financial statements that are required to be included or incorporated by reference in the Registration Statement, the Basic Prospectus or the Prospectus by the Securities Act, the 1940 Act or the Exchange Act that are not included or incorporated by reference as required; and the Fund does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not described in the Registration Statement (excluding the exhibits thereto).

(e) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, as of the date of this Agreement, the Fund has an authorized and outstanding capitalization as set forth in the Registration Statement, the Basic Prospectus and the Prospectus and, with respect to any issuance and sale under this Agreement, the Fund shall have as of the date of the most recent amendment or supplement to the Registration Statement or Prospectus, an authorized and outstanding capitalization as set forth in the Registration Statement and the Prospectus; all of the issued and outstanding shares of beneficial interest of the Fund have been duly authorized and validly issued and are fully paid and non-assessable, have been issued in material compliance with all applicable securities laws and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right

(f) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, (i) the Fund has been duly formed, has legal existence as a statutory trust and is in good standing under the laws of Delaware, with full power and authority to own, lease and operate and conduct its business as described in the Registration Statement, the Basic Prospectus and the Prospectus and to issue, sell and deliver the Shares as contemplated herein; and (ii) the Fund is duly qualified to do business as a foreign entity and is in good standing in each jurisdiction where the conduct of its business requires such qualification, except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on the business, properties, financial condition or results of operations of the Fund.

(g) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, (i) the Shares have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued, fully paid and non-assessable and free of statutory and contractual preemptive rights, resale rights, rights of first refusal and similar rights; (ii) the Shares, when issued and delivered against payment therefor as provided herein, will be free of any restriction upon the voting or transfer thereof pursuant to the Fund's Agreement and Declaration of Trust or Amended and Restated Bylaws or any agreement or other instrument to which the Fund is a party; (iii) the Common Shares, including the Shares, conform in all material respects to the description thereof, if any, contained or incorporated by reference in the Registration Statement, the Basic Prospectus or the Prospectus; (iv) the certificates for the Shares, if any, are in due and proper form; (v) the Fund is in material compliance with the rules of the Stock Exchange, including, without limitation, the requirements for continued listing of the Common Shares on the Stock Exchange and the Fund has not received any written notice from the Stock Exchange regarding the delisting of the Common Shares from the Stock Exchange; and (vi) the Shares will be duly listed, and admitted and authorized for trading, subject to official notice of issuance, on the Stock Exchange.

(h) The Distributor has full corporate power and authority to enter into this Agreement and the transactions contemplated hereby. This Agreement has been duly authorized, executed and delivered by the Distributor. Assuming due authorization, execution and delivery of this Agreement by the Agent, this Agreement constitutes a valid and binding agreement of the Distributor and is enforceable against the Distributor in accordance with its terms, except as the enforceability hereof and thereof may be limited by applicable bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights generally and moratorium laws in effect from time to time and by equitable principles restricting the availability of equitable remedies.

(i) Based upon the representations made by the Fund to the Distributor in the Distribution Agreement, no approval, authorization, consent or order of or filing with any federal, state, local or foreign governmental or regulatory commission, board, body, authority or agency, or of or with any self-regulatory organization or other non-governmental regulatory authority (including, without limitation, the Stock Exchange), or approval of the shareholders of the Fund that has not already been obtained, is required in connection with the issuance and sale of the Shares or the consummation by the Fund of the transactions contemplated hereby, other than (i) the registration of the Shares under the Securities Act, which has been effected, (ii) the listing of the Shares with the Stock Exchange, upon official notice of issuance, (iii) any necessary qualification under the securities or blue sky laws of the various jurisdictions in which the Shares are being offered through the Agent or (iv) any necessary qualification pursuant to the rules of the Financial Industry Regulatory Authority, Inc. ("*FINRA*").

(j) Based upon representations made by the Fund to the Distributor, prior to the execution of this Agreement, the Fund has not, directly or indirectly, offered or sold any Shares by means of any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) or used any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) in connection with the offer or sale of the Shares, and from and after the execution of this Agreement, the Fund will not, directly or indirectly, offer or sell any Shares by means of any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) or use any "prospectus" or "free writing prospectus" (in each case within the meaning of the Securities Act) in connection with the offer or sale of the Shares, other than the Prospectus, as amended or supplemented from time to time in accordance with the provisions of this Agreement; and the Fund is not an "ineligible issuer" (as defined in Rule 405 under the Securities Act) as of the eligibility determination date for purposes of Rules 164 and 433 under the Securities Act with respect to the offering of the Shares contemplated by the Registration Statement.

SECTION 3. Representations and Warranties by the Agent. The Agent represents, warrants to and agrees with the Distributor, as of the date hereof and as of each Offering Date and Settlement Date, that:

(a) The Agent has full corporate power and authority to enter into this Agreement and the transactions contemplated hereby. This Agreement has been duly authorized, executed and delivered by the Agent. Assuming due authorization, execution and delivery by the Distributor, this Agreement constitutes a valid and binding agreement of the Agent and is enforceable against the Agent in accordance with its terms, except as the enforceability hereof and thereof may be limited by applicable bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights generally and moratorium laws in effect from time to time and by equitable principles restricting the availability of equitable remedies.

(b) The Agent Provided Information is or will be complete and accurate in all material respects and does not or will not, as from time to time amended or supplemented, include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) The Agent has adopted and implemented written policies and procedures reasonably designed to prevent violation of federal and state securities laws, including policies and procedures that provide oversight of compliance by each registered representative of the Agent.

(d) [REMOVED]

SECTION 4. Additional Covenants.

(a) The Agent hereby confirms that it is actually engaged in the investment banking and securities business and is a member in good standing with FINRA and hereby agrees that it will undertake to comply with all applicable FINRA rules (as amended from time to time, including without limitation, any successor provision) in connection with acting as sub-placement agent for the sale of the Shares. The Agent further agrees that in acting as sub-placement agent for the sale of the Shares, it will comply with all applicable laws, rules and regulations, including the applicable provisions of the Securities Act and the Exchange Act, the applicable rules and regulations of the Commission thereunder, and the applicable rules and regulations of any state or any securities exchange or self-regulatory organization having jurisdiction over the relevant Offering.

(b) The Agent hereby agrees that in acting as sub-placement agent for the sale of the Shares, it will not use, authorize use of, refer to, or participate in the planning for use of any written communication (as defined in Rule 405 under the Securities Act) concerning any Offering, other than the Prospectus. The Agent further agrees that in acting as sub-placement agent for the sale of the Shares, it is not authorized by the Distributor or the Fund or any other seller of the Shares offered pursuant to the Prospectus to give any information or to make any representation not contained in the Prospectus in connection with the sale of such Shares.

(c) The Distributor shall not be under any obligation to the Agent except for obligations assumed hereunder or in writing by the Distributor in connection with any Offering. Nothing contained herein or in any communication in writing from us shall constitute the Distributor and the Agent an association or partners with one another. If such parties should be deemed to constitute a partnership for Federal income tax purposes, then the Agent elects to be excluded from the application of Subchapter K, Chapter 1, Subtitle A of the Internal Revenue Code of 1986 and agrees not to take any position inconsistent with that election. The Agent authorizes the Distributor, in its discretion, to execute and file on its behalf such evidence of that election as may be required by the Internal Revenue Service. In connection with any Offering, each party shall be liable for its proportionate amount of any tax, claim, demand or liability that may be asserted against it alone, based upon the claim that either of them constitutes an association, an unincorporated business or other entity, including, in each case, its proportionate amount of any expense incurred in defending against any such tax, claim, demand or liability.

(d) The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

(e) The Agent shall at all times comply with the offering requirements as set forth herein and under the heading “Plan of Distribution” in the Prospectus.

SECTION 5. Indemnification and Contribution.

(a) The Distributor agrees to indemnify, defend and hold harmless the Agent, its partners, directors and officers, and any person who controls the Agent within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any reasonable loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Agent or any such person may incur under the Securities Act, the 1940 Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim (or any actions or proceedings in respect thereof) arises out of or is based upon (i) any material breach of any representation, warranty, covenant or agreement of the Distributor contained in this Agreement, (ii) any material violation by the Distributor of any law, rule or regulation (including any rule of any self-regulatory organization) applicable to the Offerings, or (iii) any untrue statement or alleged untrue statement of a material fact appearing in the Registration Statement or Prospectus or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading, except to the extent such statements were included in the Registration Statement or Prospectus in reliance upon and in conformity with the Agent Provided Information.

(b) The Agent agrees to indemnify, defend and hold harmless the Distributor, the Fund, their partners, trustees, directors and officers, and any person who controls the Distributor or the Fund within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and the successors and assigns of all of the foregoing persons, from and against any loss, damage, expense, liability or claim (including the reasonable cost of investigation) which the Distributor, the Fund or any such other person may incur under the Securities Act, the 1940 Act, the Exchange Act, the common law or otherwise, insofar as such loss, damage, expense, liability or claim (or any actions or proceedings in respect thereof) arises out of or is based upon (i) any material breach of any representation, warranty, covenant or agreement of the Agent contained in this Agreement or (ii) any material violation by the Agent of any law, rule or regulation (including any rule of any self-regulatory organization), or (iii) any untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement or the Prospectus in reliance upon and in conformity with the Agent Provided Information.

(c) An indemnified person under Section 5 of this Agreement (the "*Indemnified Party*") shall give written notice to the other party (the "*Indemnifying Party*") of any loss, damage, expense, liability or claim in respect of which the Indemnifying Party has a duty to indemnify such Indemnified Party under Section 5(a) or (b) of this Agreement (a "*Claim*"), specifying in reasonable detail the nature of the loss, damage, expense, liability or claim for which indemnification is sought, except that any delay or failure so to notify such Indemnifying Party shall only relieve such Indemnifying Party of its obligations hereunder to the extent, if at all, that such Indemnifying Party is actually prejudiced by reason of such delay or failure.

(d) If a Claim results from any action, suit or proceeding brought or asserted against an Indemnified Party, the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses. The Indemnified Party shall have the right to employ separate counsel in such action, suit or proceeding and participate in such defense thereof, but the fees and expenses of such separate counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Party has agreed in writing to pay such fees and expenses, (ii) the Indemnifying Party has failed within a reasonable time to assume the defense and employ counsel or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both such Indemnified Party and Indemnifying Party and such Indemnified Party shall have been advised by its counsel that representation of such Indemnified Party and Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between the Indemnifying Party and the Indemnified Party (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of such Indemnified Party). It is understood, however, that the Indemnifying Party shall, in connection with any one action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties not having actual or potential differing interests with the Indemnifying Party or among themselves, which firm shall be designated in writing by an authorized representative of such parties and that all such fees and expenses shall be reimbursed promptly as they are incurred. The Indemnifying Party shall not be liable for any settlement of any such action, suit or proceeding effected without its written consent, but if settled with such written consent or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Party agrees to indemnify and hold harmless any Indemnified Party from and against any loss, liability, damage or expense by reason by such settlement or judgment.

(e) With respect to any Claim not within Paragraph (d) of Section 5 hereof, the Indemnifying Party shall have 20 days from receipt of notice from the Indemnified Party of such Claim within which to respond thereto. If the Indemnifying Party does not respond within such twenty-day period, it shall be deemed to have accepted responsibility to make payment and shall have no further right to contest the validity of such Claim. If the Indemnifying Party notifies the Indemnified Party within such twenty-day period that it rejects such Claim in whole or in part, the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party under applicable law.

(f) If the indemnification provided for in this Section 5 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless in respect of any losses, damages, expenses, liabilities or claims referred to therein, then each applicable Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, damages, expenses, liabilities or claims in such proportion as is appropriate to reflect (i) the relative benefits received by the Indemnified Party, on the one hand, and the Indemnifying Party, on the other hand, from the offering of the Shares; or (ii) if, but only if, the allocation provided for in clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Indemnified Party, on the one hand, and of the Indemnifying Party, on the other, in connection with any statements or omissions or other matters which resulted in such losses, damages, expenses, liabilities or claims, as well as any other relevant equitable considerations. The relative benefits received by the Distributor, on the one hand, and the Agent, on the other, shall be deemed to be in the same respective proportions as the total compensation received by the Distributor from sales of the Shares bears to the total compensation received by the Agent from sales of the Shares. The relative fault of the parties hereto shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by such party, on one hand, or by the other party, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party hereto as a result of the losses, damages, expenses, liabilities and claims referred to in this subsection shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with investigating, preparing to defend or defending any proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this subsection (f). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Notwithstanding the foregoing provisions of this subsection (f), the Agent shall not be required to contribute any amount in excess of the commissions received by it under this Agreement.

(g) The indemnity and contribution agreements contained in this Section 5 and the covenants, warranties and representations of the parties contained in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Agent, its partners, directors or officers or any person (including each partner, officer or director of such person) who controls the Agent within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, or by or on behalf of the Distributor, its directors or officers or any person who controls the Distributor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, and shall survive any termination of this Agreement or the issuance and delivery of the Shares.

(h) IN NO EVENT WILL ANY PARTY TO THIS AGREEMENT BE LIABLE TO ANY OTHER PERSON OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES.

SECTION 6. Termination.

(a) This Agreement shall continue in full force and effect until terminated by either party, including by written instruction by the Fund to the Distributor, by five days' written notice to the other party; provided, that if this Agreement has become effective with respect to any Offering pursuant to this Agreement, this Agreement may not be terminated by either party with respect to such Offering.

(b) This Agreement shall remain in full force and effect unless terminated pursuant to Section 6(a) hereof or otherwise by mutual agreement of the parties; provided that any such termination by mutual agreement shall in all cases be deemed to provide that Section 5 shall remain in full force and effect.

(c) Any termination of this Agreement shall be effective on the date specified in such notice of termination; provided that in any event such termination shall not be effective until any earlier than the close of business on the fifth day after receipt of such notice by the Distributor or the Agent, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of the Shares, such sale shall settle in accordance with the provisions of Section 1 of this Agreement.

SECTION 7. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements under this Agreement shall be in and delivered by hand, overnight courier, mail or email and shall be sufficient in all respects if delivered or sent to: If to the Distributor:

If to the Distributor:

Paralel Distributors LLC
1700 Broadway, Suite 1850
Denver, Colorado 80290
Attention: General Counsel
Email: [Removed]

If to the Agent:

UBS Securities LLC
1285 Avenue of the Americas
New York, New York 10019
Attention: Saawan Pathange
[removed]

Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

SECTION 8. Parties in Interest. The Agreement herein set forth has been and is made solely for the benefit of the Distributor, the Fund and the Agent and, to the extent provided in Section 5 of this Agreement, the partners, trustees, directors, officers and controlling persons (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) referred to in such section, and their respective successors and assigns. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from the Distributor) shall acquire have any right under or by virtue of this Agreement.

SECTION 9. No Fiduciary Relationship. The Distributor hereby acknowledges that the Agent is acting solely as sub-placement agent in con with the sale of the Shares and that the Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on length basis, and in no event do the parties intend that the Agent act or be responsible as a fiduciary to the Distributor or the Fund, their respective management, shareholders or creditors, or any other person in connection with any activity that the Agent may undertake or have undertaken furtherance of the sale of the Shares, either before or after the date hereof.

SECTION 10. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agree and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof.

SECTION 11. Counterparts; Heading. This Agreement may be signed by the parties in one or more counterparts which together shall constitute one and the same agreement among the parties. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

SECTION 12. Law; Construction. This Agreement and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Agreement ("*Dispute*"), directly or indirectly, shall be governed by, and construed in accordance with, the internal laws of State of New York.

SECTION 13. Submission to Jurisdiction. Except as set forth below, no Dispute may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern of New York, which courts shall have jurisdiction over the adjudication of such matters, and each party hereto consents to the jurisdiction of such courts and personal service with respect thereto. Each party hereto hereby consents to personal jurisdiction, service and venue in any court in any Dispute arising out of or in any way relating to this Agreement that is brought by any third party against any Indemnified Party. Each party hereto (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) waives all right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Agreement. Each party hereto agrees that a final judgment in any such action, proceeding or counterclaim brought in any such court shall be conclusive and binding upon such party and may be enforced in any other courts to the jurisdiction of which such party is or may be subject, by suit upon such judgment.

SECTION 14. Successors and Assigns. This Agreement shall be binding upon the Distributor and the Agent and their successors and permitted assigns and any successor or permitted assign of any substantial portion of the Distributor's or the Agent's respective businesses and/or assets.

This Agreement may not be transferred or assigned without the consent of the non-transferring or non-assigning party; provided, however, that no such consent shall be required to transfer or assign this Agreement to an entity controlling, controlled by or under common control with, the transferring or assigning party.

SECTION 15. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law. If, however, any provision of this Agreement is held, under applicable law, to be invalid, illegal or unenforceable in any respect, such provision shall be ineffective only to the extent of such invalidity, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way and shall be interpreted to give effect to the intent of the parties manifested thereby.

SECTION 16. Investigations and Proceedings. The parties to this Agreement agree to cooperate fully in any securities regulatory investigation or proceeding or any judicial proceeding with respect to each party's activities under this Agreement and promptly to notify the other party of any such investigation or proceeding.

SECTION 17. Modification, Waiver and Amendment. No modification, alteration or amendment of this Agreement will be valid or binding unless in writing and signed by all parties. No waiver of any term or condition of this Agreement will be construed as a waiver of any other term or condition; nor will any waiver of any default or breach under this Agreement be construed as a waiver of any other default or breach. No waiver will be binding unless in writing and signed by the party waiving the term, condition, default or breach. Any failure or delay by any party to enforce any of its rights under this Agreement will not be deemed a continuing waiver or modification hereof and such party, within the time provided by law, may commence appropriate legal proceedings to enforce any or all of such right.

[*The remainder of this page is intentionally left blank*]

If the foregoing correctly sets forth the understanding between the Distributor and the Agent, please so indicate in the space provided below for that purpose, whereupon this Agreement and your acceptance shall constitute a binding agreement between the Distributor and the Agent. Alternatively, the execution of this Agreement by the Distributor and the acceptance by or on behalf of the Agent may be evidenced by an exchange of telegraphic or other written communications.

Very truly yours,

PARALEL DISTRIBUTORS LLC

By: /s/ Bradley Swenson
Name: Bradley Swenson
Title: President

ACCEPTED as of the date
first above written
UBS SECURITIES LLC
(as sub-placement agent)

By: /s/ Saawan Pathange
Name: Saawan Pathange
Title: Managing Director

By: /s/ YiLin Anderson
Name: YiLin Anderson
Title Executive Director

ADDENDUM
TO
SUB-PLACEMENT AGENT AGREEMENT
BETWEEN
PARALEL DISTRIBUTORS LLC
AND
UBS SECURITIES LLC

Compensation payable to the Agent for acting as a sub-placement agent with respect to a specified sale of Shares pursuant to this Agreement shall be determined by multiplying the Gross Sales Proceeds by the Applicable Selling Agent Commission as set forth below:

Applicable Selling Agent Commission
0.80%

Where:

"Gross Sales Proceeds" with respect to each sale of Shares shall be the Gross Sales Price multiplied by the number of Shares sold;

"Gross Sales Price" with respect to each sale of Shares sold pursuant to this Agreement shall be the gross sales price per share of such Shares.

Exhibit 99.(k)(5)

CREDIT AGREEMENT

dated as of April 27, 2022

among

REAVES UTILITY INCOME FUND

STATE STREET BANK AND TRUST COMPANY and the other lending institutions party hereto

and

STATE STREET BANK AND TRUST COMPANY, as Agent

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Exhibit F Form of Commitment Increase Supplement

Schedules:

Schedule 1 - Addresses for Notices

CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of April 27, 2022 by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust registered as a closed-end management investment company under the Investment Company Act of 1940, as amended (the "Borrower"), **STATE STREET BANK AND TRUST COMPANY** and the other Lenders (as hereinafter defined) party hereto from time to time, and **STATE STREET BANK AND TRUST COMPANY**, as Agent (as hereinafter defined).

The parties hereto hereby agree as follows:

ARTICLE I.
DEFINITIONS

SECTION 1.01. Definitions. The following terms, as used herein, have the following meanings:

"Act" has the meaning set forth in Section 11.17.

"Account" means the accounts that the Custodian has opened and maintains for the Borrower pursuant to the terms and conditions of the Custody Agreement.

"Account Asset" means any of the following assets of the Borrower: (a) Cash and Cash Equivalents credited to an Account; (b) without duplication, short term United States treasury obligations credited to an Account; (c) an interest in an Eligible Margin Loan Security registered in the name of the Custodian and credited to an Account; and (d) an interest in a Non-Eligible Margin Loan Security registered in the name of the Custodian and credited to an Account, in each case so long as such asset is subject to a first priority perfected security interest in favor of the Agent for the benefit of the Agent and the Lenders.

"Adjusted Net Assets" means, as at any date of determination, an amount equal to (a) the value of the Total Assets of the Borrower minus (b) the Total Liabilities of the Borrower that are not Senior Securities Representing Indebtedness (including, without limitation, the Obligations owing under this Agreement) on such date. Senior securities representing indebtedness shall include those Financial Contracts that are designated by the Borrower as senior securities representing indebtedness in accordance with the provisions of Rule 18f-4 under the Investment Company Act. For the purposes of calculating the Adjusted Net Assets, (y) the amount of any liability included in Total Liabilities shall be equal to the greater of (i) the outstanding amount of such liability, and (ii) the fair market value of all assets pledged or otherwise segregated for the benefit of the applicable creditor to secure or cover such liability and (z) the liability in respect of any Financial Contract shall be equal to the net amount, if any, that the Borrower would be obligated to pay to the relevant counterparty thereto if such Financial Contract and all transactions thereunder terminated at the same time in accordance therewith on a complete no-fault basis.

"Administrative Questionnaire" means an Administrative Questionnaire completed by a Lender and in such form as is approved by the Agent.

"Adverse Claim" means any Lien or other right, claim, encumbrance or any other type of preferential arrangement in, of or on any Person's assets or properties (including the segregation thereof or the deposit thereof to satisfy margin or other requirements) in favor of any other Person other than, in the case of the Borrower, Liens permitted under Section 7.02 (a).

"Advisers Act" means the Investment Advisers Act of 1940.

"Affected Financial Institution" means (a) any EEA Financial Institution, or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Affiliated Person" has the meaning given such term in the Investment Company Act.

"Agent" means State Street in its capacity as administrative agent under any of the Loan Documents, or any other Person which has become the successor administrative agent in accordance with the terms hereof.

