

# ALTERNATIVE CREDIT INCOME FUND

Q3 2024

Symbol (Ticker) / Cusip:  
Class A: RCIAX / 02156N107

www.AltCIF.com  
(800) 806-9756

The Alternative Credit Income Fund (the "Fund") is a closed-end interval fund that invests in a portfolio of public and private credit investments.

## Seeks to provide

- **Income** – focused on high-yielding corporate credit
- **Capital Preservation** – senior secured assets may offer protection throughout the business cycle
- **Rate Protection** – a dynamic allocation of fixed and floating assets that responds to the environment
- **Low Volatility** – access to non-traded corporate credit may limit volatility
- **Diversification** – multiple credit products, sectors, and investment types
- **Low Correlation** – low to moderate correlation to the broader equity market
- **Quarterly Liquidity** – quarterly redemptions may limit forced asset sales enabling opportunistic buying\*

There is no guarantee that the Fund will achieve its objectives, generate profits, or avoid losses.

## Access

- Directly originated private credit
- Proprietary deal flow and due diligence process
- Institutional private credit

## Ease of implementation

- Daily NAV
- Suitable for fee-based business
- Low minimum investments

The Fund Administrator will calculate and publish a daily closing NAV based on a formula determined to establish public market prices of our holdings.

## Fund Facts

**Asset Class:** Credit

**Structure:** Registered 1940 Act interval fund

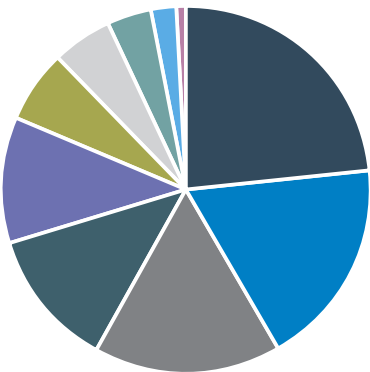
**Minimum Investment:**

Regular Accounts: \$2,500

Retirement Accounts: \$1,000

**Repurchase Offers:** No less than 5% of the shares outstanding will be made available for quarterly redemptions

## Portfolio Highlights as of 9/30/24



### Asset Type\*\*

Secured Assets	76%	Floating-rate Assets	66%
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### Industries\*\*

Information Technology	24%	Diversified	6%
Financials	18%	Consumer Staples	5%
Consumer Discretionary	16%	Communication Services	4%
Health Care	12%	Real Estate	2%
Industrials	11%	Energy	1%

### Geography

USA	97%	International	3%
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Holdings are subject to change without notice. Diversification does not ensure profit or prevent losses.

\* No less than 5% of the shares outstanding will be made available for quarterly redemptions. Regardless of how the Fund performs, there is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

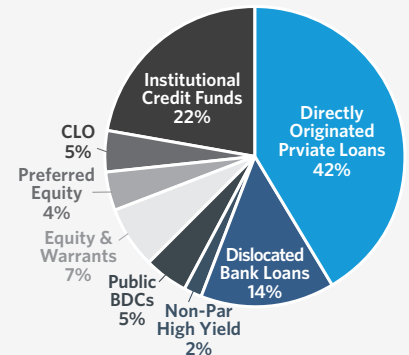
\*\* Reflects secured and floating asset exposure based on the percentage of invested assets across Directly Originated Private Loans, Dislocated Bank Loans, Non-Par High Yield, Preferred Equity, and CLO's.

\*\*\* To calculate the annualized distribution, the Fund's management will annualize the most recent quarterly distribution made to shareholders and divide by the NAV per share as of quarter-end. The annualized distribution represents a single distribution from the Fund and does not represent the total returns of the Fund. Distribution includes a return of capital. Distributions are not guaranteed. For information regarding the Fund's total returns, visit [www.AltCIF.com](http://www.AltCIF.com).

# 7.2%

Annualized Distribution  
as of 9/30/24\*\*\*

## Portfolio by Asset Type



**The Fund can play an important role in portfolios seeking to mitigate risk and provide income.**

Data as of 9/30/24. This chart is provided for illustrative purposes only and should not be considered investment advice. Portfolio allocations are subject to change. Diversification does not ensure profit or prevent losses.

**Adviser**  
Sierra Crest Investment  
Management LLC

**Distributor**  
ALPS Distributors, Inc.

**Admin**  
ALPS Fund Services, Inc.

**Transfer Agent**  
DST Systems, Inc.

## Portfolio Management

Sierra Crest is an affiliate of BC Partners Advisors L.P. (“BC Partners”), which has an over 35-year history investing across Europe and North America and has approximately \$40 billion in assets under management in private equity, private credit and real estate strategies. BC Partners operates a private equity investment platform, a credit investment platform (“BCP Credit”) and a real estate investment platform as fully integrated businesses. Sierra Crest’s investment activity takes place within the BCP Credit platform. Integration with the broader BC Partners platform allows BCP Credit to leverage a team of investment professionals across its private equity platform including its operations team. BC Partners has remained an independent partnership since its early days as a pan European private equity manager. Its entrepreneurial spirit is ingrained in the culture of its organization and evident across its three complementary and integrated businesses.

### Definitions

An **Interval Fund** is a continuously offered, closed-end fund that periodically offers to repurchase its shares from shareholders.

Through the interval structure, the Fund offers a Liquidity Feature of quarterly redemptions at NAV of no less than 5 percent of the shares outstanding made available, redeeming more frequently than other real estate and private equity investments. Regardless of how the Fund performs, there is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

**Net Asset Value (NAV)** represents the underlying value of shares. The NAV of the Fund’s shares is the market value of the Fund’s assets and is the price at which the shares can be purchased before the addition of any applicable sales charges.

