1933 Act File No. 333-_____
1940 Act File No. 811-22554

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

FORM N-2

☒ REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
☐ PRE-EFFECTIVE AMENDMENT NO.
☐ POST-EFFECTIVE AMENDMENT NO.

☐ REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940
☒ AMENDMENT NO. 6

VERTICAL CAPITAL INCOME FUND
Principal Executive Offices
80 Arkay Drive, Suite 110, Hauppauge, NY 11788
1-631-470-2600

Agent for Service
The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801

Copies of information to:

JoAnn Strasser, Esq. Thompson Hine LLP 41 South High Street, 17th floor Columbus, OH 43215 (614) 469-3265	James Ash, Esq. Gemini Fund Services, LLC 80 Arkay Drive, Suite 110 Hauppauge, NY 11788 (631) 470-2619

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

If 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, check the following box. ☒

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

☐ when declared effective pursuant to section 8(c), or as follows:
☐ immediately upon filing pursuant to paragraph (b) of Rule 486.
☒ on December 18, 2015 pursuant to paragraph (b) of Rule 486.

☐ 60 days after filing pursuant to paragraph (a) of Rule 486.
☐ on (date) pursuant to paragraph (a) of Rule 486.

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 number of the earlier effective registration statement for the same offering is _____.

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered(1)	Proposed Maximum Offering Price Per Unit (estimated)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Shares of Beneficial Interest	16,992,957.74 (34,000,000 less shares sold as of December 10, 2015)	$12.76	$216,830,137.28	$17,264.07

(1) The registration fee has been calculated under Rule 457(d) of the Securities Act of 1933, based on the $12.76 net asset value per share of the Registrant as of December 10, 2015. Filing fees of $11,610 and $15,110.33 were previously paid to the Securities and Exchange Commission in connection with the registration of these shares related to the registration of 10,000,000 shares with a maximum value of $100,000,000, No. 333-173872, filed 5-3-11 and declared effective 10-27-11 ("2011 Registration Statement") and 11,759,203.59 shares with a maximum value of $135,940,000.67, No. 333-195461, filed 4-23-14 and effective 5-1-14 ("2014 Registration Statement"). Because 17,007,042.533 shares have already been sold as of December 10, 2015, $45,389,488.34 of the $235,940,000.67 offering amount registered pursuant to the 2014 Registration Statement remains unsold, the Registrant is offsetting $4,570.72 against the $21,834.79 filing fee, as permitted by Rule 457(p) under the Securities Act of 1933 such that the Registrant pays a net registration fee of $17,264.07.

PROSPECTUS

December 18, 2015

Vertical Capital Income Fund
(VCAPX)

Shares of Beneficial Interest
$5,000 minimum purchase for regular accounts
$1,000 minimum purchase for retirement plan accounts

Vertical Capital Income Fund (the "Fund") is a continuously offered, diversified, closed-end management investment company that is operated as an interval fund. Pursuant to the Fund's interval fund structure, the Fund will conduct quarterly repurchase offers of from 5% to 25% of the Fund's outstanding shares at net asset value. Even though the Fund will make quarterly repurchase offers, investors should consider the Fund's shares to have limited liquidity.

The Securities and Exchange Commission has not approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This Prospectus concisely provides the information that a prospective investor should know about the Fund before investing. You are advised to read this Prospectus carefully and to retain it for future reference. Additional information about the Fund, including a Statement of Additional Information ("SAI") dated December 18, 2015, has been filed with the Securities and Exchange Commission ("SEC"). The SAI is available upon request and without charge by writing the Fund at c/o Gemini Fund Services, LLC, 80 Arkay Drive, Suite 110, Hauppauge, NY 11788, or by calling toll-free 1-866-277-VCIF. The table of contents of the SAI appears on page 41 of this Prospectus. You may request the Fund's SAI, annual and semi-annual reports, and other information about the Fund or make shareholder inquiries by calling 1-866-277-VCIF or by visiting vertical-incomefund.com. The SAI is hereby incorporated by reference into this Prospectus. The SAI, material incorporated by reference and other information about the Fund, is also available on the SEC's website at http://www.sec.gov. The address of the SEC's website is provided solely for the information of prospective shareholders and is not intended to be an active link.

Investment Objective. The Fund's investment objective is to seek income.

Investment Strategy. The Fund invests substantially all its assets in groups or packages of income-producing loans secured by real estate, which are difficult to value. Up to 10% of the loans in the group or package may be delinquent or in default. The Fund will not purchase loans that currently are in foreclosure; however, loans acquired by the Fund may go into foreclosure subsequent to acquisition by the Fund. The Fund will acquire loans of borrowers with varying credit histories and may invest up to

approximately 10% of its assets in loans that were classified as "sub-prime" at the time of origination.