"Agent's Office" means the Agent's address and, as appropriate, account as set forth on Schedule 1, or such other address or account as the Agent may from time to time notify to the Borrower and the Lenders.

"Aggregate Commitment Amount" means, as of any date, the aggregate of all Commitment Amounts as of such date. On the Effective Date, the Aggregate Commitment Amount is $650,000,000.

"Aggregate Eligible Margin Loan Securities Value" means, at any time, the aggregate Collateral Share Value of all Eligible Margin Loan Securities, other than Eligible Margin Loan Securities that have been sold or redeemed by the Borrower and remain in the Account pending settlement thereof.

"Agreement" means this Credit Agreement, as the same may from time to time be amended, supplemented, waived or modified in accordance with the terms hereof.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption.

"Applicable Law" means, with respect to any Person, any Law of any Governmental Authority, including, without limitation, the Investment Company Act and all other Federal and state banking or securities laws, to which such Person is subject or by which it or any of its property is bound.

"Applicable Margin" means 0.65% per annum.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Agent, in substantially the form of Exhibit E or any other form (including electronic documentation generated by use of an electronic platform) approved by the Agent.

"Authorized Signatory" means any duly authorized officer or other authorized Person of the Borrower, provided that the Agent and each Lender shall have received a manually signed certificate of an officer of the Borrower bearing a manual specimen signature of such officer or other Person and such officer or other Person shall be reasonably satisfactory to the Agent and each Lender.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.18(d).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing Agents, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.18(a).

"Benchmark Replacement" means, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(a) the sum of (i) Daily Simple SOFR plus (ii) 0.11448% (11.448 basis points) and

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non- representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.18 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.18.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Arrangement" means at any time an employee benefit plan within the meaning of Section 3(3) of ERISA that is subject to ERISA and is not a Plan or a Multiemployer Plan and which is maintained or otherwise contributed to by any member of the ERISA Group.

"Borrower" has the meaning set forth in the preamble hereto.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type, and, in the case of Term SOFR Rate Loans, having the same Interest Period made by each of the Lenders.

"Borrowing Date" means any Business Day specified in a notice pursuant to Section 2.02 as a date on which the Borrower requests the Lenders to make Loans hereunder.

"Borrowing Notice" means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other or (c) the continuation of Term SOFR Loans pursuant to Section 2.02, which shall be substantially in the form of Exhibit B-1 or such other form as may be approved by the Agent, including any form on an electronic platform or electronic transmission system as shall be approved by the Agent, appropriately completed and signed by an Authorized Signatory of the Borrower.

"Business Day" means any day that is not a Saturday, Sunday, a day when the New York Stock Exchange is closed or other day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions in such state are authorized or required by Law to close.

"Cash" means all cash in Dollars at any time and from time to time deposited or to be deposited in connection with a sale or redemption transaction consummated by the Borrower and permitted hereunder.

"Cash Equivalent" means any readily marketable direct obligations of the United States government or any agency or instrumentality thereof or obligations unconditionally guaranteed by the full faith and credit of the United States government having a maturity of not greater than 12 months from the date of issuance thereof and shares of any money market mutual fund if a price for the shares of such fund is publicly quoted daily.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all laws, regulations, requests, rules, guidelines, requirements or directives promulgated by the Agent for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means, any direct or indirect transfer or hypothecation of the Investment Advisory Agreement by the Investment Manager or a controlling block of the Investment Manager's outstanding voting securities or any other "assignment" within the meaning of the Investment Advisers Act of 1940 or the Investment Company Act.

"Charter Documents" means, collectively, the Borrower's certificate of trust, declaration of trust, by-laws and other organizational or governing documents, in each case as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof and hereof.

"Code" means the Internal Revenue Code of 1986.

"Collateral" has the meaning set forth in the Security Agreement.

"Collateral Share Value" means, for each Eligible Margin Loan Security at any relevant time of determination, the "current market value" thereof within the meaning of Regulation U as of such time.

"Collateral Shortfall" means, at any time during any day, the aggregate principal amount of all Loans outstanding to the Borrower, together with accrued and unpaid interest thereof, is greater than the sum of (a) fifty percent (50%) of the Collateral Share Value of all Eligible Margin Loan Securities and (b) all Cash and, to the extent not included in the foregoing clause (a), Cash Equivalents of the Borrower in the Account and which constitute Account Assets.

"Commitment" means the agreement of each Lender, subject to the terms and conditions of this Agreement, to make the Loans to the Borrower hereunder.

"Commitment Amount" means, with respect to each Lender, the Dollar amount set forth opposite the name of such Lender on Schedule 1 attached hereto, as such amount may be reduced from time to time pursuant to Section 2.04 or Section 11.06(b) hereof or increased from time to time pursuant to Section 2.19 hereof.

"Commitment Fee" has the meaning set forth in Section 2.07.

"Commitment Percentage" means, with respect to each Lender, the percentage set forth opposite the name of such Lender on Schedule 1 attached hereto as such Lender's percentage of the Aggregate Commitment Amount.

"Confidential Material" has the meaning set forth in Section 11.14.

"Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Overnight Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.13 and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents)

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings analogous thereto.

"Covered Entity" has the meaning specified in Section 11.19(b).

"Custodian" means State Street Bank and Trust Company in its capacity as custodian for the Borrower's assets or any successor or replacement custodian approved in writing in advance by the Agent and the Required Lenders in their sole and absolute discretion.

"Custody Agreement" means that certain Custody Agreement dated as of February 24, 2004 among the Borrower, the Custodian and the other parties thereto, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion.

"Debt" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under or in respect of (i) letters of credit (including standby and commercial), bankers' acceptances, bank guarantees, demand guarantees and similar independent undertakings and (ii) surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(c) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business and payable in accordance with customary practices and, in each case, not past due for more than sixty (60) days after the date on which such trade account payable was created);

(d) any (i) monetary obligation of a Person under any agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or Bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment) and (ii) all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds but are not otherwise included in this definition or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP;

(e) indebtedness secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all obligations of such Person under Guarantees of Debt of other Persons;

(g) all obligations of such Person in respect of judgments;

(h) all monetary obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(i) all net obligations of such Person under any Financial Contract; and

(j) all obligations that are senior securities for purposes of the Investment Company Act.

For all purposes hereof, the Debt of any Person shall include the Debt of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Debt is expressly made non-recourse to such Person. The amount of any net obligation under any Financial Contract on any date shall be deemed to be the Financial Contract Liability thereof as of such date.

"Debtor Relief Laws" means the Bankruptcy Code of the United States (the "Bankruptcy Code"), and all other liquidation, conservatorship, Bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Defaulting Lender" means, subject to Section 2.12(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent if made in good faith and in the absence of manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.12(b)) upon delivery of written notice, which shall be delivered by the Agent to the Borrower and each Lender promptly following such determination.

"Default Rate" means an interest rate equal to (a) the Overnight Rate plus (b) the Applicable Margin applicable to Overnight Rate Loans plus (c) 2% per annum; provided, however, that with respect to a Term SOFR Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Margin) otherwise applicable to such Loan plus 2% per annum.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) of any property by any Person (including any sale and leaseback transaction and any issuance of Equity Interests by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Dividing Person" has the meaning assigned to it in the definition of "Division".

"Division" means the division of the assets, liabilities and/or obligations of a Person (the "Dividing Person") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"Dollars" or "$" means dollars in lawful currency of the United States of America.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date this Agreement becomes effective in accordance with Section 4.01.

"Electronic Platform" means an electronic system for the delivery of information (including, without limitation, documents), such as IntraLinks On-Demand Workspaces™, that may or may not be provided or administered by the Agent or an Affiliate thereof.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Eligible Margin Loan Securities" means an interest in securities so long as (a) such security is customarily sold on a recognized market or subject to widely distributed standard price quotations; and (b) such interest is credited to the Account and otherwise constitutes an Account Asset.

"Equity Interests" means, as to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Group" means, with respect to the Borrower, the Borrower and all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Borrower, are treated as a single employer under Section 414 of the Internal Revenue Code.

"Erroneous Payment" has the meaning set forth in Section 9.01(a) hereof.

"Erroneous Payment Deficiency Assignment" has the meaning set forth in Section 9.01(d) hereof.

"Erroneous Payment Impacted Class" has the meaning set forth in Section 9.01(d) hereof.

"Erroneous Payment Return Deficiency" has the meaning set forth in Section 9.01(d) hereof.

"Erroneous Payment Subrogation Rights" has the meaning set forth in Section 9.01(e) hereof.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" has the meaning set forth in Section 8.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC thereunder, as modified or interpreted by orders of the SEC, or other interpretative releases or letters issued by the SEC or its staff, all as from time to time in effect, or any successor law, rules or regulations, and any reference to any statutory or regulatory provision shall be deemed to be a reference to any successor statutory or regulatory provision.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Lender or required to be withheld or deducted from a payment to the Agent, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Lender being organized under the laws of, or having its principal office or its lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of any Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 3.01, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to a Lender's failure to comply with Section 3.01(f), (d) any U.S. federal withholding Taxes imposed under FATCA, and (e) any Taxes excluded from the definition of Other Taxes.

"Executive Order" has the meaning set forth in Section 5.18.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Credit Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"Federal Funds Effective Rate" means, for any day, the greater of (a) the rate per annum calculated by the FRBNY, based on the prior day's overnight federal funds transactions (as determined in such manner as the FRBNY shall set forth on its public website from time to time), as the federal funds effective rate (which rate is, in general, published by the FRBNY on such day for the prior FRBNY Business Day), provided that if such day is not a Fed Funds Business Day, then the Federal Funds Effective Rate shall be such rate as in effect on the Fed Funds Business Day immediately preceding such day and (b) 0%.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States.

"Fed Funds Business Day" shall mean any day upon which overnight federal funds transactions are conducted.

"Financial Contract Liability" means, in respect of any one or more Financial Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Financial Contracts, (a) for any date on or after the date such Financial Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Financial Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Financial Contracts (which may include any Lender or any Affiliate of a Lender).

"Financial Contracts" means any and all rate swap agreements, credit derivative agreements, option contracts, options on futures contracts, futures contracts, forward contracts, options on foreign currencies, foreign currency contracts, repurchase agreements, reverse repurchase agreements, mortgage rolls, credit-linked notes, indexed securities, collateralized debt obligations, firm and standby commitment agreements, securities lending agreements, when-issued securities, swap, swaption, floor, cap, or collar agreements and other similar arrangements.

"Floor" means a rate of interest equal to 0%.

"Foreign Assets Control Regulations" has the meaning set forth in Section 5.18.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FRBNY" shall mean the Federal Reserve Bank of New York, or any successor thereto that publishes the Federal Funds Effective Rate.

"FRBNY Business Day" shall mean each business day that is not included in the FRBNY's holiday schedule.

"Fundamental Investment Policies and Restrictions" means the Borrower's Investment Policies and Restrictions that require shareholder authorization under Section 13(a) of the Investment Company Act to amend.

"GAAP" has the meaning set forth in Section 1.02.

"Government" means, with respect to any sovereignty, the government or any agency or instrumentality thereof.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central Agent or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Agent and including the Financial Industry Regulatory Authority, stock exchanges, the SEC and any accounting board or authority (whether or not a part of government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case whether foreign or domestic).

"Governmental Authorizations" means all franchises, permits, licenses, approvals, consents and other authorizations of all Governmental Authorities.

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Illiquid Asset" means as of any date, any asset for which (a) there is no established public or private institutional trading market, (b) the fair market value of such asset is not readily ascertainable from recognized independent sources in the market for such assets or is not readily determinable using procedures approved by the Board of Trustees of the Borrower, or (c) are otherwise categorized as "illiquid securities" by the Borrower or the Investment Manager.

"Indebtedness" of any Person means at any date of determination, without duplication, (a) all Debt of such Person and (b) all Senior Securities issued by such Person.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 11.04(b).

"Interest Payment Date" means (a) as to any Overnight Rate Loan, the fifteenth day of the calendar month with respect to interest accrued during the immediately preceding calendar month, including, without limitation, the calendar month which includes the Borrowing Date of such Overnight Rate Loan, as the case may be; and (b) as to any Term SOFR Loan, the last day of the Interest Period for such Term SOFR Loan.

"Interest Period" means as to each Term SOFR Loan, the period commencing on the date such Term SOFR Loan is disbursed or converted to or continued as a Term SOFR Loan and ending on the numerically corresponding day in the calendar month that is one month thereafter (subject to the availability thereof), as specified in the applicable Notice of Borrowing; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, (iii) no Interest Period shall extend beyond the Termination Date and (iv) no tenor that has been removed from this definition pursuant to Section 2.18(d) shall be available for specification in such Borrowing Request. For purposes hereof, the date of a Loan or Borrowing initially shall be the date on which such Loan or Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan or Borrowing.

"Investment Advisory Agreement" means the Investment Advisory Agreement of the Borrower approved by its Board of Trustees and as in effect on the Effective Date, as the same may be amended, restated supplemented, modified, superseded or replaced from time to time in accordance with the terms of this Agreement.

"Investment Company Act" means the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder, as modified or interpreted by orders of the SEC, or other interpretative releases or letters issued by the SEC or its staff, all as from time to time in effect, or any successor law, rules or regulations, and any reference to any statutory or regulatory provision shall be deemed to include a reference to any successor statutory or regulatory provision.

"Investment Manager" means W.H. Reaves & Co., Inc., a Delaware corporation.

"Investment Policies and Restrictions" means, with respect to the Borrower, the material provisions of the Borrower's Prospectus (as in effect on the Effective Date) dealing with the Borrower's investment objectives, investment policies and strategies, and investment restrictions, in each case, as such objectives, policies, strategies and restrictions may be further amended, supplemented or otherwise modified in accordance with applicable law, including without limitation, the Securities Act and the Investment Company Act, and this Agreement.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" means each of State Street, any other lender named on the signature pages hereof, each Assignee which becomes a Lender pursuant to Section 11.06(c) hereof, and their respective successors.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"Lien" means any mortgage, lien, pledge, charge, security interest (statutory or other) or encumbrance of any kind in respect of such asset, or any preference, priority or other security or preferential arrangement of any kind or nature whatsoever (including, without limitation, (x) any conditional sale or other title retention agreement or any financing lease having substantially the same economic effect as any of the foregoing and (y) the segregation of an asset or the deposit of such asset to satisfy Financial Contract Liabilities, margin or other requirements), including any agreement (other than the Loan Documents) preventing a Person from encumbering such asset.

"Loan Documents" means, collectively, this Agreement, the Notes, the Security Documents, and all other documents and instruments required to be delivered pursuant to this Agreement, in each case as amended and in effect from time to time.

"Loans" has the meaning set forth in Section 2.01 hereof.

"Margin Loan Collateral Value" means, at any time, an amount equal to (a) the Collateral Share Value of the following assets, so long as each such asset constitutes an Account Asset, multiplied by (b) the applicable advance rate for such asset set forth below:

(i) 100% of Cash;

(ii) 95% of Cash Equivalents; and

(iii) 50% of Eligible Margin Loan Securities, provided, the Collateral Share Value of any Eligible Margin Loan Security shall exclude that portion of the current discounted market value of any such asset, or aggregate assets, from any single issuer, which would otherwise exceed 10% of the aggregate Margin Loan Collateral Value,

provided, for the avoidance of doubt, in no event shall any Illiquid Asset be included in the calculation of the Margin Loan Collateral Value.

"Margin Stock" has the meaning assigned to such term in Regulation U.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, liabilities (actual or contingent), condition (financial or otherwise), assets or properties of the Borrower; or (b) a material adverse effect on the (i) ability of the Borrower to perform its obligations under this Agreement, (ii) rights and remedies of the Agent or any Lender under this Agreement or under any of the other Loan Documents, or (iii) validity or enforceability of this Agreement or any of the other Loan Documents.

"Maximum Amount" means, as at any date of determination, an amount equal to the least of:

(a) the maximum amount of Debt that the Borrower would be permitted to incur pursuant to Law, including the Investment Company Act,

(b) the maximum amount of Debt that the Borrower would be permitted to incur pursuant to the limitations on borrowings adopted by the Borrower in its Prospectus or elsewhere (including its Investment Policies and Restrictions),

(c) the maximum amount of Debt that the Borrower would be permitted to incur pursuant to any agreements with any Governmental Authority, and

(d) the maximum amount of Indebtedness the Borrower would be permitted to incur without violating the provisions of Section 7.10(a) hereof; in each case, as in effect at the time of determination.

"Multiemployer Plan" means at any time an employee pension benefit plan within the meaning of Section 4001(a)(3) of ERISA that is subject to ERISA and to which any member of the ERISA Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions, including for these purposes any Person which ceased to be a member of the ERISA Group during such five year period.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Eligible Margin Loan Securities" means any asset of the Borrower (other than Cash and Cash Equivalents) which is not an Eligible Margin Loan Security, provided, such assets shall otherwise constitute an Account Asset.

"Note(s)" means the promissory notes substantially in the form of Exhibit A attached hereto, evidencing the obligation of the Borrower to repay the Loans made to them, and "Note" means any one of such promissory notes issued hereunder.

"Obligations" means all advances to and indebtedness, debts, covenants, obligations, duties and liabilities of the Borrower to any of the Lenders or the Agent, existing on the date of this Agreement or arising thereafter, direct or indirect (including those acquired by assumption), absolute or contingent, matured or unmatured, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower or any Affiliate thereof of any proceedings under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement, any of the other Loan Documents, any Financial Contract, any cash management arrangement or in respect of any of the Loans to the Borrower or any of the Notes or other instruments at any time evidencing any thereof (including, without limitation, Erroneous Payment Subrogation Rights).

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Other Connection Taxes" means, with respect to any Lender, Taxes imposed as a result of a present or former connection between such Lender and the jurisdiction imposing such Tax (other than connections arising from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.17(b)).

"Outstanding Amount" means, with respect to Loans on any date of determination, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of such Loans occurring on such date.

"Overnight Bank Funding Rate" shall mean, for any day, the greater of (a) the rate per annum calculated by the FRBNY, based on the prior day's overnight federal funds transactions, eurodollar transactions, and certain reported domestic deposits (as determined in such manner as the FRBNY shall set forth on its public website from time to time), as the overnight bank funding rate (which rate is, in general, published by the FRBNY on such date for the prior FRBNY Business Day), provided that if such day is not a Fed Funds Business Day, then the Overnight Bank Funding Rate shall be such rate as in effect on the Fed Funds Business Day immediately preceding such day, and (b) 0%.

"Overnight SOFR Rate" means, for any day, a rate per annum equal to the highest of (a) the Overnight Bank Funding Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day and (c) Term SOFR for a one-month tenor in effect on such day. Any change in the Overnight SOFR Rate due to a change in the Overnight Bank Funding Rate, the Federal Funds Effective Rate or Term SOFR shall be effective from and including the effective date of such change in the Overnight Bank Funding Rate, the Federal Funds Effective Rate or Term SOFR, respectively.

"Overnight Rate Loans" means a Loan that bears interest based on the Overnight SOFR Rate.

"Overnight Rate SOFR Determination Date" has the meaning specified in the definition of "Term SOFR".

"Participant" has the meaning set forth in Section 11.06(d) hereof.

"Participant Register" has the meaning set forth in Section 11.06(d) hereof.

"Participating Member State" means any member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"Payment Recipient" has the meaning set forth in Section 9.01(a) hereof.

"Periodic Term SOFR Determination Date" has the meaning specified in the definition of "Term SOFR".

"Permitted Lien" means any Lien permitted by Section 7.02(a), (b) or (c), provided, that with respect to the Lien permitted by Section 7.02(c), such Lien shall only be a Permitted Lien to the extent such Lien does not secure any Senior Securities Representing Indebtedness.

"Permitted Tax Distributions" means distributions by the Borrower to its equityholders with respect to any taxable year (or calendar year, as relevant) to: (a) allow the Borrower to satisfy the minimum distribution requirements that would be imposed by Section 852(a) of the Code to maintain its eligibility to be taxed as a regulated investment company for any such taxable year, (b) reduce to zero for any such taxable year the Borrower's liability for federal income taxes imposed on (i) its investment company taxable income pursuant to Section 852(b)(1) of the Code and (ii) its net capital gain pursuant to Section 852(b)(3) of the Code, and (c) reduce to zero the Borrower's liability for federal excise taxes for any calendar year imposed pursuant to Section 4982 of the Code, in each case calculated assuming that the Borrower had qualified to be taxed as a regulated investment company under the Code.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means at any time an employee pension benefit plan (other than a Multiemployer Plan) which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (a) is maintained, or contributed to, by any member of the ERISA Group for employees of any member of the ERISA Group or (b) has at any time within the preceding five years been maintained, or contributed to, by any Person which was at such time a member of the ERISA Group for employees of any Person which was at such time a member of the ERISA Group.

"Pricing Procedures" means the procedures and methods for determining the net asset value of the Borrower as approved by the Borrower's board of trustees.

"Private Authorizations" means all franchises, permits, licenses, approvals, consents and other authorizations of all Persons (other than any Governmental Authority) including, without limitation, those of shareholders and creditors and those with respect to trademarks, service marks, trade names, copyrights, computer software programs, technical and other know-how.

"Prospectus" means the Borrower's prospectus dated November 22, 2021, and shall include, without limitation, the related statement of additional information included in such registration statement, and all amendments, restatements, supplements and other modifications thereto as of the Effective Date, and as the same may be further amended, restated, supplemented or otherwise modified in accordance with Applicable Law, including, without limitation, the Securities Act and the Investment Company Act and in accordance with the terms of this Agreement.

"Recipient" means the Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder.

"Reducing Lender" has the meaning set forth in Section 2.04(c) hereof.

"Reduction Amount" has the meaning set forth in Section 2.04(c) hereof.

"Reduction Date" has the meaning set forth in Section 2.04(c) hereof.

"Reduction Notice" has the meaning set forth in Section 2.04(c) hereof.

"Regulation T" means Regulation T of the Board of Governors of the Federal Reserve System, as in effect from time to time, and all official rulings and interpretations thereunder and thereof.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System, as in effect from time to time, and all official rulings and interpretations thereunder and thereof.

"Regulation X" means Regulation X of the Board of Governors of the Federal Reserve System, as in effect from time to time, and all official rulings and interpretations thereunder and thereof

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

"Representative" has the meaning set forth in Section 11.14.