**Correlation** is a measure of the degree to which the value of different investment types move in the same direction; if they perform independently of one another, they are non-correlated.

### Risk Factors

**Senior loans** hold the most senior position in the capital structure of a borrower. Substantial increases in interest rates may cause an increase in loan defaults as borrowers may lack resources to meet higher debt service requirements.

**Credit Risk.** Loans and bonds are senior in the capital structure to a Borrower’s equity ownership. A substantial increase in interest rates, macro-economic slowdown or deterioration in business fundamentals could hinder a Borrower’s ability to service their debt obligations.

**Unsecured loans** (and secured subordinated loans), including second and lower lien loans, have a lower place in the borrower’s capital structure and possible unsecured or partially secured status. Such loans involve a higher degree of overall risk than senior loans of the same borrower.

The valuation provided by a **Private Investment Fund** asset manager as of a specific date may vary from the actual sale price that may be obtained if such investment were sold to a third party. In addition to valuation risk, Private Investment Fund shareholder are not entitled to the protections of the Investment Company Act of 1940.

### Risk Disclosures

**An investor should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. To obtain a prospectus containing this and other information, please call (833) 404-4103 or download the file from [www.AltCIF.com](http://www.AltCIF.com). Read the prospectus carefully before you invest.**

The Fund is distributed by ALPS Distributors, Inc. (ALPS Distributors, Inc. 1290 Broadway, Suite 1000, Denver, CO 80203). Sierra Crest Investment Management LLC (the Fund’s investment adviser), its affiliates, ALPS Distributors, Inc., and U.S. Bank, N.A. are not affiliated.

**Investing involves risk. Investment return and principal value of an investment will fluctuate, and an investor’s shares, when redeemed, may be worth more or less than their original cost. Alternative investment funds, ETFs, interval funds, and closed-end funds are subject to management and other expenses, which will be indirectly paid by the Fund. Debt instruments are subject to credit risk and interest rate risk and may be subordinated to more senior debt instruments. BDCs often use leverage to enhance returns and are subject to interest rate risk, credit risk, and liquidity risk. CLOs are debt instruments but also carry additional risks related to the complexity and leverage inherent in the CLO structure. The use of leverage, such as borrowing money to purchase securities, will cause the Fund to incur additional expenses and magnify the Fund’s gains or losses.**

**There currently is no secondary market for the Fund’s shares and the Fund expects that no secondary market will develop. Shares of the Fund will not be listed on any securities exchange, which makes them inherently illiquid. An investment in the Fund’s shares is not suitable for investors who cannot tolerate risk of loss or who require liquidity, other than the liquidity provided through the Fund’s repurchase policy. Limited liquidity is provided to shareholders only through the Fund’s quarterly repurchase offers, regardless of how the Fund performs. The Fund’s distributions policy may, under certain circumstances, have certain adverse consequences to the Fund and its shareholders because it may result in a return of capital, resulting in less of a shareholder’s assets being invested in the Fund, and, over time, increase the Fund’s expense ratio. Any invested capital that is returned to the shareholder will be reduced by the Fund’s fees and expenses, as well as the applicable sales load. Investments in lesser-known, small and medium capitalization companies may be more vulnerable than larger, more established organizations. The sales of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund’s NAV.**

**Direct Credit** is a category of investments that generally refers to corporate credit that include secured loans and bonds, and structured credit products that include securities backed by a pool of loans and fixed income instruments.

**Private Credit** is a category of investments that generally refers to a diversified portfolio of private investment funds that principally manage portfolios of fixed-income and fixed-income related securities primarily for institutional investors such as pension funds, insurance companies or family offices.

**Public Credit** is a category of investments that generally refers to publicly traded investment funds of fixed-income and fixed-income related securities managed by unaffiliated institutional asset managers, which are intended to provide moderate volatility and low to moderate correlation to the equity markets. BDCs are an important component of this category, which may also include, fixed income mutual funds, closed-end funds, ETFs, and Index Funds.

The Fund may invest in **Public Investment Funds and Private Investment Funds**, which are subject to their strategy specific risks such as leverage risk, derivatives risk and market risk. Fund shareholders will also bear two layers of fees and expenses: asset-based fees and expenses at the Fund level, and asset-based fees, which may include incentive allocations or fees, and expenses at the Public Investment Fund and/or Private Investment Fund level. A manager of a Public Investment Fund or Private Investment Fund may use derivatives for speculative or hedging purposes.

**BDCs** may carry risks similar to those of a private equity or venture capital fund. BDC company securities are not redeemable at the option of the shareholder and they may trade in the market at a discount to their net asset value.

**CLOs and other structured products** may bear risks of the underlying investments, index or reference obligation and are subject to counterparty risk. Certain structured products may be thinly traded or have a limited trading market.

**Debt Securities** will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of debt securities. Credit risk and interest rate risk increase substantially with debt instruments below investment grade.

### Class A

Dealer Manager Fee\* ..... 0.75%

#### Commissions

Under \$100,000 ..... 5.00%

\$100,000 to \$249,999 ..... 4.00%

\$250,000 to \$499,999 ..... 3.00%

\$500,000 to \$999,999 ..... 2.00%

\$1,000,000 and above ..... 1.00%

\* Dealer manager fee is reduced to 0.50% for trades of \$500,000 to \$999,999.

Dealer manager fee is reduced to 0.00% for trades of \$1,000,000 and above.

The Fund is subject to annual expenses which are described in the prospectus.

Sierra Crest Investment Management LLC became the investment adviser for the Resource Credit Income Fund at the end of 2020.