"Requested Reduction Amount" has the meaning set forth in Section 2.04(c) hereof.

"Required Lenders" means, at any time, Lenders holding at least fifty one percent (51%) of the aggregate unpaid principal amount of the Loans at such time or, if no Loans are then outstanding, Lenders having at least fifty one percent (51%) of the Aggregate Commitment Amount then in effect; provided, however, that for purposes of determining Required Lenders, the Commitment Amount or Loans, as the case may be, of each Defaulting Lender shall be disregarded for so long as such Lender remains a Defaulting Lender.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payment" means (a) the declaration of any distribution or dividends (whether in cash, securities or other property) on, or the payment on account of, or the setting apart of assets for the purchase, redemption, retirement or other acquisition of, any Equity Interests in the Borrower (including, without limitation, any shares of capital stock or other beneficial interests in the Borrower, including all common and preferred shares, whether now or hereafter outstanding), either directly or indirectly, whether in cash, property or in obligations of the Borrower, and (b) without duplication, any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement acquisition, cancellation or termination of any shares of capital stock or any option, warrant or other right to acquire any such Equity Interests.

"Revolving Credit Period" means the period from and including the Effective Date to but excluding the Termination Date.

"Sanctions" means any sanction administered or enforced by the United States Government (including without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury ("HMT") or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission or any other governmental authority of the United States of America at the time administering the Securities Act, the Investment Company Act or the Exchange Act.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC thereunder, as modified or interpreted by orders of the SEC, or other interpretive releases or letters issued by the SEC or its staff, all as from time to time in effect, or any successor law, rules or regulations.

"Security Agreement" means the Security Agreement dated as of the date hereof by and between the Borrower and the Agent, as the same may be amended, restated, supplemented or modified from time to time in accordance with the terms thereof.

"Security Documents" means the Security Agreement and all other instruments and documents, including without limitation Uniform Commercial Code financing statements, required to be executed or delivered pursuant to the Security Agreement.

"Senior Security" has the meaning set forth in the first sentence of Section 18(g) of the Investment Company Act.

"Senior Securities Representing Indebtedness" has the meaning set forth in the first sentence of Section 18(g) of the Investment Company Act.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"Specified Termination Date" has the meaning set forth in Section 2.04(b) hereof.

"State Street" means State Street Bank and Trust Company.

"Subsidiary" means, with respect to a Person, any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person.

"Substitute Lender" has the meaning set forth in Section 2.04(d)(i).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Terminating Lender" has the meaning set forth in Section 2.08(b) hereof.

"Termination Date" means the Specified Termination Date on which the Commitments of those Lenders still remaining in effect at such time are terminated in full pursuant to Section 2.04 hereof (without replacement pursuant to Section 2.04 hereof) such that the aggregate Commitment Amount has been reduced to zero, or such earlier date on which the Commitments terminate or are terminated pursuant to the terms hereof.

"Termination Notice" has the meaning set forth in Section 2.04(b).

"Term SOFR" means,

(a) for any calculation with respect to a Term SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; and

(b) for any calculation with respect to an Overnight Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "Overnight Rate SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Overnight Rate SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Overnight Rate SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Term SOFR Loan" means a Loan that bears interest at a rate based on Term SOFR, other than pursuant to clause (c) of the definition of "Overnight Rate".

"Threshold Amount" means, as of any date of determination, the lesser of (a) $1,000,000 and (b) one percent (1%) of the Borrowers Adjusted Net Assets.

"Total Assets" means, at any date, all assets of the Borrower which in accordance with GAAP would be classified as assets upon a balance sheet of the Borrower prepared as of such date, valued in accordance with the Pricing Procedures, provided, however, that Total Assets shall not include (a) equipment, (b) any asset constituting physical commodities, (c) securities owned by the Borrower which have been declared by any authorized holder thereof to be in default (and such default has not been rescinded or cancelled) or determined to be worthless pursuant to any policy of such Borrower's board of trustees or other managing body and (d) deferred organizational and offering expenses.

"Total Liabilities" means, at any date, the sum of all liabilities of the Borrower which in accordance with GAAP would be classified as liabilities upon a balance sheet of the Borrower prepared as of such date, plus, without duplication, the aggregate amount of the Borrower's Debt and Financial Contract Liability.

"Total Outstandings" means the aggregate outstanding principal amount of all Loans.

"Type" means as to any Loan, its nature as an Overnight Rate Loan or a Term SOFR Loan.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Agent of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment

"United States" and "U.S." means the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01 (f)(ii)(B)(3).

"Value" has the meaning assigned to such term in Section 2(a)(41) of the Investment Company Act.

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write- down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles as in effect from time to time in the United States of America ("GAAP"), applied on a basis consistent (except for changes agreed to by the Borrower's independent public accountants) with the most recent audited financial statements of the Borrower delivered to the Lenders hereunder. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in this Agreement or any other Loan Document, and either the Borrower or the Agent or any Lender shall so request, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Lenders); provided that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) the Borrower shall provide to the Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

SECTION 1.03. Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Charter Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

SECTION 1.04. **Rounding**. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

SECTION 1.05. **Rates**. The Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Overnight Rate, the Term SOFR Reference Rate or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Overnight Rate, the Term SOFR Reference Rate, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Overnight Rate, the Term SOFR Reference Rate, Term SOFR any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain the Overnight Rate, the Term SOFR Reference Rate, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 1.06. **Divisions.** For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.07. **Times of Day**. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

ARTICLE II.
THE CREDIT

SECTION 2.01. Commitments to Lend.

Subject to the terms and conditions set forth herein, each Lender severally agrees to lend to the Borrower, and the Borrower may borrow, repay and reborrow from time to time during the Revolving Credit Period, upon notice by the Borrower to the Agent given in accordance with Section 2.02(a), such sums in Dollars as are requested by the Borrower, the proceeds of which will solely be used for the purposes set forth in Section 6.08(a) hereof (each, a "Loan" and collectively, the "Loans"), up to a maximum aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment Amount; provided, however, that after giving effect to any Borrowing, (i) the Total Outstandings shall not exceed the Aggregate Commitment Amount, (ii) the aggregate principal amount at such time of Loans owing to any Lender shall not exceed such Lender's Commitment Amount, (iii) the aggregate amount of the Borrower's Senior Securities Representing Indebtedness (after giving effect to all amounts requested to be borrowed by the Borrower) shall not exceed at any time the Maximum Amount; and (iv) the Total Outstandings (after giving effect to all amounts requested under this Section 2.01) shall not exceed at any time the lesser of (x) Margin Loan Collateral Value and (y) the Aggregate Commitment Amount and, provided, further, that no Collateral Shortfall exists either before or after giving effect to all amounts requested under this Section 2.01. Each Borrowing under this Section shall be made from the several Lenders pro rata in accordance with each Lender's Commitment Percentage. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01 (provided, however, that Loans of any Terminating Lender prepaid prior to such Lender's Specified Termination Date may be reborrowed prior to the earlier of (x) such Lender's Specified Termination Date and (y) the Termination Date).

SECTION 2.02. Borrowings, Conversions and Continuations of Loans. (a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Term SOFR Loans shall be made upon the Borrower's irrevocable notice to the Agent, which may be given by (A) telephone or (B) a Borrowing Notice. Each such Borrowing Notice must be received by the Agent not later than 12:00 p.m. (Boston Time) (or telephonic notice not later than 12:00 p.m. (Boston Time) (or such later time as is agreed to by the Agent) confirmed in writing through a Borrowing Notice delivered to the Agent not later than 1:00 p.m. (Boston Time) (i) two (2) U.S. Government Securities Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Term SOFR Loans, and (ii) on the requested date (which must be a Business Day) of any Borrowing of any Overnight Rate Loan. Each Borrowing of, conversion to or continuation of Term SOFR Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of or conversion to an Overnight Rate Loan shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing Notice shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Term SOFR Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto (which in all cases shall be one month unless otherwise agreed to by the Agent and the Lenders). If the Borrower fails to specify a Type of Loan in a Borrowing Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Overnight Rate Loans. Any automatic conversion to Overnight Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term SOFR Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Term SOFR Loans in any such Borrowing Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Borrowing Notice, the Agent shall promptly notify each Lender of the amount of its Commitment Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Agent shall notify each Lender of the details of any automatic conversion to Overnight Rate Loans as described in the preceding subsection. In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Agent in immediately available funds at the Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Borrowing Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Loan, Section 4.01), the Agent shall make all funds so received available to the Borrower in like funds as received by the Agent either by (i) crediting the account of the Borrower on the books of State Street with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Agent by the Borrower.

(c) Except as otherwise provided herein, a Term SOFR Loan may be continued or converted only on the last day of an Interest Period for such Term SOFR Loan. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as such Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Term SOFR Loan and (ii) unless repaid as provided herein, each Term SOFR Loan shall automatically be converted to an Overnight Rate Loan at the end of the Interest Period therefor.

(d) The Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Term SOFR Loans upon determination of such interest rate.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than seven (7) Interest Periods in effect with respect to Loans.

SECTION 2.03. Optional Prepayments. (a) The Borrower may, upon notice from the Borrower to the Agent, at any time or from time to time voluntarily prepay Loans in whole or in part without premium or penalty, subject to the requirements of this Section 2.03.

(b) Each such notice pursuant to this Section 2.03 shall be in the form of a written prepayment notice, appropriately completed and signed by an Authorized Signatory of the Borrower, or may be given by telephone to the Agent (if promptly confirmed by such a written prepayment notice consistent with such telephonic notice) and must be received by the Agent (i) in the case of prepayment of a Term SOFR Loan, not later than 11:00 a.m. (Boston time) three U.S. Government Securities Business Days before the date of prepayment or (ii) in the case of prepayment of an Overnight Rate Loan, not later than 11:00 a.m. (Boston time) one Business Day before the date of prepayment. Each prepayment notice shall specify (x) the prepayment date and (y) the principal amount of each Borrowing or portion thereof to be prepaid. Promptly following receipt of any such notice relating to a Borrowing, the Agent shall advise the applicable Lenders of the contents thereof. Each prepayment notice shall be irrevocable.

(c) Any prepayment of Term SOFR Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof; and (iii) any prepayment of Overnight Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. The Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Commitment Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Term SOFR Loan shall be accompanied by all accrued and unpaid interest on the amount prepaid, together with any additional amounts required pursuant to Section 2.13. Subject to Section 2.12, each such prepayment shall be applied to the Loans of the Lenders in accordance with their respective Commitment Percentages.

SECTION 2.04. Termination or Reduction of Commitments. (a) During the Revolving Credit Period, the Borrower may, upon at least three (3) Business Days' prior written notice to the Agent, (i) terminate the Commitments in full at any time, or (ii) reduce from time to time the Aggregate Commitment Amount by an aggregate amount of at least $5,000,000 or integral multiples of $1,000,000 in excess thereof, whereupon the Commitment Amounts of each of the Lenders shall be reduced pro rata in accordance with their Commitment Percentage of the amount specified in such notice, or, as the case may be, each Lender's Commitment shall be terminated. Promptly after receiving any notice of the Borrower delivered pursuant to this Section 2.04(a), the Agent will notify the Lenders of the substance thereof. Upon the effective date of any such reduction or termination, the Borrower shall pay to the Agent for the respective accounts of the Lenders the full amount of any Commitment Fee then accrued. Each notice delivered by the Borrower pursuant to this Section 2.04(a) shall be irrevocable. No reduction in the Commitment Amounts or termination of the Commitments made in accordance with this Section 2.04(a) may be reinstated.

(b) Each Lender's Commitment shall permanently reduce to $0 and each Lender's Commitment shall terminate on the Termination Date. Notwithstanding anything to the contrary contained herein, each Lender shall have the right at any time from and after April 27, 2023 to elect to terminate its Commitment in full upon no less than 360 days' prior written notice to the Borrower and the Agent thereof (such notice being hereinafter referred to as a "Termination Notice"; any Lender so delivering a Termination Notice in accordance with the provisions of this Section 2.04(b) shall hereinafter be referred to as a "Terminating Lender"). For the avoidance of doubt, the dates described above relate to the actual termination of a Commitment, and not the first date on which a Lender may deliver a Termination Notice. The Commitment of such Terminating Lender shall automatically terminate in full, and the Commitment of such Lender shall permanently reduce to $0, on the date (with respect to such Lender, its "Specified Termination Date") which is the earlier of (x) the 360th day after the date of such Termination Notice and (y) a date selected by the Borrower by written notice to the Agent and agreed to by the Agent. In accordance with Section 2.05 hereof, the Borrower promises to pay each Terminating Lender on the earlier of (x) such Lender's Specified Termination Date or (y) the Termination Date, and there shall become absolutely due and payable on such date, the aggregate principal amount of all Loans outstanding to such Terminating Lender on such date, together with any and all accrued and unpaid interest thereon and all other amounts outstanding hereunder (including, without limitation, the commitment fee owing to such Terminating Lender) and owing to such Terminating Lender as of such date. No payment made in accordance with this Section 2.04(b) shall be subject to or be deemed to be in violation of Section 2.11, provided, to the extent there is more than one Terminating Lender requiring repayment on the same date, such payments shall be applied pro rata to all such Terminating Lenders.

(c) Each Lender shall have the right at any time from and after April 27, 2023 to elect to reduce its Commitment in part upon no less than 360 days' prior written notice to the Borrower and the Agent thereof specifying the amount of such reduction (the "Requested Reduction Amount"; such a notice being hereinafter referred to as a "Reduction Notice"; any Lender so delivering such a Reduction Notice shall hereinafter be referred to as a "Reducing Lender"). For the avoidance of doubt, the dates described above relate to the actual reduction of a Commitment, and not the first date on which a Lender may deliver a Reduction Notice. The Commitment of such Reducing Lender shall automatically reduce on the date (the "Reduction Date") which is the earlier of (x) the 360th day from the date of such Reduction Notice and (y) a date selected by the Borrower by written notice to the Agent and agreed to by the Agent by an amount (a "Reduction Amount") equal to the greater of (i) the Requested Reduction Amount and (ii) an amount selected by the Borrower in the written notice to the Agent; it being understood that (I) the Borrower shall have the right to permanently reduce or terminate such Reducing Lender's Commitment Amount in full or in part at any time after delivery of the Reduction Notice and prior to the Reduction Date and (II) nothing in this Section 2.04(c) shall limit the Borrower's right to reduce the aggregate Commitment Amount or terminate the Commitments pursuant to and in accordance with the terms of Section 2.04(a) hereof. The Borrower promises to pay to each Reducing Lender on the applicable Reduction Date, and there shall become absolutely due and payable on each such date, the portion of the aggregate principal amount of all Loans outstanding to such Reducing Lender, together with any and all accrued and unpaid interest thereon, which exceeds such Reducing Lender's new Commitment (immediately after giving effect to the reduction by the Reduction Amount on such date); provided that if the Borrower elects to reduce the Commitment Amount of a Reducing Lender to $0 by terminating such Reducing Lender's Commitment in full, the Borrower promises to pay to such Reducing Lender on the applicable Reduction Date, and there shall become absolutely due and payable on such date, the aggregate principal amount of all Loans outstanding to such Reducing Lender, together with any and all accrued and unpaid interest thereon and all other amounts outstanding hereunder and owing to such Reducing Lender as of such date. No payment made in accordance with this Section 2.04(c) shall be subject to or be deemed to be in violation of Section 2.11, provided, to the extent there is more than one Terminating Lender requiring repayment on the same date, such payments shall be applied pro rata to all such Terminating Lenders.

(d) (i) To the extent any Lender delivers a Termination Notice pursuant to Section 2.04(b) hereof or a Reduction Notice pursuant to Section 2.04(c) hereof, so long as no Default or Event of Default has occurred and is continuing, the Borrower may, upon prior written notice to the Agent, such Terminating Lender or Reducing Lender, as applicable, request that one or more Eligible Assignees (each, a "Joining Lender") and/or existing Lenders (each such existing Lender or Joining Lender, a "Substitute Lender") assume all or any portion of the Commitment of such Terminating Lender or Reducing Lender, as applicable. Each Terminating Lender or Reducing Lender agrees that, should it be identified for replacement prior to its Specified Termination Date or Reduction Date, as applicable, pursuant to this Section 2.04(d)(i), it will promptly execute and deliver all documents and instruments reasonably required by the Borrower and/or the Agent to assign the relevant portion such Terminating Lender's or Reducing Lender's Loans and Commitment to the applicable Substitute Lender on the applicable Specified Termination Date or Reduction Date, as applicable. The parties hereto hereby acknowledge and agree that no existing Lender shall be obligated to assume any portion of the Commitment of a Terminating Lender or Reducing Lender hereunder, and any election to do so shall be in the sole and absolute discretion of such Lender.

(ii) In the event that any Terminating Lender was not replaced pursuant to Section 2.04(d)(i) hereof prior to its Specified Termination Date, so long as no Default or Event of Default has occurred and is continuing, the Borrower may, at any time prior to the Termination Date, with prior written notice to the Agent, request that one or more Substitute Lenders (x) in the case of Joining Lenders, join this Agreement as Lenders with Commitments and/or (y) in the case of existing Lenders, increase their existing Commitment Amount, in an aggregate Commitment Amount of up to the applicable Commitment Amount of such Terminating Lender immediately prior to the applicable Specified Termination Date. In the event that Commitments of any Reducing Lender equal to the applicable Reduced Amounts were not replaced with Commitments of Substitute Lenders pursuant to Section 2.04(d)(i) hereof prior to the applicable Reduction Date, so long as no Default or Event of Default has occurred and is continuing, the Borrower may, at any time prior to the Termination Date, with prior written notice to the Agent, request that one or more Substitute Lenders (x) in the case of Joining Lenders, join this Agreement as Lenders with Commitments and/or (y) in the case of existing Lenders, increase their existing Commitment Amount, in an aggregate Commitment of up to the applicable Reduction Amounts. Each Joining Lender shall be required to execute and deliver to the Agent such joinder documents as the Agent shall reasonably require. The parties hereto hereby acknowledge and agree that no existing Lender shall be obligated to assume any portion of the Commitment Amount of a Terminating Lender or Reducing Lender hereunder, and any election to do so shall be in the sole and absolute discretion of such Lender.

SECTION 2.05. Mandatory Payments. (a) Each Loan owing to any Lender shall mature, and the principal amount thereof shall be due and payable to such Lender, on the earliest to occur of (i) such Lender's Specified Termination Date and (ii) the Termination Date. The Borrower promises to pay on such date, and there shall become absolutely due and payable on such date, all of the Loans outstanding to such Lender on such date, together with all accrued and unpaid interest thereon and other amounts outstanding hereunder.

(b) If at any time the Total Outstandings exceeds the Aggregate Commitment Amount, the Borrower shall immediately repay such principal amount of one or more Loans (together with accrued and unpaid interest thereon) as may be necessary to eliminate such excess.

(c) If at any time the Total Outstandings exceeds any amounts permitted by clauses (a) – (c) of the definition of Maximum Amount or the limitation contained in Section 7.10(b) hereof, the Borrower shall immediately prepay such principal amount of one or more Loans (together with accrued and unpaid interest thereon) as may be necessary to eliminate such excess.

(d) If at any time a Collateral Shortfall exists, the Borrower shall within one (1) Business Day (or such shorter period of time as would be required in order to comply with the Investment Company Act), prepay such principal amount of one or more Loans (together with accrued interest thereon and, in the case of Term SOFR Loans, the amount, if any, payable pursuant to Section 2.13) so that after such prepayment no Collateral Shortfall exists.

SECTION 2.06. Interest. (a) Subject to the provisions of subsection (b) below, (i) each Term SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to Term SOFR for such Interest Period plus the Applicable Margin; and (ii) each Overnight Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Overnight Rate plus the Applicable Margin.

(b) (i) If an Event of Default has occurred and is continuing pursuant to Section 8.01(a) arising from the failure of the Borrower to pay any amounts (including principal, interest, fees and other amounts) payable by the Borrower under any Loan Document when due under such Loan Document, whether at stated maturity, by acceleration or otherwise, then such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any Event of Default arising under Section 8.01(g) or (h) has occurred, the principal amount of all outstanding Obligations hereunder shall bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) While any other Event of Default exists (other than as set forth in clauses (b)(i) and (b)(ii) above), upon the request of the Required Lenders, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(d) Interest on Loans shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraphs (b) and (c) of this Section 2.06 shall be payable from time to time on demand.

(e) In connection with the use or administration of Term SOFR, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

SECTION 2.07. Fees. The Borrower shall pay to the Agent for the account of each Lender in accordance with its Commitment Percentage, a commitment fee (a "Commitment Fee") in Dollars equal to (i) for the period from the Effective Date through and including June 27, 2022 (the "Initial Period"), 0.00% times the actual daily amount by which the Aggregate Commitments exceed the Total Outstandings; (ii) from and after the Initial Period, for each day during which the Total Outstandings equals at least 80% of the Aggregate Commitments, 0.00% times the actual daily amount by which the Aggregate Commitments exceed the Total Outstandings, and (iii) from and after the Initial Period, for each day during which the Total Outstandings equal less than 80% of the Aggregate Commitments, 0.15% times the actual daily amount by which the Aggregate Commitments exceed the Total Outstandings, subject, in each case, to adjustment as provided in Section 2.12. The commitment fee shall accrue at all times during the Revolving Credit Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears for the period ending on the last day of the immediately preceding calendar quarter on the fifteenth day of each April, July, October and January, commencing with the first such date to occur after the Effective Date, and on the last day of the Revolving Credit Period. The commitment fee shall be calculated quarterly in arrears.

SECTION 2.08. Computation of Interest and Fees; Rate Reset. (a) All computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.10(a), bear interest for one day. Each determination by the Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Notwithstanding anything to the contrary contained herein, the Borrower agrees that at any time after the one year anniversary of the Effective Date, the Agent and the Lenders may send the Borrower a notice that the Lenders have elected to effect a change in the Commitment Fee, a change in the interest rates being charged on the Loans hereunder, or both (such notice, a "Rate Reset Notice" and any changes to the Commitment Fee and/or the interest rates provided for in such notice, the "Rate Resets"). All applicable Rate Resets provided for in such Rate Reset Notice shall automatically and without further action become effective, and this Agreement shall be deemed to be amended to reflect such changes, on the 120th day after the date of such Rate Reset Notice. The parties agree that the Agent and the Lenders shall only be permitted to send one Rate Reset Notice within any 360 day period of time

SECTION 2.09. Evidence of Debt. The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error of the amount of the Loans made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error. Upon the request of any Lender to the Borrower made through the Agent, the Borrower shall execute and deliver to such Lender (through the Agent) a Note, which shall evidence such Lender's Loans to the Borrower in addition to such accounts or records. Each Lender may attach schedules to a Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

SECTION 2.10. Payments Generally; Agent's Clawback. (a) All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. To the extent the Borrower's Custodian is State Street, then, during such time, the Borrower hereby authorizes and irrevocably directs the Agent, at the Agent's option at any time upon and following the due date for payment of any amounts under this Agreement or the other Loan Documents, and without any further notice to or consent of the Borrower, to debit any account of the Borrower with the Agent, the Custodian or State Street and apply amounts so debited toward the payment of any such amounts due and owing hereunder or under the other Loan Documents. Notwithstanding such authorization and direction, the Borrower further acknowledges and agrees that (i) the Agent shall have no obligation to so debit any such account and shall have no liability whatsoever to such Borrower for any failure to do so and (ii) the Borrower shall fully retain the obligation hereunder and under the other Loan Documents to make all payments hereunder and thereunder when due. The Agent will promptly distribute to each Lender its Commitment Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Unless the Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Term SOFR Loans (or, in the case of any Borrowing of Overnight Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Agent such Lender's share of such Borrowing, the Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Overnight Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Agent, then the applicable Lender and the Borrower severally agree to pay to the Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate, plus any administrative, processing or similar fees customarily charged by the Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to such Overnight Rate Loans. If the Borrower and such Lender shall pay such interest to the Agent for the same or an overlapping period, the Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Agent.

(ii) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Agent forthwith on demand the amount so distributed to such Lender, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Agent, at the Overnight Rate.

A notice of the Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) If any Lender makes available to the Agent funds for any Loan to be made by such Lender to the Borrower as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Agent because the conditions to the applicable Loans set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or to make its payment under Section 11.04(c).

(e) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

SECTION 2.11. Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans and accrued and unpaid interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued and unpaid interest on their respective Loans and other amounts owing them, provided that:

(x) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(y) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this Section shall apply).

The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

SECTION 2.12. Defaulting Lenders. (a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Agent from a Defaulting Lender pursuant to Section 11.08 shall be applied at such time or times as may be determined by the Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; second, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; third, if so determined by the Agent and the Borrower, to be held in a deposit account and released in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; third, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fourth, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and fifth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (z) such Loans were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitment Amounts hereunder. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.12(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. No Defaulting Lender shall be entitled to receive any fee payable under Section 2.07(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender)**.**

(b) If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their Commitment Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

SECTION 2.13. Compensation for Losses. In the event of (a) the payment of any principal of any Term SOFR Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term SOFR Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (c) the failure to borrow, convert, continue or prepay any Term SOFR Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Term SOFR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.17(b), then, in any such event, the Borrower shall compensate each Lender for any loss, cost and expense attributable to such event, including any loss, cost or expense arising from the liquidation or redeployment of funds or from any fees payable. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.13 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof

SECTION 2.14. Increased Costs. (a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve (including pursuant to regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D)), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

(iii) impose on any Lender any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, or to reduce the amount of any sum received or receivable by such Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or other Recipient, the Borrower will pay to such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 2.15. Inability to Determine Rates. Subject to Section 2.18, if, on or prior to the first day of any Interest Period for any Term SOFR Loan:

(a) the Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof; or

(b) the Required Lenders determine that for any reason in connection with any request for a Term SOFR Loan or a conversion thereto or a continuation thereof that Term SOFR for any requested Interest Period with respect to a proposed Term SOFR Loan does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Loan, and the Required Lenders have provided notice of such determination to the Agent,

the Agent will promptly so notify the Borrower and each Lender.

Upon notice thereof by the Agent to the Borrower, any obligation of the Lenders to make Term SOFR Loans, and any right of the Borrower to continue Term SOFR Loans or to convert Overnight Rate Loans to Term SOFR Loans, shall be suspended (to the extent of the affected Term SOFR Loans or affected Interest Periods) until the Agent (with respect to clause (b), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Overnight Rate Loans in the amount specified therein and (ii) any outstanding affected Term SOFR Loans will be deemed to have been converted into Overnight Rate Loans at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 2.13. Subject to Section 2.18, if the Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof on any given day, the interest rate on Overnight Rate Loans shall be determined by the Agent without reference to clause (c) of the definition of "Overnight Rate" until the Agent revokes such determination.

SECTION 2.16. Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to SOFR, the Term SOFR Reference Rate or Term SOFR, or to determine or charge interest based upon SOFR, the Term SOFR Reference Rate or Term SOFR, then, upon notice thereof by such Lender to the Borrower (through the Agent) (an "Illegality Notice"), (a) any obligation of the Lenders to make Term SOFR Loans, and any right of the Borrower to continue Term SOFR Loans or to convert Overnight Rate Loans to Term SOFR Loans, shall be suspended, and (b) the interest rate on which Overnight Rate Loans shall, if necessary to avoid such illegality, be determined by the Agent without reference to clause (c) of the definition of "Overnight Rate", in each case until each affected Lender notifies the Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, the Borrower shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Agent), prepay or, if applicable, convert all Term SOFR Loans to Overnight Rate Loans (the interest rate on which Overnight Rate Loans shall, if necessary to avoid such illegality, be determined by the Agent without reference to clause (c) of the definition of "Overnight Rate"), on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Term SOFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such Term SOFR Loans to such day, in each case until the Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate or Term SOFR. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.13.

SECTION 2.17. Mitigation Obligations; Replacement of Lenders. (a) If any Lender requests compensation under Section 2.14, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, then such Lender shall (at the request of the Borrower) use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 3.01, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with paragraph (a) of this Section, or if any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.13, Section 2.14 or Section 3.01) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Borrower shall have paid to the Agent the assignment fee (if any) specified in Section 11.06;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 2.13) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter; and

(iv) such assignment does not conflict with Applicable Law.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Notwithstanding anything in this Section to the contrary, the Lender that acts as the Agent may not be replaced hereunder except in accordance with the terms of Section 10.06.

SECTION 2.18. Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Boston time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.18(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.18, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.18.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Term SOFR Loan of, conversion to or continuation of Term SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Overnight Rate Loans. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Overnight Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Overnight Rate.

SECTION 2.19. Commitment Increase. The Borrower may at any time and from time to time, but not more frequently than once in any calendar quarter (unless otherwise agreed to by the Agent in its sole and absolute discretion) at the Borrower's sole cost, expense and effort, request any one or more of the Lenders (other than a Delinquent Lender), an Affiliate of a Lender (other than a Delinquent Lender) or any other Person satisfactory to the Agent (each such Person, a "New Lender") to increase its Commitment Amount or to provide a new Commitment, as the case may be (the decision to be within the sole and absolute discretion of such Lender or Affiliate), by submitting a written request to the Agent in the form of Exhibit F attached hereto (each a "Commitment Increase Supplement"), duly executed by the Borrower, and each such Lender, Affiliate or New Lender, as the case may be. The submission of each Commitment Increase Supplement shall be deemed to be a certification to the effect that the representations and warranties of the Borrower contained in this Agreement and the other Loan Documents are true and correct on and as of the date of such submission (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date). If such Commitment Increase Supplement is in all respects satisfactory to the Agent, the Agent shall execute such Commitment Increase Supplement and deliver a copy thereof to the Borrower and each Lender, Affiliate or New Lender, as the case may be. Upon execution and delivery of such Commitment Increase Supplement by the Agent (i) in the case of each such Lender, such Lender's Commitment Amount shall be increased to the amount set forth in such Commitment Increase Supplement and (ii) in the case of each such Affiliate or New Lender, such Affiliate or New Lender shall thereupon be a party hereto and shall for all purposes of the Loan Documents be deemed a "Lender" having a Commitment in the Commitment Amount set forth in such Commitment Increase Supplement; provided, that:

(a) immediately after giving effect thereto, the Aggregate Commitment Amount would not exceed $1,000,000,000;

(b) each increase of the Aggregate Commitment Amount pursuant to this Section 2.19 shall be in an amount not less than $10,000,000 and in an integral multiple of $1,000,000, in each case or such lower amount as approved by the Agent in its sole discretion;

(c) if Loans would be outstanding immediately after giving effect to any such increase, then simultaneously with such increase (1) each such Lender, each such Affiliate or New Lender and each other Lender shall be deemed to have entered into a master assignment and acceptance agreement, in form and substance substantially similar to Exhibit E attached hereto, pursuant to which each such other Lender shall have assigned to each such Lender, Affiliate or New Lender, as the case may be, a portion of its Loans to the Borrower necessary to reflect proportionately the Commitment Percentages, and (2) in connection with such assignment, each such Lender and each such Affiliate or New Lender shall pay to the Agent, for the account of the other Lenders, such amount as shall be necessary to appropriately reflect the assignment to it of Loans pursuant to this Section 2.19; and

(d) immediately after giving effect thereto, the Agent shall revise Schedule I hereto to reflect such increase and any deemed master assignment and acceptance agreement and circulate such revised Schedule I to the Lenders and the Borrower, which revised Schedule I shall be deemed to be a part hereof and shall be incorporated by reference herein.

ARTICLE III.
TAXES

SECTION 3.01. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any Applicable Laws (as determined in the good faith discretion of an applicable Withholding Agent) require the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification By Borrower. The Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this clause (d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 3.01, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(f) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) Any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of IRS Form W-9 certifying that the Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Credit Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. Unless required by Applicable Laws, at no time shall the Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 3.01, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of such Recipient, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the applicable Recipient be required to pay any amount to the Borrower pursuant to this paragraph (g) the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to the indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

(h) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Revolving Commitments and the repayment, satisfaction or discharge of all other Obligations.

ARTICLE IV.
CONDITIONS

SECTION 4.01. Effectiveness. This Agreement shall become effective on the date that each of the following conditions shall have been satisfied or waived in writing by the Agent and the Lenders in accordance with Section 11.01:

(a) receipt by the Agent and each Lender of counterparts hereof and each other Loan Document signed by each of the parties hereto and thereto;

(b) receipt by each Lender, if requested by such Lender, of a duly executed Note dated on or before the Effective Date complying with the provisions of Section 2.09;

(c) receipt by the Agent of a duly executed and completed Perfection Certificate for the Borrower;

(d) receipt by the Agent of copies of the results of current Uniform Commercial Code ("UCC") lien searches in the jurisdiction in which the Borrower is organized, such results to be in form and substance reasonably satisfactory to the Agent and the Lenders;

(e) receipt by the Agent of the legal opinion of Dechert LLP, counsel for the Borrower, covering such matters relating to the transactions contemplated hereby as the Agent may reasonably request;

(f) receipt by the Agent of a certificate manually signed by an officer of the Borrower to the effect set forth in clauses (b) (if the Borrower is submitting a Borrowing Notice on the Effective Date), (c) (provided if the Borrower is not submitting a Borrowing Notice on the Effective Date, references to borrowings shall not be required) and (d) of Section 4.02, such certificate to be dated the Effective Date and to be in form and substance satisfactory to the Agent;

(g) receipt by the Agent of a manually signed certificate from the Secretary or Assistant Secretary of the Borrower in form and substance reasonably satisfactory to the Agent and dated the Effective Date as to the incumbency of, and bearing manual specimen signatures of, the Authorized Signatories who are authorized to execute and take actions under the Loan Documents for and on behalf of the Borrower, and certifying and attaching copies of (i) Charter Documents, with all amendments thereto, (ii) the resolutions of the Borrower's Board of Trustees authorizing the transactions contemplated hereby, (iii) the current Prospectus as then in effect, (iv) the investment advisory agreement between the Borrower and the Investment Manager as then in effect, and (v) the Custody Agreement then in effect;

(h) receipt by the Agent of a manually signed certificate from the principal financial officer, treasurer or controller of the Borrower in form and substance reasonably satisfactory to the Agent and dated the Effective Date (i) certifying and attaching copies of the Borrower's statement of assets and liabilities referred to in Section 5.08(a), and (ii) certifying as to the Adjusted Net Assets, in each case as of the close of business on the Business Day immediately preceding the Effective Date;

(i) receipt by the Agent of a legal existence and good standing certificate for the Borrower from the Secretary of State of the State of Delaware, dated as of a recent date;

(j) receipt by the Agent of all documents, opinions and instruments it may reasonably request prior to the execution of this Agreement relating to compliance with applicable rules and regulations promulgated by the Federal Reserve Board (including, without limitation, a Form FR U-1) and other governmental and regulatory authorities, the existence of the Borrower, the authority for and the validity and enforceability of this Agreement and the Notes, and any other matters relevant hereto, all in form and substance satisfactory to the Agent; and

(k) receipt by the Agent of payment of the fees contemplated by Section 2.07(b) and all other reasonable fees and expenses (including reasonable fees and disbursements of special counsel for the Agent) then payable hereunder.

SECTION 4.02. All Borrowings. The obligation of the Lenders to make a Loan on any Borrowing Date is subject to this Agreement having become effective in accordance with Section 4.01 and, in addition, the satisfaction of the following conditions:

(a) receipt by the Agent of a Borrowing Notice as required by Section 2.02;

(b) the fact that, immediately after such borrowing, the aggregate outstanding principal amount of the Loans (i) will not exceed the lesser of (x) the Aggregate Commitment Amount as in effect on such date and (y) the Margin Loan Collateral Value as of such date; (ii) will not cause the aggregate amount of the Borrower's outstanding Debt to exceed the Maximum Amount; (iii) no Collateral Shortfall would exist, and (iv) will not cause the Borrower to violate the covenant contained in Section 7.10 hereof (with the Borrower providing the Agent and the Lenders evidence of compliance with clauses (i) - (iv) of this paragraph (b) prior to any borrowing);

(c) the fact that, immediately before and after such borrowing, no Default or Event of Default shall have occurred and be continuing;

(d) the fact that the representations and warranties of the Borrower contained in this Agreement and the other Loan Documents shall be true and correct in all respects on and as of the date of such borrowing and with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date);

(e) the fact that the Effective Date shall have occurred; and

(f) no change shall have occurred in any law or regulation thereunder or interpretation thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make such Loan.

Each Borrowing hereunder shall be deemed to be a representation and warranty by the Borrower on the date of such borrowing as to the facts specified in clauses (b), (c) and (d) of this Section.

SECTION 4.03. **Security.** To secure the payment and performance in full of all of its Obligations, the Borrower shall grant to the Agent a security interest in the Collateral pursuant to the terms of the Security Documents.

ARTICLE V.
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Agent and each Lender on and as of the Effective Date and on each Borrowing Date that:

SECTION 5.01. **Existence and Power; Investment Company.** (a) The Borrower is a statutory trust organized under the laws of the State of Delaware. The Borrower is duly organized, validly existing and in good standing under the laws of the State of Delaware and has all statutory trust powers and all authorizations and approvals required to carry on its business as now conducted. The Borrower is duly qualified to do business and is in good standing in each jurisdiction in which the nature of its business, assets, and properties, including without limitation, the performance of the Obligations, requires such qualification, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) The Borrower is a diversified closed-end management investment company registered as such under the Investment Company Act, and the outstanding shares of each class of stock of the Borrower (i) have been legally issued and are fully paid and non-assessable, (ii) have been duly registered under the Securities Act, to the extent required, and (iii) have been sold only in states or other jurisdictions in which all filings required to be made under applicable state securities laws have been made. The Investment Manager is registered as an investment adviser under the Advisers Act and is the Borrower's investment manager.

SECTION 5.02. **Authorization; Execution and Delivery, Etc.** The execution and delivery by the Borrower of, and the performance by the Borrower of its obligations under this Agreement and each of the other Loan Documents, and the other instruments, certificates and agreements contemplated hereby and thereby, are within the Borrower's statutory trust powers, and have been duly authorized by all requisite statutory trust action by the Borrower. This Agreement and each of the other Loan Documents, and the other instruments, certificates and agreements contemplated hereby and thereby, have been duly executed and delivered by the Borrower, and constitute the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, except as enforceability may be limited by applicable Bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 5.03. **Noncontravention.** Neither the execution and delivery by the Borrower of this Agreement, any other Loan Document, or any instrument, certificate or agreement referred to herein or therein, or contemplated hereby or thereby, nor the consummation of the transactions herein or therein contemplated, nor compliance with the terms, conditions and provisions hereof or thereof by the Borrower will (a) conflict with, or result in a breach or violation of, or constitute a default under, any of the Charter Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any provision of any security issued by the Borrower or of any Contractual Obligation or any other agreement, instrument or other undertaking to which the Borrower is a party or by which it or any of its property is bound (other than pursuant to the terms of the Loan Documents) or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which the Borrower or its property is subject; (c) violate any Applicable Law; or (d) result in any Adverse Claim upon any asset of the Borrower.

SECTION 5.04. Governmental Authorizations; Private Authorizations. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, the Borrower of this Agreement or any other Loan Document, (b) the grant by the Borrower of the Liens granted by it pursuant to the Security Documents, (c) the perfection or maintenance of the Liens created under the Security Documents (including the first priority nature thereof subject to Liens permitted by Section 7.02 which, pursuant to the terms of Section 7.02, are entitled to priority) or (d) the exercise by the Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Security Documents.

SECTION 5.05. Regulations T, U and X. The execution, delivery and performance by the Borrower of this Agreement, the Notes and the other Loan Documents and the transactions contemplated hereunder and thereunder will not violate or be inconsistent with any provision of Regulation T, Regulation U or Regulation X (provided, to the extent the Borrower has executed and delivered to each Lender a Federal Reserve Form F.R. U-1 as required to be executed and delivered hereunder, such representation is made by the Borrower assuming each Lender has retained such form in its files). The proceeds of the Loans will be used by the Borrower solely for the purpose described in Section 6.08 hereof. Such use of proceeds are permitted under all Applicable Laws and by the Borrower's Prospectus and its Charter Documents.

SECTION 5.06. Non-Affiliation with Lenders. So far as appears on the records of the Borrower or, to the actual knowledge of the Borrower, neither any Lender nor any Affiliate of a Lender is an Affiliated Person of the Borrower, and none of the Borrower or any Affiliate of the Borrower is an Affiliated Person of any Lender or any Affiliate of any Lender.

SECTION 5.07. Subsidiaries. The Borrower has no Subsidiaries.

SECTION 5.08. Financial Information. (a) Each financial statement delivered by the Borrower to the Lenders in accordance with Section 6.01, present fairly, in all material respects, in conformity with GAAP, the financial position of the Borrower as of such date.

(b) Since (i) the Effective Date, there has been no material adverse change in the business, financial condition or results of operations of the Borrower and no event which has had or could reasonably be expected to have a Material Adverse Effect has occurred and (ii) the date of the most recently received financial statements delivered to the Lenders pursuant to Section 6.01, there has been no material adverse change in the business, financial condition or results of operations of the Borrower and no event which has had or could reasonably be expected to have a Material Adverse Effect has occurred.

(c) Each of the financial statements of the Borrower (whether audited or unaudited) delivered to the Lenders under the terms of this Agreement fairly present all material contingent liabilities in accordance with GAAP.

SECTION 5.09. Litigation. There is no action, suit, proceeding or investigation of any kind pending against, or to the knowledge of the Borrower, threatened in writing against or affecting, the Borrower before any court or arbitrator or any Governmental Authority which (a) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, (b) calls into question the validity or enforceability of, or otherwise seeks to invalidate, any Loan Document, or (c) might, individually or in the aggregate, materially adversely affect any Loan Document.

SECTION 5.10. ERISA. (a) The Borrower is not a member of an ERISA Group or has liability in respect of any Benefit Arrangement, Plan or Multiemployer Plan subject to ERISA.

(b) The Borrower is an investment company registered under the Investment Company Act and none of the assets of the Borrower is subject to Title I of ERISA.

SECTION 5.11. Taxes. The Borrower has elected to be treated and, taking into account the 30-day cure period set forth in Section 851(d)(1) of the Code, qualifies as a "regulated investment company" within the meaning of the Code. The Borrower has timely filed all United States federal income tax returns and all other material tax returns which are required to be filed by it, if any, and has paid all taxes due pursuant to such returns, if any, or pursuant to any assessment received by it, except for any taxes or assessments (a) which are being contested in good faith by appropriate proceedings and with respect thereto adequate reserves have been established in accordance with GAAP consistently applied or (b) non- payment of which could not reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Borrower in respect of taxes or other governmental charges, if any, are, in the opinion of the Borrower, adequate. There is no proposed tax assessment against the Borrower that would, if made, have a Material Adverse Effect.

SECTION 5.12. Compliance. (a) The Borrower is in compliance in all material respects with the Investment Company Act, the Securities Act and all other Applicable Laws, all applicable ordinances, degrees, requirements, orders and judgments of, and all of the terms of any applicable licenses and permits issued by, any Governmental Authority, except in such instances in which (x) such restriction is being contested in good faith by appropriate proceedings diligently conducted and (y) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The Borrower is in compliance with all agreements and instruments to which it is a party or may be subject or to which any of its properties may be bound, in each case where the violation thereof could reasonably be expected to have a Material Adverse Effect. The Borrower is in compliance in all material respects with its Investment Policies and Restrictions and the terms of its Prospectus. The Borrower's Prospectus contains a description of the Borrower's Pricing Procedures and the Borrower is adhering to such Pricing Procedures.

(b) No Default or Event of Default has occurred and is continuing.

(c) The Borrower is not subject to any Law (other than the Investment Company Act) which limits its ability to incur indebtedness. The Borrower has not entered into any agreement with any Governmental Authority limiting its ability to incur indebtedness.

SECTION 5.13. Fiscal Year. The Borrower has a fiscal year which is twelve calendar months ending on October 31 of each year.

SECTION 5.14. Full Disclosure. The Borrower has disclosed to the Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. All information heretofore furnished by the Borrower to the Agent or any Lender for purposes of or in connection with this Agreement or any of the other Loan Documents or any transaction contemplated hereby or thereby is, and all such information hereafter furnished by the Borrower to the Agent or any Lender will be, true and accurate in all material respects on the date as of which such information is stated or certified, and no such information contains, or will contain, any material misrepresentation or any omission to state therein matters necessary to make the statements made therein not misleading in any material respect; provided, that, with respect to any projected financial information, the Borrower represents only that such information, when taken as a whole, was prepared in good faith based on assumptions believed by the Borrower to be reasonable at the time prepared (it being recognized by the Agent and the Lenders that such projected financial information is not to be viewed as fact and is subject to significant uncertainties and contingencies many of which are beyond the Borrower's control, that no assurances can be given that any particular projected results will be realized, that actual results may differ from projected results and that such differences may be material). The Borrower has disclosed to the Agent and the Lenders in writing all facts which, to the best of the Borrower's knowledge after due inquiry, may give rise to the reasonable possibility of a Material Adverse Effect.

SECTION 5.15. Offering Document. The information set forth in the Prospectus and each report to shareholders of the Borrower, taken together, was, on the date thereof, true, accurate and complete in all material respects and does not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in any material respect under the circumstances in which such information is provided.

SECTION 5.16. Debt. The Debt arising under this Agreement and the Notes ranks at least pari passu in all respects with all of the Borrower's other obligations (actual or contingent) other than those obligations which are entitled to priority under applicable law.

SECTION 5.17. Account. All assets of the Borrower are held in or credited to the Account, other than cash and cash equivalents held at clearinghouses in the ordinary course of business and cash and cash equivalent collaterally pledged to a creditor to secure Financial Contracts to the extent permitted by Section 7.02. The Borrower has good and marketable title to all of its assets and other property.

SECTION 5.18. OFAC. None of the requesting or borrowing of the Loans or the use of the proceeds of any thereof will violate the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended) (the "Trading With the Enemy Act"), any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) (the "Foreign Assets Control Regulations") or any enabling legislation or executive order relating thereto (which for the avoidance of doubt shall include, but shall not be limited to (a) Executive Order 13224 of September 21, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the "Executive Order") and (b) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56)). Furthermore, the Borrower (i) is not and will not become a "blocked person" as described in the Executive Order, the Trading With the Enemy Act or the Foreign Assets Control Regulations and (ii) does not engage and will not engage in any dealings or transactions, or be otherwise associated, with any such "blocked person".

SECTION 5.19. Perfection of Security Interests. All filings, assignments, pledges and deposits of documents or instruments have been made and all other actions have been taken that are necessary or advisable, under applicable law, to establish and perfect the Agent's security interest in the Collateral. The Collateral and the Agent's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses. The Borrower is the owner of the Collateral free from any Lien, except for Permitted Liens.

SECTION 5.20. OFAC and Anti-Corruption Representation. Neither the Borrower, nor, to the knowledge of the Borrower, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are (a) currently the subject or target of any Sanctions, (b) included on OFAC's List of Specially Designated Nationals or HMT's Consolidated List of Financial Sanctions Targets, or any similar list enforced by any other relevant sanctions authority or (c) located, organized or resident in a Designated Jurisdiction. The Borrower has conducted its businesses in compliance with all applicable Sanctions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such Sanctions. The Borrower has conducted its business in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other applicable anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

SECTION 5.21. No Default. The Borrower is not in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing hereunder. No Default or Event of Default has occurred or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

SECTION 5.22. Affected Financial Institution. Neither the Borrower nor the Investment Manager is an Affected Financial Institution.

SECTION 5.23. Beneficial Ownership Certification. The Borrower is excluded from the definition of "legal entity customer" (as defined in the Beneficial Ownership Regulations) pursuant to 31 C.F.R. § 1010.230(e)(2)(iv).

SECTION 5.24. Covered Entity. The Borrower is not a Covered Entity.

SECTION 5.25. Investment Manager and Custodian. The investment adviser of the Borrower is the Investment Manager. The custodian of all of the Borrower's assets is the Custodian.

ARTICLE VI.
AFFIRMATIVE COVENANTS

The Borrower agrees that, so long as any Lender has any Commitment hereunder or any Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent expense reimbursement obligations and indemnification obligations for which no claims have been made), the Borrower shall:

SECTION 6.01. Information. The Borrower will deliver to the Agent and each Lender:

(a) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower, a statement of assets and liabilities of the Borrower as at the end of such fiscal year, a statement of operations for such fiscal year, a statement of changes in net assets for such fiscal year and the preceding fiscal year, a statement of portfolio of investments as at the end of such fiscal year and the per share and other data for such fiscal year prepared in accordance with GAAP (as consistently applied) and all regulatory requirements, and all presented in a manner acceptable to the SEC or any successor or analogous Governmental Authority and acceptable to Deloitte & Touche LLP or any other independent certified public accountants of recognized standing;

(b) as soon as available and in any event within 90 days after the close of the first six-month period of each fiscal year of the Borrower, a statement of assets and liabilities as at the end of such six-month period, a statement of operations for such six-month period, a statement of changes in net assets for such six-month period and a portfolio of investments as at the end of such six-month period, all prepared in accordance with regulatory requirements and all certified (subject to normal year-end adjustments) as to fairness of presentation, GAAP (as consistently applied) and consistency by an Authorized Signatory;

(c) as soon as available and in any event not later than the fifth Business Day after the end of each calendar quarter and also not later than the second Business Day of each calendar month when any Loan is outstanding to the Borrower, a compliance report (including, without limitation, a detailed calculation of the Borrower's Adjusted Net Assets, compliance with the covenant set forth in Section 7.10 hereof and a certification that no Default or Event of Default has occurred);

(d) as soon as available and in any event not later than the fifth Business Day after the end of each calendar quarter, a valuation report concerning the assets of the Borrower as of the end of the immediately preceding fiscal quarter received from the Custodian;

(e) simultaneously with the delivery of each set of financial statements referred to in clauses (a) and (b) above and the compliance report and valuation report referred to in clauses (c) and (d) above, a certificate of an Authorized Signatory reasonably acceptable to the Agent stating to the effect that no Default or Event of Default exists on the date of such certificate or, if any Default or Event of Default then exists, stating that a Default or Event of Default exists and specifying such Default or Event of Default, its period of existence and the action which the Borrower is taking or proposes to take with respect thereto;

(f) promptly (and in any event within one (1) Business Day) after any officer of the Borrower obtains knowledge of any Default or Event of Default, if such Default or Event of Default is then continuing, a certificate of an Authorized Signatory setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto;

(g) promptly after the filing thereof with the SEC or the mailing thereof to shareholders of the Borrower, copies of all reports to shareholders, amendments and supplements to the Borrower's registration statement, the Prospectus, proxy statements, financial statements and other materials of a financial or otherwise material nature, provided that any such report, information or document that the Borrower files with the SEC through the SEC's EDGAR database shall be deemed delivered to the Agent and the Lenders for purposes of this Section 5.01(g) at the time of such filing through the EDGAR database and the Borrower providing the Agent and the Lenders with notice that such filing has been made;

(h) promptly upon any officer of the Borrower becoming aware of any action, suit or proceeding of the type described in Section 5.09, notice and a description thereof and copies of any filed complaint relating thereto;

(i) immediately upon becoming aware thereof, written notice of any setoff, claims, withholdings or defenses to which any of the Collateral, or the Agent's or any Lender's rights with respect to the Collateral, are subject; and

(j) from time to time such additional information regarding the financial position or business of the Borrower, including without limitation, listing and valuation reports, as the Agent or any Lender may reasonably request.

SECTION 6.02. Payment of Obligations. Duly and punctually pay or cause to be paid the principal and interest on the Loans and all other amounts provided for in this Agreement and the other Loan Documents. The Borrower will pay and discharge, at or before maturity, or before they become delinquent, all of its obligations and liabilities, including, without limitation, tax liabilities, except where the same may be contested in good faith by appropriate proceedings and as to which the Borrower has established appropriate reserves, in accordance with GAAP.

SECTION 6.03. Maintenance of Insurance. Maintain (a) fidelity bonds in accordance with Section 17(g) of the Investment Company Act and Rule 17g-1 promulgated thereunder and (b) customary directors and officers and errors and omissions policies of insurance, in each case with financially sound and reputable insurance companies, against at least such risks and contingencies (and with no greater risk retentions) and in at least such amounts as are required by the Investment Company Act as are customary in the case of similarly situated registered management investment companies and will furnish to the Agent, upon request, information presented in reasonable detail as to the insurance so carried.

SECTION 6.04. Conduct of Business and Maintenance of Existence. (a) Continue to engage in business of the same general type as now conducted by it as described in its Prospectus and the Investment Policies and Restrictions in effect on the Effective Date.

(b) The Borrower will preserve, renew and keep in full force and effect its existence as a Delaware statutory trust and its rights, privileges and franchises necessary in the normal conduct of its business. The Borrower will maintain in full force and effect its registration as a diversified closed-end management company under the Investment Company Act.

(c) The Borrower will not amend, restate, terminate, supplement or otherwise modify any of the Charter Documents without the Agent's and the Required Lenders' prior written consent, unless, in the case of an amendment, supplement or modification, such amendment, supplement or modification is ministerial in nature and could reasonably be expected to be materially adverse the Agent or any Lender. The Borrower will promptly provide copies to the Agent and each Lender of all amendments, supplements, terminations and other modifications of the Charter Documents prior to the effective date of any such amendment, restatement, supplement or other modification. The Borrower will comply in all material respects with the Pricing Procedures, and the Borrower will comply with the Charter Documents.

(d) The Borrower will at all times place and maintain its assets in the custody of the Custodian in the Account, other than Cash and Cash Equivalents held at clearinghouses in the ordinary course of business and Cash and Cash Equivalent collaterally pledged to a creditor to secure Financial Contracts to the extent permitted by Section 7.02.

SECTION 6.05. Compliance with Laws. Comply in all in all material respects with the Investment Company Act, the Securities Act and all other Applicable Laws, all applicable ordinances, degrees, requirements, orders and judgments of, and all of the terms of any applicable licenses and permits issued by, any Governmental Authority, except in such instances in which (x) such restriction is being contested in good faith by appropriate proceedings diligently conducted and (y) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The Borrower will file all federal and other tax returns, reports and declarations required by all relevant jurisdictions on or before the due dates for such returns, reports and declarations.

SECTION 6.06. Inspection of Property, Books and Records. Keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities in accordance with Applicable Law, including the Investment Company Act. The Borrower will permit the Agent or any Lender, at the Borrower's expense, to inspect the books and any of its properties or assets at such reasonable times during normal business hours as the Agent or such Lender may from time to time request upon two (2) Business Days' prior notice to the Borrower, provided, that the Agent and each Lender may undertake such an inspection no more than once per calendar year if no Event of Default has occurred, and provided, further, notwithstanding anything to the contrary contained in this Section 6.06, that during the existence of an Event of Default the Agent (or any of its representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours, as often as the Agent may elect, and without advance notice.

SECTION 6.07. Regulated Investment Company. Taking into account the 30-day cure period set forth in Section 851(d)(1) of the Code, maintain its status as a "regulated investment company" under the Code at all times and make sufficient distributions to qualify to be taxed as a "regulated investment company" pursuant to subchapter M of the Code.

SECTION 6.08. Use of Proceeds. Use the proceeds of each Loan made under this Agreement solely to purchase Eligible Margin Loan Securities or prepay existing Debt incurred in connection with carrying such Eligible Margin Loan Securities, and not in contravention of any Law or of any Loan Document.

SECTION 6.09. Custodian. At all times have the Custodian be the Borrower's custodian.

SECTION 6.10. Compliance with Prospectus. At all times comply (a) with its Investment Policies and Restrictions which are considered "fundamental" and any Investment Policies and Restrictions which may not be changed without the approval of the shareholders of the Borrower (collectively, the "Fundamental Policies") and (b) in all material respects with the Investment Policies and Restrictions which are not Fundamental Policies and will not make any investment, loan, advance or extension of credit inconsistent with the Investment Policies and Restrictions.

SECTION 6.11. Anti-Corruption Laws; Sanctions. Conduct its businesses in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other applicable anti-corruption legislation in other jurisdictions and with all applicable Sanctions, and maintain policies and procedures designed to promote and achieve compliance with such laws and Sanctions.

SECTION 6.12. Further Assurances. The Borrower shall execute and deliver all such documents and instruments, and take all such actions, as the Lender may from time to time reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents to the extent the same does not violate Applicable Law or the Borrower's Charter Documents.

ARTICLE VII.
NEGATIVE COVENANTS

The Borrower agrees that, so long as any Lender has any Commitment hereunder or any Loan or other Obligation hereunder shall remain unpaid or unsatisfied (other than contingent expense reimbursement obligations and indemnification obligations for which no claims have been made), the Borrower shall not:

SECTION 7.01. Debt. Create, assume or suffer to exist any Indebtedness other than:

(a) Debt arising under this Agreement, the Notes and the other Loan Documents;

(b) Debt in favor of the Custodian pursuant to the Custody Agreement consisting of extensions of credit from the Custodian in the ordinary course of business in connection with the settlement of securities transactions;

(c) Debt (other than Debt for borrowed money) arising in connection with portfolio investments and investment techniques arising in the ordinary course of the Borrower's business to the extent that such Debt is permissible under the Investment Company Act and consistent with the Borrower's Investment Policies and Restrictions;

(d) Debt in respect of judgments and awards that would not constitute an Event of Default under Section 8.01(i) hereof; and

(e) Debt under Financial Contracts which is not otherwise prohibited by Applicable Law, is in the ordinary course of business, is incurred in connection with the Borrower's investment activities as described in the current Prospectus (including its statement of additional information) and Registration Statement under the Investment Company Act, is reflected properly in the calculation of the Adjusted Net Assets and is entered into solely for hedging (and not speculative or leverage) purposes, provided, that notwithstanding the foregoing, the aggregate amount of Debt under Financial Contracts consisting of reverse repurchase agreements does not at any time exceed, in the aggregate, five percent (5%) of the Borrower's Adjusted Net Assets.

SECTION 7.02. Liens. Create, assume, incur or suffer to exist any Lien on any of its assets (including the income and profits thereof) or segregate any of its assets (including the income and profits thereon) to cover any of its obligations, in each case whether such asset is now owned or hereafter acquired, except (a) Liens of the Agent created by or pursuant to any of the Loan Documents; (b) Liens (other than non-possessory Liens which pursuant to Law are, or may be, entitled to take priority (in whole or in part) over prior, perfected, liens and security interests) for taxes, assessments or other governmental charges or levies the payment of which is not at the time required or which are being contested in good faith by the Borrower and as to which the Borrower has established appropriate provisions on its books and records, provided, such Liens shall not be permitted upon the commencement of proceedings to foreclose any Lien that may have attached as security for any such taxes, assessments or other governmental charges or levies, (c) Liens in favor of the Custodian granted pursuant to the Custody Agreement to secure obligations permitted pursuant to Section 7.01(b), (d) Liens created, incurred, assumed or suffered to exist, or the segregation of assets, in connection with the Borrower's investment activities as described in the current Prospectus (including the statement of additional information) or Registration Statement under the Investment Company Act, which Liens secure Indebtedness permitted under Section 7.01(e) hereof so long as the aggregate value of all assets subject to any such Liens and segregation does not at any time exceed five percent (5%) of the Borrower's Adjusted Net Assets; and (e) Liens related to tax and judgments that would not constitute an Event of Default under Section 8.01(i) hereof.

SECTION 7.03. Consolidations, Mergers and Sales of Assets. Consolidate, dissolve, liquidate or merge with or into any other Person or sell, lease or otherwise transfer or otherwise Dispose of, directly or indirectly, all or any substantial part of its assets to any other Person (in each case, whether in one transaction or a series of related transactions and including, in each case, pursuant to a Division), except that, so long as no Default exists or would result therefrom, the Borrower may sell its assets in the ordinary course of business as described in its Prospectus. The Borrower will not invest all of its investable assets in any other closed-end management investment company or otherwise employ a master-feeder or fund of funds investment structure or any other multiple investment company structure.

SECTION 7.04. Use of Proceeds. Use the proceeds of any Loan made under this Agreement for any purpose other than as set forth in Section 6.08. In addition, the Borrower shall not permit the making of any Loan to the Borrower or the use of the proceeds thereof to violate or be inconsistent with any provision of Regulation T, Regulation U or Regulation X (collectively, the "Margin Regulations").

SECTION 7.05. Change to Charter Documents and to Fundamental Policies. Amend, restate, terminate, supplement or otherwise modify any of the Charter Documents in any material respect unless in the case of any amendment, restatement, supplement or other modification, such amendment, restatement, supplement or modification is not (or could not reasonably be expected to be) adverse to the Agent or any Lender, without the prior written consent of the Agent and Lenders. The Borrower will promptly provide copies to the Agent and each Lender of all amendments, supplements, terminations and other modifications of any of the Charter Documents, in each case prior to the effective date of any such amendment, restatement, supplement or other modification. The Borrower will not permit any of the Fundamental Policies to be changed from those in effect on the Effective Date without the prior written consent of the Agent and the Lenders.

SECTION 7.06. Non-Affiliation with Agents. At any time become an Affiliated Person of any Lender or any Affiliate of any Lender, and the Borrower will use its commercially reasonable efforts to ensure that none of its Affiliates is or becomes an Affiliated Person of any Lender or any Affiliate of any Lender known to the Borrower.

SECTION 7.07. No Subsidiary. At any time have any Subsidiaries.

SECTION 7.08. ERISA. Become a member of any ERISA Group and will not have any liability in respect of any Benefit Arrangement, Plan or Multiemployer Plan subject to ERISA.

SECTION 7.09. Fiscal Year. Change its fiscal year from that set forth in Section 4.13 hereof.

SECTION 7.10. Asset Coverage; Leverage Limitation. (a) Immediately after giving effect to any Loan, permit the aggregate amount of Total Liabilities that are Senior Securities Representing Indebtedness to exceed 33 1/3% of Adjusted Net Assets; (b) at any time permit the aggregate amount of Total Liabilities that are Senior Securities Representing Indebtedness to exceed 38% of Adjusted Net Assets; (c) at any time permit the aggregate outstanding principal amount of the Loans to exceed the lesser of (i) the Aggregate Commitment Amount and (ii) the Margin Loan Collateral Value; or (d) at any time permit the aggregate amount of Indebtedness to exceed the Maximum Amount.

SECTION 7.11. Withdrawals from Account. (a) permit any Collateral Shortfall to exist beyond the time provided for in this Agreement, and (b) withdraw or otherwise transfer any Collateral from the Account if a Default, Event of Default or Collateral Shortfall shall have occurred and be continuing, or would result immediately following such withdrawal or transfer.

SECTION 7.12. Negative Pledge Clause. Enter into with any Person any agreement which prohibits or limits the ability of the Borrower to create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues (other than assets pledged as permitted by Section 7.02(e)), whether now owned or hereafter acquired, other than (i) this Agreement or the other Loan Documents or (ii) except as may occur in the ordinary course of the Borrower's business and which is not otherwise prohibited by any Applicable Law.

SECTION 7.13. Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to declare or make, directly or indirectly, any Restricted Payment, in each case which would be outside of the ordinary course of business. Notwithstanding anything to the contrary contained herein, the Borrower shall not be permitted to declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to declare or make, directly or indirectly, any Restricted Payment during such time as an Event of Default shall exist and be continuing or would exist as a result of making such Restricted Payment. Nothing herein shall be deemed to prohibit at any time the payment of Permitted Tax Distributions by the Borrower to its equityholders.

SECTION 7.14. Sanctions. Directly or indirectly, use the proceeds of any Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, to fund any activities of or business with any Person that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as Lender, Agent, or otherwise) of Sanctions.

SECTION 7.15. Anti-Corruption Laws. Directly or indirectly use the proceeds of any Loan for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other anti-corruption legislation in other jurisdictions.

ARTICLE VIII.
DEFAULTS

SECTION 8.01. Events of Default. If one or more of the following events ("Events of Default") shall have occurred and be continuing:

(a) the Borrower shall fail to pay when due (whether at maturity or any accelerated date of maturity or any other date fixed for payment or prepayment) (i) any principal of any Loan (ii) any interest on any Loan or any fees or any other amount payable hereunder or under any of the other Loan Documents within three (3) days of the due date therefor, or (iii) any amount necessary to cure the Collateral Shortfall in the time period provided for in this Agreement; or

(b) the Borrower shall fail to observe or perform any covenant contained in Sections 6.01 – 6.02, Sections 6.04 -6.11 and Article VII hereof; or

(c) the Borrower shall fail to observe or perform any covenant or agreement contained in this Agreement or any Loan Document (other than those covered by clauses (a) and (b) above) and such failure shall continue unremedied for a period of thirty (30) days; or

(d) any representation, warranty, certification or statement made (or deemed made) by the Borrower in this Agreement or any other Loan Document or in any certificate, financial statement or other document delivered pursuant to this Agreement or any other Loan Document shall prove to have been incorrect in any material respect when made (or deemed made); or

(e) the Borrower shall fail to make any payment in respect of any Debt in an aggregate principal amount in excess of the Threshold Amount when due or within any applicable grace period; or

(f) any event or condition shall occur which results in the acceleration of the maturity of any Debt of the Borrower in an aggregate principal amount in excess of the Threshold Amount or enables the holder of such Debt or any Person acting on such holder's behalf to accelerate the maturity thereof or, in the case of a Financial Contract, enables the non-defaulting party to terminate such Financial Contract; or

(g) the Borrower shall seek the appointment of a trustee, receiver, liquidator, custodian or other similar official for it or any substantial part of its property, or shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or any of its debts under any Bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator or other similar official for it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or the Borrower shall make a general assignment for the benefit of creditors, or shall fail generally (or admit in writing its inability) to pay its debts as they become due, or shall take any action to authorize any of the foregoing; or

(h) an involuntary case or other proceeding shall be commenced against the Borrower seeking liquidation, reorganization or other relief with respect to it or its debts under any Bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days; or an order for relief shall be entered against the Borrower under the federal Bankruptcy laws as now or hereafter in effect; or

(i) a judgment or order for the payment of money in excess of the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage) shall be rendered against the Borrower and such judgment or order shall continue unsatisfied or unstayed for a period of thirty (30) days; or

(j) without the prior written consent of the Agent and the Required Lenders, (i) any notice is provided under the Investment Advisory Agreement or any other contract by which the Investment Manager is retained by the Borrower as its investment adviser of the termination or replacement, as applicable, of the Investment Manager as the Borrower's investment adviser (whether such termination or replacement, as applicable, is pursuant to or by reason of the operation of the Investment Company Act, the Borrower's trustees or shareholders or any action taken by the SEC, and including any notice of a termination or replacement which will be effective at some future date); (ii) the Investment Advisory Agreement shall terminate or no longer be in full force and effect; (iii) the Investment Manager shall cease to be the investment adviser to the Borrower unless the successor thereto is a Person consented to in writing by the Agent; (iv) the Investment Manager voluntarily agrees that the notice period for a termination of the Investment Advisory Agreement or other contract by which such Investment Manager is retained by the Borrower shall be less than sixty (60) days from the date of such notice; or (v) the occurrence of a Change of Control; or

(k) State Street Bank and Trust Company (or any Affiliate thereof) or any successor or replacement custodian approved in writing in advance by the Agent in its sole and absolute discretion shall cease to be the Custodian of the Borrower; or

(l) the shares of the Borrower's common stock have been suspended from trading on the New York Stock Exchange for more than two (2) consecutive days upon which trading in such shares generally occurs on such exchange, or such shares are delisted; or

(m) any Loan Document shall cease, for any reason, to be in full force and effect, or the Borrower shall so assert publicly or in writing or shall disavow publicly or in writing any of its obligations thereunder; or

(n) the Agent for any reason shall cease to have a valid and perfected first priority security interest in the Collateral, free and clear of all Adverse Claims other than Liens permitted by Section 7.02; or

(o) the Borrower shall change (i) any of its Fundamental Policies without the consent of the Agent; or (ii) in any material respects any of its other Investment Policies and Procedures (other than Fundamental Policies covered in clause (i)) without the consent of the Agent.

SECTION 8.02. Remedies. (a) If any Event of Default occurs and is continuing, the Agent shall (i) if requested by Lenders constituting Required Lenders by notice to the Borrower terminate the Commitments to the Borrower, and they shall thereupon terminate, and (ii) if requested by Lenders constituting Required Lenders by notice to the Borrower declare the Loans (together with accrued and unpaid interest thereon) to be, and the Loans (together with accrued and unpaid interest thereon) shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; provided that that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans shall automatically terminate, and the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, in each case without further act of the Agent or any Lender. No remedy herein conferred upon the Agent or the Lenders is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of law. In the case any one or more of the Events of Default shall have occurred and be continuing, and whether or not the Lenders shall have accelerated the maturity of the Loans pursuant to Section 8.01 hereof, each Lender, if owed any amount with respect to the Loans may proceed to protect and enforce its rights by suit in equity, action at law or other appropriate proceeding, for the enforcement of any covenant or agreement contained in this Agreement or any of the other Loan Documents, including as permitted by applicable law the obtaining of the ex parte appointment of a receiver, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right of such Lender. After the exercise of remedies provided for herein (or after the Loans have automatically become immediately due and payable as set forth in in this Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Section 2.12, be applied by the Agent as instructed by the Required Lenders.

(b) Notwithstanding anything to the contrary contained herein or in the Security Agreement, and without in any manner limiting the rights of the Agent or any Lender hereunder or under any other Loan Document, the parties hereto hereby agree that if at any time an Event of Default has occurred and is continuing under the Agreement as a result of the Borrower's failure to comply with the covenant contained in Section 7.10 or Section 7.11(a) hereof and, to the extent in connection with such failure, the Borrower's aggregate amount of Total Liabilities that are Senior Securities Representing Indebtedness exceed 50% or more of its Adjusted Net Assets (in the case of Section 7.10) or the Collateral Shortfall is not cured within the time period provided in this Agreement (in the case of Section 7.11(a)) (each such event being hereinafter referred to as the "Special Asset Coverage Default"), then, so long as the Special Asset Coverage Default still exists, any Lender may at any time while such Special Asset Coverage Default exists require that the Lender take remedial action under the Loan Documents in the form of foreclosing on or otherwise disposing of the Collateral so that after giving effect thereto the Borrower is in compliance with the covenant contained in Section 7.10 or Section 7.11(a), as applicable, of the Agreement (and any proceeds received therefrom shall be applied in the manner set forth in the Agreement). To the extent any Lender wishes to exercise its rights hereunder, such Lender shall provide the Agent with written notification that such Bank is electing to exercise its rights under this Section 8.02. In addition, notwithstanding anything to the contrary contained herein or in the Security Agreement, and without in any manner limiting the rights of the Agent or any Lender hereunder or under any other Loan Document, the parties hereto hereby agree that if at any time an Event of Default has occurred and is continuing under the Agreement, the Agent may, for itself or the benefit of each Lender with respect to its Commitment Percentage of the Collateral, take any remedial action under the Loan Documents in the form of foreclosing on or otherwise disposing of the Collateral.

SECTION 8.03. Distribution of Collateral Proceeds. In the event that, following the occurrence or during the continuance of any Default or Event of Default, the Agent or any Lender, as the case may be, receives any monies in connection with the enforcement of any the Security Documents, or otherwise with respect to the realization upon any of the Collateral, any proceeds from Collateral securing the Loans shall be applied as follows:

(i) First, to the payment of, or (as the case may be) the reimbursement of the Agent for or in respect of all reasonable out-of-pocket costs, expenses, disbursements and losses which shall have been incurred or sustained by the Agent in connection with the collection of such monies by the Agent, for the exercise, protection or enforcement by the Agent of all or any of the rights, remedies, powers and privileges of the Agent under this Agreement or any of the other Loan Documents or in respect of the Collateral or in support of any provision of adequate indemnity to the Agent against any taxes or liens which by law shall have, or may have, priority over the rights of the Agent to such monies;

(ii) Second, to all other Obligations consisting of principal, interest, fees and expenses in such order or preference as the Required Lenders may determine; provided, however, that distributions shall be made (A) pari passu among Obligations with respect to the Agent's fee and all other Obligations and (B) with respect to each type of Obligation owing to the Lenders (including, without limitation, the Loans), such as interest, principal, fees and expenses, among the Lender pro rata based on outstanding amounts owing;

(iii) Third, any other Obligations, and then upon payment and satisfaction in full or other provisions for payment in full satisfactory to the Lenders and the Agent of all of the Obligations, to the payment of any obligations required to be paid pursuant to §9-608(a)(1)(C) or 9-615(a)(3) of the Uniform Commercial Code of the Commonwealth of Massachusetts ; and

(iv) Fourth, the excess, if any, shall be returned to the Borrower or to such other Persons as are entitled thereto.

ARTICLE IX.
ERRONEOUS PAYMENTS

SECTION 9.01. Erroneous Payments. (a) If the Agent (x) notifies a Lender, Swingline Lender, or any Person who has received funds on behalf of a Lender or Swingline Lender (any such Lender, Swingline Lender or other recipient (and each of their respective successors and assigns), a "Payment Recipient") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Agent) received by such Payment Recipient from the Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Swingline Lender or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent pending its return or repayment as contemplated below in this Section 9.01 and held in trust for the benefit of the Agent, and such Lender or Swingline Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two (2) Business Days thereafter (or such later date as the Agent may, in its sole discretion, specify in writing), return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or any Person who has received funds on behalf of a Lender (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one (1) Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 9.01(b).

For the avoidance of doubt, the failure to deliver a notice to the Agent pursuant to this Section 9.01(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 9.01(a) or on whether or not an Erroneous Payment has been made.

(c) Each Lender hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by the Agent to such Lender under any Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Agent has demanded to be returned under immediately preceding clause (a).

(d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Agent's notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to the Borrower or the Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) the Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Agent will reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 11.06 (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Agent on or with respect to any such Loans acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by the Administrative Agent) and (y) may, in the sole discretion of the Agent, be reduced by any amount specified by the Agent in writing to the applicable Lender from time to time.

(e) The parties hereto agree that (x) irrespective of whether the Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Lender or Swingline Lender, to the rights and interests of such Lender or Swingline Lender, as the case may be) under the Loan Documents with respect to such amount (the "Erroneous Payment Subrogation Rights") (provided that the applicable Borrower's Obligations under the Loan Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Obligations in respect of Loans that have been assigned to the Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower; provided that this Section 9.01 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of such Obligations that would have been payable had such Erroneous Payment not been made by the Agent; provided, *further*, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 9.01 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

ARTICLE X.
THE AGENT

SECTION 10.01. Appointment and Authorization. (a) Each of the Lenders hereby irrevocably appoints State Street Bank to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article X are solely for the benefit of the Agent and the Lenders, and the Borrower shall not have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Agent shall also act as the collateral agent under the Loan Documents, and each of the Lenders hereby irrevocably appoints and authorizes the Agent to act as the agent of such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by the Borrower to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Agent, as the collateral agent and any co-agents, sub-agents and attorneys-in-fact appointed by the Agent pursuant to Section 10.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof granted under the Security Documents, or for exercising any rights and remedies thereunder at the direction of the Agent), shall be entitled to the benefits of all provisions of this Article X and Article XI (including Section 11.04(c), as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

SECTION 10.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 10.03. Exculpatory Provisions. The Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent and its Related Parties:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law;

(c) shall not have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, to any Lender, any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of Borrower that is communicated to, obtained or in the possession of, the Agent or any of its Related Parties in any capacity, except for notices, reports and other documents expressly required to be furnished to the Lenders by the Agent herein;

(d) shall not be liable for any action taken or not taken by the Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 9.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given in writing to the Agent by the Borrower or a Lender; and

(e) shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

SECTION 10.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and reasonably believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 10.05. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent. The Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 10.06. Resignation of Agent. (a) The Agent may at any time give notice of its resignation to the Lenders and the Borrower, provided, State Street shall not resign as the Agent if it is the only Lender hereunder. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be an Agent with an office in the United States, or an Affiliate of any such Agent with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Agent may (but shall not be obligated to) on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above, provided that in no event shall any such successor Agent be a Defaulting Lender and, if such Person so appointed accepts such appointment, such Person shall become the successor Agent. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrowers and such Person remove such Person as Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Agent on behalf of the Lender under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Agent as provided for above. Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Agent (other than as provided in Section 3.01(f) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent.

SECTION 10.07. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 10.08. Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other jurisdiction proceeding relative to the Borrower, the Agent (irrespective of whether the principal of any Loan shall be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect to the Loans and all other Obligations are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Agent and their respective agents and counsel and all other amounts due the Lenders and the Agent under Sections 2.07 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Agent and, in the event that the Agent shall consent to the making of such payments directly to the Lenders, to pay to the Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agent and its agents and counsel, and any other amounts due the Agent under Sections 2.07 and 11.04.

Nothing contained herein shall be deemed to authorize the Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Agent to vote in respect of the claim of any Lender in any such proceeding.

SECTION 10.09. Collateral Matters. Without limiting the provisions of Section 9.08, the Lenders irrevocably authorize and direct the Agent

(a) to release any Lien on any property granted to or held by the Agent under any Loan Document (i) upon termination of the Aggregate Commitment Amount and payment in full of all Obligations (other than contingent indemnification obligations), (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing by the Required Lenders; and

(b) to subordinate any Lien on any property granted to or held by the Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.02);

Upon request by the Agent at any time, the Required Lenders will confirm in writing the Agent's authority to release or subordinate its interest in particular types or items of property.

The Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Agent's Lien thereon, or any certificate prepared by any Borrower in connection therewith, nor shall the Agent be responsible or liable to the Borrowers for any failure to monitor or maintain any portion of the Collateral.

SECTION 10.10. Certain ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving Agent collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

ARTICLE XI.
MISCELLANEOUS

SECTION 11.01. Amendments and Waivers. Subject to Section 2.12(c), no amendment or waiver of any provision of this Agreement or any of the other Loan Documents and no consent to any departure by the Borrower therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower, and acknowledged by the Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(i) waive any condition set forth in Section 4.01 or, in the case of the initial Loan, Section 4.02, without the written consent of each Lender;

(ii) extend or increase the Commitment Amount of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;

(iii) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(iv) reduce the principal of, or the rate of interest specified herein on, any Loan, or any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

(v) change Section 8.03 or any provision of this Agreement in a manner that would alter the pro rata sharing of payments required by this Agreement without the prior written consent of each Lender;

(vi) change any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder without the written consent of each Lender;

(vii) release all or substantially all of the Collateral in any transaction or series of related transactions, without the written consent of each Lender;

and, provided further, that no amendment, waiver or consent shall, unless in writing and signed by the Agent in addition to the Lenders required above, affect the rights or duties of the Agent under this Agreement or any other Loan Document. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment Amount of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender. No delay or omission on the part of any Lender in exercising any right hereunder shall operate as a waiver of such right or of any other rights of such Lender, nor shall any delay, omission or waiver on any one occasion be deemed a bar or waiver of the same or any other right on any further occasion.

SECTION 11.02. Notices; Electronic Communications. (a) Except as provided in subsection (b) below, all notices, requests, consents and other communications to any party hereunder shall be in writing (including facsimile transmission or similar writing) and shall be given to such party at its address or telex number or facsimile number set forth on Schedule 1 attached hereto. Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in paragraph (c).

(b) Notices made by the Borrower consisting of requests for Loans or notices of repayments hereunder or items referred to in Sections 6.01(a), (b) and (c) hereof may be delivered or furnished by e-mail or other electronic communication pursuant to procedures approved by the Agent, unless the Agent, in its discretion, previously notifies the Borrower otherwise, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. In furtherance of the foregoing, each Lender hereby agrees to notify the Agent in writing, on or before the date such Lender becomes a party to this Agreement, of such Lender's e-mail address to which a notice may be sent (and from time to time thereafter to ensure that the Agent has on record an effective e-mail address for such Lender). The Agent may, in its discretion, agree to accept other notices and communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Neither the Agent, any Lender, nor any of the directors, officers, employees, agents or Affiliates of the Agent or any Lender shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed to have been given when received by the intended recipient, and (ii) if agreed to pursuant to paragraph (b) above, notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(d) Each of the Borrower and the Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower and the Agent. In addition, each Lender agrees to notify the Agent from time to time to ensure that the Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender.

(e) The Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Borrowing Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Agent may be recorded by the Agent, and each of the parties hereto hereby consents to such recording.

SECTION 11.03. No Waivers. No failure by any Lender or the Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Borrower shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.11), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to the Borrower under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.11, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

SECTION 11.04. Expenses; Indemnity; Damage Waiver. (a) The Borrower shall promptly pay (i) all reasonable and documented out-of-pocket expenses of the Agent, including reasonable and documented fees and out-of-pocket disbursements of special counsel for the Agent, in connection with the preparation, negotiation and closing of this Agreement and the Loan Documents, the syndication of the facility established hereby, any waiver or consent hereunder or any amendment hereof or any waiver of any Default or Event of Default or alleged Default or Event of Default hereunder, and any amendment or termination hereof and (ii) if a Default or an Event of Default occurs, all out-of-pocket expenses incurred by the Agent and the Lenders, including reasonable and documented fees and disbursements of counsel, in connection with such Default or Event of Default and collection, Bankruptcy, insolvency and other enforcement proceedings resulting therefrom, provided that unless a conflict of interest among the Agent and/or any of the Lenders has occurred or is reasonably likely to exist, the reimbursement of legal fees and expenses under this clause (ii) shall be limited to the reasonable and documented fees and out-of-pocket expenses of one outside counsel for the Agent and the Lenders together, plus one local counsel in each relevant jurisdiction. In the event of a conflict of interest, the reimbursement of legal fees and expenses under this clause (ii) shall also include the reasonable and documented fees and out-of-pocket expenses of outside counsel necessary or deemed advisable to avoid any such conflicts.

(b) The Borrower shall indemnify the Agent (and any sub-agent thereof), each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable and documented fees, charges and out-of-pocket disbursements of counsel for any Indemnitee) incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower) other than such Indemnitee and its Related Parties arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or the use or proposed use of the proceeds therefrom or, (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (1) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee, (2) result from a claim brought by the Borrower against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction, or (3) result from a claim not involving an act or omission of the Borrower and that is brought by an Indemnitee against another Indemnitee (other than against the Agent), and provided, further, that unless a conflict of interest among any of the Indemnitees has occurred or is reasonably likely to exist, the reimbursement of legal fees and expenses under this paragraph (b) shall be limited to the reasonable and documented fees and out-of-pocket expenses of one outside counsel for all the applicable Indemnitees together, plus one local counsel in each relevant jurisdiction. In the event of a conflict of interest, the reimbursement of legal fees and expenses under this paragraph (b) shall also include the reasonable and documented fees and out-of-pocket expenses of outside counsel necessary or deemed advisable to avoid any such conflicts**.** Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the total outstanding amount of the Loans outstanding at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided, further that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.10.

(d) To the fullest extent permitted by Applicable Law, no party hereto shall assert, and each party hereto hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, except to the extent caused by the bad faith, willful misconduct or gross negligence of such Indemnitee or its Related Parties, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(e) All payments due under this Section shall be payable not later than thirty (30) Business Days after demand therefor.

(f) The agreements of this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Agent, the replacement of any Lender, the termination of the Aggregate Commitment Amount and the repayment, satisfaction or discharge of all the other Obligations.

SECTION 11.05. Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Agent or any Lender, or the Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

SECTION 11.06. Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 11.06(b) and (ii) by way of participation in accordance with the provisions of Section 11.06(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.06(f), (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section 11.06 and, to the extent expressly contemplated hereby, the Related Parties of each of the Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment(s) and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment Amount and/or the Loans at the time owing to it that equal at least the amount specified in clause (b)(i)(B) of this Section 10.06 in the aggregate or in the case of an assignment to a Lender or an Affiliate of a Lender, no minimum amount need be assigned; and

(B) in any case not described in clause (b)(i)(A) of this Section 11.06, the aggregate amount of the Commitment Amount (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by clause (b)(i)(B) of this Section 11.06 and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender or an Affiliate of a Lender; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within five (5) Business Days after having received notice thereof; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender or an Affiliate of such Lender with respect to such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries as applicable, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated by or for the primary benefit of one or more natural Persons).

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Commitment Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this clause (vi), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(vii) Subject to acceptance and recording thereof by the Agent pursuant to clause (c) of this Section 11.06, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 9.03 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this clause (b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (d) of this Section 11.06

(c) The Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitment Amounts of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of one or more natural Persons, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.13, 2.14 and 3.01 (subject to the requirements and limitations therein) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 11.06 (it being understood that the documentation required under Section 3.01(f) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 11.06; provided that such Participant (A) agrees to be subject to the provisions of Sections 2,17 as if it were an assignee under clause (b) of this Section 11.06 and (B) shall not be entitled to receive any greater payment under Sections 2.14 or 3.01, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.17 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.11 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(e) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Agent; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 11.07. Set Off. If an Event of Default shall have occurred and be continuing, each Lender, and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, or any such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch or office or Affiliate of such Lender different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.12 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, and their respective Affiliates under this Section 11.07 are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Borrower and the Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 11.08. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, and the other Loan Documents and any separate letter agreements with respect to fees payable to the Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Agent and when the Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. “pdf” or “tif”) shall be effective as delivery of an executed counterpart of this Agreement.

SECTION 11.09. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Agent and each Lender, regardless of any investigation made by the Agent or any Lender or on their behalf and notwithstanding that the Agent or any Lender may have had notice or knowledge of any Default at the time of any Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

SECTION 11.10. Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.10, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 11.11. Replacement of Lenders. If any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 2.14 and 3.01) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued and unpaid interest thereon, accrued and unpaid fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 2.13) from the assignee (to the extent of such outstanding principal and accrued and unpaid interest and fees) or the Borrower (in the case of all other amounts); and

(c) such assignment does not conflict with Applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Each party hereto agrees that (a) an assignment required pursuant to this Section 11.11 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Agent and the assignee and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to an be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided, further that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 11.12. Governing Law; Submission to Jurisdiction; Choice of Forum. (a) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) THE BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YOUR COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (B) OF THIS SECTION 11.12. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

SECTION 11.13. WAIVER OF JURY TRIAL. EACH OF THE BORROWER, THE AGENT AND EACH LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or such Lender would not, in the event of litigation, seek to enforce the foregoing waivers and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement, the other Loan Documents to which it is a party by, among other things, the waivers and certifications contained herein.

SECTION 11.14. Confidentiality. (a) The Agent agrees that any information, documentation or materials provided by the Borrower or the Borrower's Affiliates, employees, agents or representatives ("Representatives") disclosing the portfolio holdings of the Borrower or disclosing other non-public information in relation to this Agreement or the Loan Documents ("Confidential Material"), whether before or after the date of this Agreement, shall be treated confidentially, using the same degree of care that the Agent uses to protect its own similar material.

(b) Such Confidential Information may be disclosed to Representatives of the Agent who need to know such information in connection with the transactions contemplated herein or in connection with managing the relationship of the Agent or its Affiliates with the Borrower (it being understood that Persons to whom such disclosure is made will be informed of the confidential nature of such Confidential Material and instructed to keep such Confidential Material confidential) but shall not be disclosed to any third party and may not be used for purposes of buying or selling securities, including shares issued by the Borrower; provided, however, that the Agent may disclose Confidential Material to (i) the Federal Reserve Board pursuant to applicable rules and regulations promulgated by the Federal Reserve Board (which, as of the Effective Date, require a filing of a list of all Margin Stock which directly or indirectly secures a Loan), (ii) the extent required by statute, rule, regulation or judicial process, (iii) counsel for the Agent in connection with this Agreement or any of the other Loan Documents, (iv) Agent examiners, auditors and accountants, or (v) any assignee or Participant (or prospective assignee or Participant) as long as such assignee or Participant (or prospective assignee or Participant) first agrees to be bound by the provisions of this Section 11.14.

SECTION 11.15. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Agent and the Lenders are arm's-length commercial transactions between the Borrower, on the one hand, and the Agent and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Agent and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Agent nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agent and the Lenders, and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Agent nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agent and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

SECTION 11.16. Electronic Execution. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Borrowing Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it.

SECTION 11.17. USA Patriot Act. Each Lender that is subject to the Act (as hereinafter defined) and the Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107- 56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Agent, as applicable, to identify the Borrower in accordance with the Act. The Borrower shall, promptly following a request by the Agent or any Lender, provide all documentation and other information that the Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

SECTION 11.18. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an Affected Financial Institution;

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(A) a reduction in full or in part or cancellation of any such liability;

(B) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(C) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

SECTION 11.19. Acknowledgement Regarding any Supported QFCs. The parties acknowledge and agree that the Loans and the Loan Documents related thereto shall constitute a QFC. As such, to the extent that any Loan Document (i) constitutes a QFC (such Loan Document, a **"**Loan Document QFC**"**) or (ii) provides support, through a guarantee or otherwise, for any Loan Document QFC, any Swap Contract or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC and any Loan Document QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the **"**U.S. Special Resolution Regimes**"**) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) in the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Delinquent Bank shall in no event affect the rights of any Covered Party with respect to a Supported QFC (other than a Loan Document QFC) or any QFC Credit Support.

(b) As used in this Section 11.19, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered Agent" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

SECTION 11.20. Bankruptcy Code Acknowledgement. The Borrower and the Lenders acknowledge and agree that the Loans are intended to constitute "margin loans" and the Loan Documents collectively are intended to constitute a "securities contract" as each such term is defined in Section 741(7) of the Bankruptcy Code and that each delivery, transfer, payment and grant of a security interest made or required to be made hereunder or thereunder contemplated hereby or thereby or made, required to be made or contemplated in connection herewith or therewith with respect to a Loan is a "transfer" and a "margin payment" or a "settlement payment" within the meaning of Section 362(b)(6) and/or (27) and Sections 546(e) and/or (j) of the Bankruptcy Code. In addition, all obligations with respect to the Loans under or in connection with the Loan Documents represent obligations in respect of "termination values," "payment amounts" or "other transfer obligations" within the meaning of Sections 362 and 561 of the Bankruptcy Code. The parties further acknowledge and agree that the Loan Documents collectively with respect to Loans constitutes a "master netting agreement" within the meaning of the Bankruptcy Code.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

REAVES UTILITY INCOME FUND

By: /s/ Jennell Panella
Title: Treasurer

STATE STREET BANK AND TRUST COMPANY, as Agent and as a Lender

By: /s/ Karen Gallagher
Title: Managing Director

Lenders	**Commitment Amount**	**Commitment Percentage**
State Street Bank and Trust Company Lending Offices: 1 Lincoln Street Boston, MA 02111 Attn: Karen Gallagher, Managing Director Tel: (617) 662-8626 email ais-loanops-csu@statestreet.com	$650,000,000	100%
TOTAL:	$650,000,000	100%

Borrower:

Reaves Utility Income Fund
10 Exchange Place, 18th Floor
Jersey City, NJ 07302
Attention: David M. Pass, Vice President
and Chief Operating Officer

EXHIBIT A

FORM OF NOTE

U.S. $**[_____]** April 27, 2022

FOR VALUE RECEIVED, **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), hereby promises to pay to **[INSERT NAME OF BANK]** (the "Lender") or its registered assigns at the head office of State Street Bank and Trust Company at 1 Lincoln Street, Boston, Massachusetts 02111, in its capacity as Agent (as defined in the Credit Agreement referred to below):

(a) prior to or on the Termination Date (as defined in the Credit Agreement referred to below) the principal amount of **[INSERT COMMITMENT AMOUNT]** (U.S. $_____) or, if less, the aggregate unpaid principal amount of Loans advanced by the Lender to the Borrower pursuant to the Credit Agreement, dated as of April 27, 2022 (as amended and in effect from time to time, the "Credit Agreement") among the Borrower, the Lender, the Agent and the other parties thereto;

(b) the principal outstanding hereunder from time to time at the times provided in the Credit Agreement; and

(c) interest on the principal balance hereof from time to time outstanding from the Effective Date (as defined in the Credit Agreement) through and including the maturity date hereof at the times and at the rates provided in the Credit Agreement.

This Note evidences borrowings under and has been issued by the Borrower in accordance with the terms of the Credit Agreement. The Lender and any holder hereof are entitled to the benefits of the Credit Agreement and the other Loan Documents, and may enforce the agreements of the Borrower contained therein, and any holder hereof may exercise the respective remedies provided for thereby or otherwise available in respect thereof, all in accordance with the respective terms thereof. All capitalized terms used in this Note and not otherwise defined herein shall have the same meanings herein as in the Credit Agreement.

The Borrower irrevocably authorizes the Lender to make or cause to be made, at or about the date of any Loan or at the time of receipt of any payment of principal of this Note, an appropriate notation on the grid attached to this Note, or the continuation of such grid, or any other similar record, including computer records, reflecting the making of such Loan or (as the case may be) the receipt of such payment. The outstanding amount of the Loans set forth on the grid attached to this Note, or the continuation of such grid, or any other similar record, including computer records, maintained by the Lender with respect to any Loans shall be prima facie evidence of the principal amount thereof owing and unpaid to the Lender, but the failure to record, or any error in so recording, any such amount on any such grid, continuation or other record shall not limit or otherwise affect the obligation of the Borrower hereunder or under the Credit Agreement to make payments of principal of and interest on this Note when due.

The Borrower has the right in certain circumstances and the obligation under certain other circumstances to prepay the whole or part of the principal of this Note on the terms and conditions specified in the Credit Agreement.

If any one or more of the Events of Default shall occur and be continuing, the entire unpaid principal amount of this Note and all of the unpaid interest accrued thereon may become or be declared due and payable in the manner and with the effect provided in the Credit Agreement.

No delay or omission on the part of the Lender or any holder hereof in exercising any right hereunder shall operate as a waiver of such right or of any other rights of the Lender or such holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar or waiver of the same or any other right on any further occasion.

The Borrower and every endorser and guarantor of this Note or the obligation represented hereby waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note, and assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of collateral and to the addition or release of any other party or person primarily or secondarily liable, subject to the terms of the Loan Documents.

THIS NOTE AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS NOTE AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

THE BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS NOTE OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YOUR COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS NOTE SHALL AFFECT ANY RIGHT THAT THE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS NOTE AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE IN ANY COURT REFERRED TO HEREIN. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02 OF THE CREDIT AGREEMENT. NOTHING IN THIS NOTE WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

IN WITNESS WHEREOF, the undersigned has caused this Note to be signed in its name by its duly authorized officer as of the day and year first above written.

REAVES UTILITY INCOME FUND

By: _____
Title:

Date	Amount of Loan	Type of Loan	Amount of Principal Paid or Prepaid	Balance of Principal Unpaid	Notation Made By:

EXHIBIT B-1

FORM OF BORROWING NOTICE

TO: State Street Bank and Trust Company
1 Lincoln Street, M/S SFC 0310, 02111)
Boston, Massachusetts 02111
Attention: Loan Servicing Unit
Tel: 617-662-8577 or 617-662-8588
Fax: 617-988-6677
Email: ais-loanops-csu@statestreet.com

This Borrowing Notice is being delivered pursuant to Section 2.02 of the Credit Agreement, dated as of April 27, 2022 (as amended and in effect from time to time, the "Credit Agreement"), among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"); the lending institutions party thereto (the "Lenders") and **STATE STREET BANK AND TRUST COMPANY**, in its capacity as agent for the Lenders (the "Agent"). Capitalized terms used herein shall have the meanings described to them in the Credit Agreement.

The Borrower requests that a Loan [be made][be converted from _____to _____][be continued as a Term SOFR Loan] by the Lenders to the Borrower on this date as follows:

Date of proposed [Borrowing][conversion][continuation] [must be a Business Day]: _____

Principal amount of Loans to be [borrowed][converted][continued]: _____

Type of Loan to [be borrowed] [to which existing Loans are to be converted] [Overnight Rate Loan/Term SOFR Loan]: _____

The length of the initial Interest Period: one month [unless otherwise agreed to by the Agent and the Lenders] [only if Term SOFR Loan]

[After giving effect to the transactions contemplated by this Borrowing Notice on the date hereof, the aggregate outstanding principal amount of the Loans (i) will not exceed the Aggregate Commitment Amount as in effect on such date; (ii) will not exceed the Margin Loan Collateral Value as in effect on such date; (iii) will not cause the aggregate amount of the Borrower's outstanding Debt to exceed the Maximum Amount; and (iv) will not cause the Borrower to violate the covenant contained in Section 7.10 of the Credit Agreement. Attached hereto as Schedule 1 is evidence of compliance with clauses (ii) – (iv) hereof.]

Please transfer loan proceeds to our operating account in accordance with the following wire instructions:

Account Name:
Account Number:
Bank:
ABA No.:
Attn:

In connection with the foregoing Borrowing Notice, the undersigned hereby certifies to the Agent and each Lender as follows:

(a) [Each of the representations and warranties of the Borrower contained in the Credit Agreement and the other Loan Documents shall be true and correct on and as of the date of such borrowing and with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

(b) No Default or Event of Default has occurred and is continuing or will exist after giving effect to the Borrowing requested hereby.

(c) After giving effect to the transactions contemplated by this Borrowing Notice on the date hereof, each of the conditions specified in Section 4.02 of the Credit Agreement has been fulfilled.][Insert if new Loan is being requested]

(d) The undersigned is an Authorized Signatory of the Borrower.

DATE: _____, 202__

REAVES UTILITY INCOME FUND

By: _____
Name:
Title:

EXHIBIT B-2

FORM OF PREPAYMENT NOTICE

TO: State Street Bank and Trust Company
1 Lincoln Street, M/S SFC 0203)
Boston, Massachusetts 02111
Attention: Loan Servicing Unit
Tel: 617-662-8577 or 617-662-8588
Fax: 617-988-6677
Email: ais-loanops-csu@statestreet.com

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement, dated as of April 27, 2022 (as amended and in effect from time to time, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), the lending institutions party thereto (the "Lenders") and State Street Bank and Trust Company in its capacity as agent for the Lenders (the "Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

Pursuant to, and in accordance with Section 2.03 of the Credit Agreement, the Borrower is electing to prepay [$][_]_____ principal amount of Loans (the "Prepaid Amount") on [insert date]. The Loans to be prepaid are [Overnight Rate Loans][Term SOFR Loans with an Interest Period ending on _____]. The accrued and unpaid interest on the Prepaid Amount is [$][_]_____.

The Borrower acknowledges that the Borrower is obligated to make the prepayment in the amount and at the time specified herein and such amounts shall be due and payable at such time,

Please transfer loan proceeds to our operating account in accordance with the following wire instructions:

[INSERT WIRING INSTRUCTIONS]

DATE: _____, 202__

REAVES UTILITY INCOME FUND

By: _____
Name:
Title:

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

Date _____

State Street Bank and Trust Company
One Lincoln Center
Boston, Massachusetts 02111
Attention: Brian Kociuba, Vice President

Ladies and Gentlemen:

Reference is hereby made to the Credit Agreement, dated as of April 27, 2022 (as amended and in effect from time to time, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust registered as a closed-end management investment company under the Investment Company Act of 1940, as amended (the "Borrower"), **STATE STREET BANK AND TRUST COMPANY** and the other Lenders (as hereinafter defined) party hereto from time to time, and **STATE STREET BANK AND TRUST COMPANY**, as Agent) and State Street Bank and Trust Company in its capacity as agent for the Banks (the "Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

This Compliance Certificate is delivered to you **[**as part of a Notice of Borrowing**] [**pursuant to Section 6.01(c) of the Credit Agreement**]**. The undersigned, an Authorized Signatory of the Borrower, hereby certifies to you, in [his][her] capacity as an Authorized Signatory of the Borrower, and not in any individual capacity, that Annex 1 is a true and accurate calculation of the Margin Loan Collateral Value as at the end of **[INSERT DATE]**, determined in accordance with the requirements of the Credit Agreement.

_____
Authorized Signatory

Annex 1
to Compliance Certificate

As of: _____

EXHIBIT D-1

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Credit Agreement, dated as of April 27, 2022 (as from time to time amended and in effect, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), the lending institutions party hereto from time to time and identified therein as "Lenders" (the "Lenders"), and **STATE STREET BANK AND TRUST COMPANY**, as agent for the Lenders (in such capacity, the "Agent").

Pursuant to the provisions of Section 3.01(f) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 881(c)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Agent in writing, and (2) the undersigned shall have at all times furnished the Borrower and the Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]
By: _____
Name: _____
Title: _____

Date: _____, 20[ ]

EXHIBIT D-2

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Credit Agreement, dated as of April 27, 2022 (as from time to time amended and in effect, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), the lending institutions party hereto from time to time and identified therein as "Lenders" (the "Lenders"), and **STATE STREET BANK AND TRUST COMPANY**, as agent for the Lenders (in such capacity, the "Agent").

Pursuant to the provisions of Section 3.01(f) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]
By: _____
Name: _____
Title: _____

Date: _____, 20[ ]

EXHIBIT D-3

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Credit Agreement, dated as of April 27, 2022 (as from time to time amended and in effect, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), the lending institutions party hereto from time to time and identified therein as "Lenders" (the "Lenders"), and **STATE STREET BANK AND TRUST COMPANY**, as agent for the Lenders (in such capacity, the "Agent").

Pursuant to the provisions of Section 3.01(f) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 881(c)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]
By: _____
Name: _____
Title: _____

Date: _____, 20[ ]

EXHIBIT D-4

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Credit Agreement, dated as of April 27, 2022 (as from time to time amended and in effect, the "Credit Agreement"), by and among **REAVES UTILITY INCOME FUND**, a Delaware statutory trust (the "Borrower"), the lending institutions party hereto from time to time and identified therein as "Lenders" (the "Lenders"), and **STATE STREET BANK AND TRUST COMPANY**, as agent for the Lenders (in such capacity, the "Agent").

Pursuant to the provisions of Section 3.01(f) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 881(c)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W- 8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Agent in writing, and (2) the undersigned shall have at all times furnished the Borrower and the Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]
By: _____
Name: _____
Title: _____

Date: _____, 20[ ]

EXHIBIT E

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [the][each][1] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each][2] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][3] hereunder are several and not joint.][4] Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by [the][each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below, and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "Assigned Interest"). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

1. Assignor[s]: _____

[1] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[2] For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

[3] Select as appropriate.

[4] Include bracketed language if there are either multiple Assignors or multiple Assignees.

2. Assignee[s]: _____

_____

[Assignee is an [Affiliate]|[Approved Fund] of [*identify Lender*]

3. Borrower: Reaves Utility Income Fund

4. Agent: State Street Bank and Trust Company, as the Agent under the Credit Agreement

5. Credit Agreement: The Credit Agreement dated as of April 27, 2022 among Reaves Utility Income Fund, the Lenders parties thereto and State Street Bank and Trust Company, as Agent

6. Assigned Interest[s]:

Assignor[s][5]	Assignee[s][6]	Facility Assigned[7]	Aggregate Amount of Commitment/Loans for all Lenders[8]	Amount of Commitment/Loans Assigned[8]	Percentage Assigned of Commitment/ Loans
			$	$	%
			$	$	%
			$	$	%

[7. Trade Date:_____][9]

[Page break]

5 List each Assignor, as appropriate.

6 List each Assignee, as appropriate.

7 Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment.

8 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

9 To be completed if the Assignor(s) and the Assignee(s) intend that the minimum assignment amount is to be determined as of the Trade Date.

Effective Date: _____, 20___ [TO BE INSERTED BY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S]
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE[S]
[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:

STATE STREET BANK AND TRUST COMPANY, as Agent

By: _____

Title:
[Consented to:]

REAVES UTILITY INCOME FUND

By: _____
Title:

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

Representations and Warranties.

Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents [or any collateral thereunder], (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.06 of the Credit Agreement (subject to such consents, if any, as may be required thereunder), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) if it is a Foreign Lender attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

Payments. From and after the Effective Date, the Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts that have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts that have accrued from and after the Effective Date. Notwithstanding the foregoing, the Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Exhibit 99.(l)

Dechert LLP

1095 Avenue of the Americas
New York, NY 10036-6797
+1 212 698 3500 Main
+1 212 698 3599 Fax
www.dechert.com

September 5, 2024

Reaves Utility Income Fund
1700 Broadway, Suite 1850
Denver, Colorado 80290

Re: Registration Statement on Form N-2

Ladies and Gentlemen:

We have acted as counsel to Reaves Utility Income Fund, a Delaware statutory trust (the "Fund"), in connection with the preparation and filing of a Registration Statement on Form N-2 (as amended, the "Registration Statement"), filed on the date hereof, with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to possible offerings from time to time of up to an aggregate of $900,000,000 of the following securities of the Fund: (1) common shares of beneficial interest, no par value, of the Fund ("Common Shares") and (2) rights to purchase Common Shares ("Subscription Rights"). The Common Shares and Subscription Rights are collectively referred to herein as the "Securities."

The Registration Statement provides that the Securities may be offered separately or together, in separate series, in amounts, at prices and on terms to be set forth in one or more supplements to the prospectus included in the Registration Statement (each, a "Prospectus Supplement"). This opinion letter is being furnished to the Fund in accordance with the requirements of Item 25 of Form N-2 under the Investment Company Act of 1940, as amended, and we express no opinion herein as to any matter other than as to the legality of the Securities.

In rendering the opinions expressed below, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments and such agreements, certificates and receipts of public officials, certificates of officers or other representatives of the Fund and others, and such other documents as we have deemed necessary or appropriate as a basis for the opinions set forth below, including the following documents:

(i) the Registration Statement;

(ii) the Agreement and Declaration of Trust of the Fund (the "Declaration of Trust");

(iii) the Amended and Restated Bylaws of the Fund (the "Bylaws");

(iv) a certificate of good standing with respect to the Fund issued by the Secretary of State of the State of Delaware as of a recent date; and

(v) the resolutions of the board of trustees of the Fund (the "Board of Trustees"), relating to, among other things, the authorization and approval of the preparation and filing of the Registration Statement.

As to the facts upon which this opinion is based, we have relied upon certificates of public officials and certificates and written statements of agents, officers, directors and representatives of the Fund.

In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as original documents, the conformity to original documents of all documents submitted to us as copies, the legal capacity of natural persons who are signatories to the documents examined by us and the legal power and authority of all persons signing on behalf of the parties to such documents.

On the basis of the foregoing and subject to the assumptions, qualifications and limitations set forth in this letter, we are of the opinion that:

1. Upon the completion of all Corporate Proceedings (as defined herein) related to the Common Shares, the issuance of the Common Shares will be duly authorized and, when and if issued and delivered against receipt by the Fund of such lawful consideration therefor as the Board of Trustees (or a duly authorized committee thereof) may determine, the Common Shares will be validly issued, fully paid and nonassessable.

2. Upon the completion of all the Corporate Proceedings relating to the Subscription Rights, the issuance of the Subscription Rights will be duly authorized. The Subscription Rights, when duly authorized and issued in accordance with the Registration Statement and applicable Prospectus Supplement and the provisions of an applicable subscription certificate and any applicable and valid, binding and enforceable subscription agreement, will be valid and binding obligations of the Fund enforceable against the Fund in accordance with their respective terms.

The opinions set forth herein are subject to the following assumptions, qualifications, limitations and exceptions being true and correct at or before the time of the delivery of any Securities offered pursuant to the Registration Statement and appropriate Prospectus Supplement:

(i) the Board of Trustees, including any appropriate committee appointed thereby, and/or appropriate officers of the Fund shall have duly (a) established the terms of the Securities and (b) authorized and taken any other necessary corporate or other action to approve the creation, if applicable, issuance and sale of the Securities and related matters (such approval referred to herein as the "Corporate Proceedings") and such authorizations and actions have not been rescinded;

(ii) the resolutions establishing the definitive terms and authorizing the Fund to register, offer, sell and issue the Securities shall remain in effect and unchanged at all times during which the Securities are offered, sold or issued by the Fund;

(iii) the definitive terms of each class and series of the Securities not presently provided for in the Registration Statement or the Declaration of Trust, and the terms of the issuance and sale of the Securities (a) shall have been duly established in accordance with all applicable law and the Declaration of Trust and Bylaws (collectively, the "Organizational Documents"), any underwriting agreement and subscription agreement and any other relevant agreement relating to the terms and the offer and sale of the Securities (collectively, the "Transaction Documents") and the authorizing resolutions of the Board of Trustees, and reflected in appropriate documentation reviewed by us, and (b) shall not violate any applicable law, the Organizational Documents or the Transaction Documents (subject to the further assumption that such Organizational Documents and Transaction Documents have not been amended from the date hereof in a manner that would affect the validity of any of the opinions rendered herein), or result in a default under or breach of (nor constitute any event which with notice, lapse of time or both would constitute a default under or result in any breach of) any agreement or instrument binding upon the Fund and so as to comply with any restriction imposed by any court or governmental body having jurisdiction over the Fund;

(iv) the Securities (including any Securities issuable upon exercise or exchange of other Securities) and any certificates representing the relevant Securities (including any Securities issuable upon exercise or exchange of other Securities) have been duly authenticated, executed, countersigned, registered and delivered upon payment of the agreed-upon legal consideration therefor and have been duly issued and sold in accordance with any relevant agreement and, if applicable, duly executed and delivered by the Fund and any other appropriate party;

(v) each subscription agreement and any other relevant agreement has been duly authorized, executed and delivered by, and will constitute a valid and binding obligation of, each party thereto (other than the Fund);

(vi) the Registration Statement, as amended (including all necessary post-effective amendments), and any additional registration statement filed under Rule 462 under the Securities Act shall be effective under the Securities Act, and such effectiveness shall not have been terminated or rescinded;

(vi) an appropriate Prospectus Supplement shall have been prepared, delivered and filed in compliance with the Securities Act and the applicable rules and regulations thereunder describing the Securities offered thereby;

(viii) the Securities shall be issued and sold in compliance with all U.S. federal and state securities laws and solely in the manner stated in the Registration Statement and the applicable Prospectus Supplement and there shall not have occurred any change in law affecting the validity of the opinions rendered herein;

(ix) if the Securities will be sold pursuant to a firm commitment underwritten offering, the underwriting agreement with respect to the Securities in the form filed as an exhibit to the Registration Statement or any post-effective amendment thereto, or incorporated by reference therein, has been duly authorized, executed and delivered by the Fund and the other parties thereto;

(x) in the case of an agreement or instrument pursuant to which any Securities are to be issued, there shall be no terms or provisions contained therein which would affect the validity of any of the opinions rendered herein.

The opinions set forth herein as to enforceability of obligations of the Fund are subject to: (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws now or hereinafter in effect affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and the discretion of the court or other body before which any proceeding may be brought; (ii) the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification of, or contribution to, a party with respect to a liability where such indemnification or contribution is contrary to public policy; (iii) provisions of law which may require that a judgment for money damages rendered by a court in the United States be expressed only in U.S. dollars; and (iv) governmental authority to limit, delay or prohibit the making of payments outside the United States or in foreign currency or composite currency.

We express no opinion as to the validity, legally binding effect or enforceability of any provision in any agreement or instrument that (i) requires or relates to payment of any interest at a rate or in an amount which a court may determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture or (ii) relates to governing law and submission by the parties to the jurisdiction of one or more particular courts.

This opinion is limited to the Delaware Statutory Trust Act statute, and we express no opinion with respect to the laws of any other jurisdiction or to any other laws of the State of Delaware. Further, we express no opinion as to compliance with any state or federal securities laws, including the securities laws of the State of Delaware.

This opinion letter has been prepared for your use solely in connection with the Registration Statement. We assume no obligation to advise you of any changes in the foregoing subsequent to the effectiveness of the Registration Statement.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to this firm under the caption “Legal Matters” in the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Dechert LLP

Dechert LLP

Exhibit 99.(n)(1)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement No. 333-261328 on Form N-2 of our report dated December 22, 2023, relating to the financial statements and financial highlights of Reaves Utility Income Fund (the “Fund”), appearing in the Annual Report on Form N-CSR for the year ended October 31, 2023, and to the references to us under the headings "Financial Highlights" in the Prospectuses and "Financial Statements" in the Statements of Additional Information, which are part of such Registration Statement.

/s/ Deloitte & Touche LLP

Costa Mesa, California
September 5, 2024

Exhibit 99.(n)(2)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the references to our firm in this Registration Statement on Form N-2 of Reaves Utility Income Fund under the headings “Independent Registered Public Accounting Firm” in the Prospectus and “Independent Registered Public Accounting Firm” and “Financial Statements” in the Statement of Additional Information.

COHEN & COMPANY, LTD.
Cleveland, Ohio
September 5, 2024

Exhibit 99.(r)(2)

Reaves Asset Management

Code of Ethics
(Revision Date: 1/12/23[1])

I. INTRODUCTION

Pursuant to SEC Rule 204A-1, W. H. Reaves, dba Reaves Asset Management ("Reaves" or "Firm") has adopted this Code of Ethics ("Code"). All Supervised Individuals (employees and other access persons) of our Firm must, at all times:

1. Place the interests of our clients first. All Supervised Individuals must scrupulously avoid serving their own personal interests ahead of the interests of our clients. Supervised Individuals may not induce or cause a client to take action, or not to take action, for personal benefit rather than for the benefit of the client, which reflects our Firm's and each Supervised Individual's fiduciary responsibility to our clients.

2. Avoid taking inappropriate advantage of their position. The receipt of investment opportunities, perquisites, or gifts from persons seeking business with Reaves or their clients could call into question the exercise of a Supervised Individual's independent judgment is prohibited. Additionally, Supervised Individuals may not use their knowledge of portfolio transactions to profit from the market effect of such transactions.

3. Conduct all "Personal" or "Related" brokerage account securities transactions in full compliance with this Code and our Personal Trading Policy. This includes, but is not limited to:

    a) Disclosing all investment accounts and holdings at the time of employment
    b) Obtaining preapproval on trades when necessary
    c) Providing the Compliance Department with information regarding all Personal and Related Brokerage Accounts, and securities transactions in such accounts, on a quarterly basis, which are subject to post-trade review.

4. All Supervised Individuals must disclose any outside business/employment activities, such as positions held on any board of directors, or when the Supervised Individual acts as a trustee, prior to engaging in such positions; any such position must be preapproved by Reaves' Compliance Department.

5. All Supervised Individuals must adhere to all applicable laws and regulations.

6. All Supervised Individuals must report any violations of this Code, or applicable law or regulation, to the Reaves Compliance Department.

All Supervised Individuals will be required to sign an acknowledgement of receipt of this Code of Ethics at the time they are hired, and at least annually.

II. CFA Institute's Code of Ethics EXCERPT

All research personnel are subject to the additional standards as stated in the following CFA Institute's Code of Ethics Excerpt:

- **Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets.**
- **Place the integrity of the investment profession and the interests of clients above their own personal interests.**
- **Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.**
- **Practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the profession.**
- **Promote the integrity of, and uphold the rules governing, capital markets.**
- **Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.**

III. PERSONAL TRADING POLICY – Updated: 01/12/2023

1. Introduction

Our Firm's reputation can only be maintained if every Supervised Individual observes the highest standards of ethical conduct. Complying with the Firm's rules on personal trading activities is an essential part of good business conduct. It is important to avoid any dealings that could give rise to criticism that could be harmful to the Firm's reputation. The following Personal Trading Policy ("Policy") has been designed for that purpose. This Policy may be added to or revised at any time; in which case you will receive notice of any such change.

Full compliance with the Firm's policies and procedures and all applicable SEC rules and regulations, federal and state laws, and self-regulatory organization requirements, is of fundamental importance and is addressed throughout this Code and our Compliance Manual. In addition to the Personal Trading Policy discussed in this section, particular attention is directed to the section titled Trading on Material Non-Public Information.

2. Personal and Related Brokerage Accounts

The Personal Trading Policy applies to all securities and commodities transactions by or for a Supervised Individual's "Personal Brokerage Account" or "Related Brokerage Account". These terms are defined as follows:

"Personal Brokerage Accounts" include without limitation, securities or commodities accounts carried by a broker-dealer or other financial institution including, but not limited to, a domestic or foreign broker-dealer, an investment adviser, or a bank; limited or general partnership interests in investment partnerships; direct and indirect participation in joint accounts; and legal interest in trust accounts.

"Related Brokerage Accounts" are any account, other than a personal account, in which a Supervised Individual has an interest or has the power, directly or indirectly, to make investment decisions. They include, but are not limited to, "family member" accounts, which include accounts of a Supervised Individual's spouse, children of Supervised Individuals and the children's spouses, provided that they reside in the same household with, or are financially dependent upon the Supervised Individual, any other related individual over whose account the Supervised Individual has control, and any other individual over whose account the Supervised Individual has control and to whose financial support the Supervised Individual materially contributes. (i.e., another dependent relative of the Supervised Individual or spouse).

3. General Constraints on Trading

   A. Trading on Material Non-Public Inside Information

      The Firm's Supervised Individuals are prohibited, under all circumstances, from using material non-public inside information, or MNPI, to trade for their Personal or Related Brokerage Accounts, a Firm proprietary account, or the account of a client or any other person, whatsoever. For more information, please review our Insider Trading Policy located in Reaves' Compliance Manual.

   B. Firm Trading Restrictions

      The Firm reserves the right, without prior notice, to prohibit or restrict trading in any particular security or securities of a company and related financial instruments without being required to give any reason for so doing.

4. Personal & Related Brokerage Accounts

   A. New Employees or Access Persons:

      All Personal and Related Brokerage Accounts must be reported to the Compliance Department within ten (10) days after the Supervised Individual's hire date.

   B. New Personal & Related Brokerage Accounts:

      Firm policy requires all Supervised Individuals to obtain written approval from the Compliance Department prior to opening *any* account in which securities transactions may be executed, and prior to placing an initial order with another broker-dealer or other financial institution (executing broker). Additionally, Supervised Individuals must notify the executing broker of the employment relationship that exists with Reaves.

      i) All Personal and Related Brokerage Accounts must be maintained with a brokerage firm approved by Reaves which, in certain circumstances, may include Pershing Advisory Solutions ("PAS").
      ii) Upon preapproval from the Compliance Department, a Supervised Individual must permit the connection of an electronic feed from their Personal and/or Related Brokerage Accounts to our Personal Trading System, and/or arrange for copies of confirmations and/or statements to be sent directly to Reaves' Compliance Department by that financial institution. Pursuant to SEC Rule 204A-1, it is the Supervised Individual's responsibility to ensure Reaves' Compliance Department receives all information concerning securities transactions.

iii) These requirements apply to both Personal Accounts and Related Brokerage Accounts.

C. Reporting Requirements:

i) Annual Reporting:

a. Accounts Reporting
Supervised Individuals must submit and/or verify information regarding their Personal and Related Brokerage Accounts to the Compliance Department on an annual basis.

b. Holdings Reporting
Supervised Individuals must also submit and/or verify information regarding the holdings in their Personal and Related Brokerage Accounts to the Compliance Department on an annual basis.

ii) Quarterly Reporting

a. Transactions Reporting
Supervised Individuals must submit and/or verify their securities transactions details to the Compliance Department on a quarterly basis, within thirty (30) days after quarter-end.

All Supervised Individuals are required to use Reaves' Personal Trading System to comply with the requirements above. Furthermore, Reaves may also use its Personal Trading System for compliance functions, other than brokerage statement aggregation and associated reporting, in the future.

5. Time and Price Preference: Priority of a Trade

It is Firm policy that client accounts receive preferential treatment over Supervised Individual's Personal and Related Brokerage Accounts with respect to both time and price. Generally, this policy is applicable in situations where trades in the same security in both client account(s) and Personal or Related Brokerage Accounts are executed at or around the same time. Any questions concerning the propriety of a trade should be referred to the Compliance Department. This does NOT prohibit approved Supervised Individual trades being executed at the same price as client trades (see 6-E to follow).

6. Trade Execution

A. All trades requests in Personal and Related Brokerage Accounts must be preapproved by the Compliance Department. Preapprovals for such trades are only good for the same trading day on which the Supervised Individual received the approval.

The Compliance Department is authorized to preapprove such trades. When necessary, the Chief Operating Officer may also approve trades when the Compliance Department is unavailable.

An approval log is also maintained showing all such preapprovals.

B. All trades to be executed for Supervised Individuals' Personal and Related Brokerage Accounts (this does NOT include Reaves' Profit Sharing Trust) must be preapproved except for trades in the following instruments (all trades, including these, will be subject to post-trade review):

i) US Government Issued Bonds, Notes & Bills
ii) Municipal Bonds
iii) Money Market Instruments
iv) Certificates of Deposit
v) Open-end Mutual Funds
vi) Trades in a 529 Plan

Additionally, Reaves' Supervised Individuals may not sell securities in their Personal and/or Related Brokerage Accounts unless the shares have been held for at least sixty (60) calendar days.

C. For personal trades involving securities held in or being considered for any of our client accounts, factors considered for approval include, but are not limited to:

i) Advisory accounts: Recent activity, current positions, anticipated desired positions (short term and long-term) and any known future investment plans.
ii) Any recent internal research generated by portfolio managers and analysts.
iii) Market conditions for the specific stock, in general.
iv) The Capitalization of the specific stock issue.

C.1. Other factors to be considered prior to any personal trade approval include but are not limited to:

a. Role of the individual in the investment process (i.e., Portfolio Manager, Analyst, or Support staff)
b. Nature of the investment (securities that are or may be considered for a Reaves client versus securities that would not be considered for a Reaves client)
c. Any negative impact trading may have on each Supervised Individual's fiduciary responsibility (see Section 1 above)

d. Volume of trades by the Supervised Individual (reviews will be conducted as to the number of securities invested in and the volume of said transactions taking into account “a,” “b,” & “c” above)
e. Supervised Individuals will be required to hold a position (long or short) for a minimum of sixty (60) calendar days, except as provided by “f” below. This minimum holding period will only be waived in the case of financial hardship and/or extreme market conditions for the particular security, or as determined by Reaves’ Compliance Department.
f. Supervised Individuals may request a Stop-Loss order to be approved with such execution occurring less than sixty (60) days following the establishment of the position under the following circumstances:
    i) The request is received within 5 business days of the position being established
    ii) The stop-loss order is entered at a price at least 10% lower than the original purchase price (or a price 10% higher to buy-cover an established sold-short position)

D. “Sell-Short” transactions should be done in accounts other than with PAS, with the prior approval of the Compliance Department.

E. For trades in Reaves’ Profit Sharing Trust or personal trades, where PAS is used as executing broker, upon the close of the market, trading room personnel will compare Personal or Related Brokerage Account executions to client account executions. If the Profit Sharing Trust or any Personal and/or Related Brokerage Account did <u>not</u> receive a better price relative to the client account(s), an average price of the actual trade executed will be processed. However, if the Profit Sharing Trust or any Personal and/or Related Brokerage Account did receive a better execution, that trade will be combined with the total executed for client accounts. The average price will be recalculated, and the Profit Sharing Trust or any Personal and/or Related Brokerage Account will be allocated the number of shares executed for it at the <u>revised</u> average price.

7. The Compliance Department may permit an exception to any part(s) of this Code under particular circumstances.

IV. POLITICAL CONTRIBUTIONS POLICY

1. Introduction

Pursuant to legislative ("Dodd-Frank") and regulatory initiatives (known as "Pay to Play"), investment advisory firms are prohibited from entering into advisory relationships if any political contributions are made by, or caused to be made by, the Firm or any covered Supervised Individual, in amounts greater than newly established thresholds to:

A. Any incumbent or candidate for an office that directly or indirectly can influence the selection of an Investment Adviser including the ability to appoint an individual who would have such influence
B. This does not cover a federal incumbents or candidates unless they were a local or state official during the covered period

A political contribution that would prohibit the Firm from engaging in business with any government entity or investment pool (which would include a mutual fund) into which a government entity invests or offers as an option in a government plan (including all Public Pension Funds), cannot have taken place within two (2) years of the start, during, or for two (2) years after, any such business relationship (prohibited contributions made before, during or after the end of the business relationship would result in the forfeiture of any fees received during the advisory relationship).

As such, Reaves has established restrictions, using the guidelines as established by the SEC, on political contributions by the Firm or its Supervised Individuals as follows:

2. Contribution Amount Limitations

A. $350 per election, per candidate, for whom the covered person (the contributor) is entitled to vote.
B. $150 per election, per candidate, for whom the covered person is NOT entitled to vote.

Note: Per election includes the entire election cycle including the period up to and including any primaries AND general elections, which can last more than 1 year.

3. Covered (types of) Contributions

A. Direct political contributions (of cash or other assets) to a candidate.
B. Contributions to Inaugural expenses including the purchase of inaugural party/ball tickets
C. 'Indirect' contributions such as to Party Committees and associated Political Action Groups (PACs)

4. Covered Persons

As a matter of Firm policy, all Supervised Individuals will be subject to these provisions and restrictions. The reasons that all Supervised Individuals are to be covered include, but are not limited to, the following factors:

a) The roles of each Supervised Individual can and have changed from time to time. While a Supervised Individual may not currently have a role that would be applicable to these rules and regulations, any Supervised Individual's role may change. Given the 2-year lookback provision on all applicable contributions, a Supervised Individual's current actions could impact future business activities. (Note: The 2-year lookback also includes an individual's political contribution activity prior to joining our Firm).
b) Provisions of this regulation prevent the Firm, or any covered individual, from not just making a contribution, but also, causing it to be made. Applying these provisions to all Supervised Individuals avoids the appearance, to any client or perspective client, of any circumvention of these regulations.
c) Uniform application of all Code of Ethics issues promotes the Firm's long- standing goal of putting our clients first and acting to the highest standards of our fiduciary responsibilities to our clients.

5. Reporting

It will be the responsibility of each Supervised Individual to disclose all political contributions to the Compliance Department within seven (7) days of making such a contribution. Such disclosures will be kept in the strictest confidence by the Compliance Department and will not be shared with others, unless subsequently required by regulation or law.

As a reminder, the Compliance Department sends quarterly emails to all Supervised Individuals discussing the disclosure of political contributions.

V. GIFT (GIVING AND RECEIVING) POLICY

Firm policy, which follows FINRA rules, including Rule 3220, prohibits Reaves' Supervised Individuals from giving or receiving any gift(s) that has an aggregated market value of over $100 to/from any one person or entity in any one year.

All business gifts, given or received, must be reported to the Firm's Compliance Department within fourteen (14) calendar days. Reaves' Gift Log is maintained by the Compliance Department.

This does not include a business dinner or other business entertainment where the paying party is also in attendance with the receiving party. In the event that the paying party does not attend, the entertainment will be deemed a gift and subject to this policy.

VI. OUTSIDE BUSINESS/EMPLOYMENT ACTIVITIES POLICY

Firm policy, which follows FINRA Rule 3270, prohibits any Supervised Individual from being an employee, independent contractor, sole proprietor, officer, director or partner of another person, or being compensated, or having the reasonable expectation of compensation, from another person as a result of any business activity outside the scope of the relationship with Reaves, unless he or she has provided prior written notice to the firm. This includes owning any stock or having directly or indirectly, any financial interest in any other organization engaged in any securities, financial or kindred business.

As such, Supervised Individuals are required to obtain written approval from the Compliance Department before entering into any such activity. All such requests must be directed to the Compliance Department via email.

VII. WHISTLEBLOWER AND ANTI-RETALIATION

1. No Retaliation

If an employee suspects or becomes aware of illegal or unethical conduct by other Reaves personnel, or persons acting on Reaves' behalf, it is the employee's obligation to promptly report those circumstances as described herein. Any employee who conceals illegal or unethical conduct by another employee will be subject to disciplinary action.

Any report of illegal or unethical conduct will be promptly investigated, as appropriate, as determined by the Compliance Department and/or Chief Operating Officer.

You may raise these issues with confidence that your confidentiality will be maintained to the fullest extent possible, and that no retaliation will be permitted in connection with any legitimate concern that you raise in good faith.

2. Reporting Concerns to the SEC and CFTC

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**") created whistleblower programs for the Securities and Exchange Commission ("**SEC**") and the Commodity Futures Trading Commission ("**CFTC**"). The whistleblower rules adopted under Dodd-Frank contain anti-retaliation provisions that protect whistleblowers.

While Reaves strongly encourages its employees to report any concerns internally, employees can contact the SEC or CFTC directly regarding any possible securities or commodities law violation that has occurred, is ongoing, or is about to occur, without fear of retaliation. To report a securities-related concern to the SEC, enter the whistleblower portal on the SEC's website (www.sec.gov). To report a commodities-related concern to the CFTC, access the Consumer Protection-File Complaint or Report Suspicious Activities section of the CFTC's website (www.cftc.gov).

[1] Original Version Date: 7/18/11

Changes made on 1/26/21:

- Document was reformatted for consistency
- Updated the firm name to “Reaves Asset Management” or “Reaves” throughout the document
- Clarified that the term “access persons” includes both employees and non-employee board directors. Directors of Reaves have always been considered “access persons” as defined in the SEC Rule 204A-1 and, as such, have always been subject to Reaves’ Code of Ethics.
- Adjusted “Employee Trading Policy” to “Personal Trading Policy”
- Removed references to the Firm’s broker-dealer activities throughout the document, which ended in April 2019 upon Reaves’ broker-dealer withdrawal.
- Added Chief Operating Officer as an authorized person to preapprove employee trades
- Updated Personal Trading Policy to remove references to NYSE and NASD rules and replaced them with the applicable FINRA rule
- Updated FINRA Rule 3270 in the Outside Business/Employment Activities Policy
- Adjusted the “Supplemental Employment Policy” title to “Outside Business/Employment Activities Policy” in Item VI

Changes made on [1/12/23]:

- Removed redundant language throughout the document
- Defined “Supervised Individuals” as Reaves’ employees and other access persons
- Clarified the prohibited against trading on material non-public information
- Added language to require Supervised Individuals to allow electronic feeds from their brokerage accounts to our Personal Trading System.
- Added language to require periodic reporting through our Personal Trading System
- Added 529 Plans and Open-End Mutual Funds as securities that do not require preapproval from the Compliance Department
- Clarified the specific requirements of both the Gift Policy and the Outside Business/Employment Activities Policy
- Added Reaves’ Whistleblower and Anti-Retaliation Policy

Exhibit 99.(t)

REAVES UTILITY INCOME FUND

POWER OF ATTORNEY

The undersigned Trustees of the Reaves Utility Income Fund, a Delaware statutory trust (the "Fund"), hereby appoints Christopher Moore, Kaleigh Keyes, and Allison Fumai, as attorney-in-fact, with full power of substitution, and full power to sign for him or her and in his or her name in the appropriate capacities, the registration statement on Form N-2 of the Fund in connection with the shelf offering and any "at the market" offerings, rights offerings, or secondary offerings approved by the Trustees of the Fund, including any and all amendments to the Registration Statement and supplements or other instruments in connection therewith, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming that said attorney-in-fact or his or her substitute or substitutes, may do or cause to be done by virtue thereof.

This Power of Attorney, which shall not be affected by the disability of the undersigned, is executed and effective as of the date set forth below.

IN WITNESS WHEREOF we have hereunto set our hands on the dates set opposite our respective signatures.

By:	/s/ Mary K. Anstine Trustee	By:	/s/ Jeremy W. Deems Trustee and Chairman of the Board
Date:	March 7, 2024	Date:	March 7, 2024
By:	/s/ Michael F. Holland Trustee	By:	/s/ E. Wayne Nordberg Trustee
Date:	March 7, 2024	Date:	March 7, 2024
By:	/s/ JoEllen Legg Trustee		
Date:	March 7, 2024		

Exhibit 107

EX-FILING FEES

Calculation of Filing Fee Tables

Form N-2
(Form Type)

Reaves Utility Income Fund
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered and Carry Forward Securities

	Security Type	Security Class Title	Fee Calculation or Carry Forward	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial effective date	Filing Fee Previously Paid In Connection with Unsold Securities to be Carried Forward
Newly Registered Securities												
Fees to Be Paid	Equity	Common shares of beneficial interest, no par value	Rule 457(o)			$895,000,000	0.0001476	$132,102				
Fees Previously Paid												
Carry Forward Securities												
Carry Forward Securities	Equity	Common shares of beneficial interest, no par value	Rule 415(a)(6)			$5,000,000[(2)]			N-2	333-261328	11/24/2021	$464
	Total Offering Amounts					$900,000,000		$132,102				
	Total Fees Previously Paid							$0.00				
	Total Fee Offsets							$132,102	N-2ASR	811-21432		
	Net Fee Due							$0.00				

(1) Estimated pursuant to Rule 457(o) under the Securities Act of 1933, as amended, solely for the purpose of determining the registration fee. The proposed maximum offering price per security will be determined, from time to time, by the Registrant in connection with the sale by the Registrant of the securities registered under the registration statement.

(2) Pursuant to Rule 415(a)(6) under the Securities Act, the Registrant is carrying forward $5,000,000 aggregate principal offering price of unsold common shares of beneficial interest (the “Unsold Shares”) that were previously registered for sale under a Registration Statement on Form N-2 effective on 11/24/2021 (File No. 333-261328) (the “Prior Registration Statement”). Pursuant to Rule 415(a)(6) under the Securities Act, the filing fees previously paid with respect to the Unsold Shares will continue to be applied to such Unsold Shares. Pursuant to Rule 415(a)(6) under the Securities Act, the offering of Unsold Shares under the Prior Registration Statement will be deemed terminated as of the date of effectiveness of this Registration Statement.