Securities Offered. The Fund engages in a continuous offering of shares. The Fund has registered 34,000,000 shares (10,000,000 in 2011, 9,000,000 in 2014 and 15,000,000 in 2015) and is authorized as a Delaware statutory trust to issue an unlimited number of shares. The Fund is offering to sell, through its distributor, under the terms of this Prospectus, 34,000,000 shares of beneficial interest, less shares previously sold. As of December 10, 2015, the Fund's net asset value per share was $12.19. The Fund's shares are sold at a public offering price equal to their net asset value per share plus any applicable sales charge. The maximum sales load is 4.50% of the amount invested. The minimum initial investment by a shareholder is $5,000 for regular accounts and $1,000 for retirement plan accounts. Subsequent investments may be made with at least $100 for regular accounts and $50 for retirement plan accounts. The Fund is offering to sell its shares, on a continual basis, through its distributor. The distributor is not required to sell any specific number or dollar amount of the Fund's shares, but will use reasonable efforts to sell the shares. Funds received will be invested promptly and no arrangements have been made to place such funds in an escrow, trust or similar account. During the continuous offering, shares will be sold at the net asset value of the Fund next determined plus the applicable sales load. See "Plan of Distribution." The Fund's continuous offering is expected to continue in reliance on Rule 415 under the Securities Act of 1933 until the Fund has sold shares in an amount equal to approximately $1 billion.

Price to Public of Additional Shares	NAV (estimated)	Sales Load	Price to Public (Estimated)	Proceeds to Registrant
15,000,000 shares				
Per Share Minimum	$12.19	$0.00	$12.19	$12.19
Per Share Maximum	$12.19	$0.57	$12.76	$12.19
Total Minimum	$182,850,000.00	$0.00	$182,850,000.00	$182,850,000.00
Total Maximum	$182,850,000.00	$8,615,968.59	$191,465,968.59	$182,850,000.00

The shares have no history of public trading, nor is it intended that the shares will be listed on a public exchange at this time. Investing in the Fund's shares involves risks. See "Risk Factors" below in this Prospectus.

Investment Adviser
Behringer Advisors, LLC (the "Adviser")

PROSPECTUS SUMMARY

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

The Fund. Vertical Capital Income Fund is a continuously offered, diversified, closed-end management investment company. See "The Fund." The Fund is an interval fund that will offer to make quarterly repurchases of shares at net asset value. See "Quarterly Repurchases of Shares."

Investment Objective and Policies. The Fund's investment objective is to seek income. The Fund pursues its investment objective by investing primarily in individual interest income-producing debt securities secured by residential real estate (i.e., mortgage loans made to individual borrowers that are represented by a note (the "security") and a security agreement in the form of a mortgage or deed of trust). The Fund does not primarily invest in pools of mortgage-related notes, but rather note-by-note. However, these notes are typically sold in groups or packages, which are difficult to value. Up to 10% of the loans in the group or package may be delinquent or in default. The Fund will not purchase loans that currently are in foreclosure; however, loans acquired by the Fund may go into foreclosure subsequent to acquisition by the Fund. The Fund will acquire loans of borrowers with varying credit histories and may invest up to approximately 10% of its assets in loans that were classified as "sub-prime" at the time of origination. The Fund invests without restriction as to the credit quality of the individual borrower or the maturity of individual notes. The Fund does not invest in foreign securities.

The Fund defines the individual borrowers issuing these types of mortgage-related notes as a type of industry. Therefore, the Fund concentrates investments in the mortgage-related industry because, under normal circumstances, it invests over 25% of its assets in mortgage-related securities. This policy is fundamental and may not be changed without shareholder approval.

Investment Strategy. The Adviser intends to primarily allocate the Fund's assets among debt securities that, in the view of the Adviser, represent attractive income-producing investment opportunities. The Adviser primarily assembles a group of securities with similar borrower credit quality and residential collateral value issued by individual borrowers in the real estate sector and selects those securities expected to produce the highest level of income. Under normal circumstances, the Fund will invest at least 25% of its net assets in mortgage-related securities represented by notes issued by individual borrowers. This policy is fundamental and may not be changed without shareholder approval. The Statement of Additional Information contains a list of the fundamental and non-fundamental (if any) investment policies of the Fund under the heading "Investment Objective and Policies." Secondarily, the Adviser considers potential for capital appreciation. The Adviser evaluates each individual borrower's likelihood of default, the liquidation value of the residential real estate collateral held by the borrower and the

expected income of the security to assess risk versus reward. The Adviser principally buys notes of any quality that are current on payments, or not seriously delinquent (commonly referred to as "performing") provided they satisfy the Adviser's underwriting standards and are judged to present reasonable credit risk. The Adviser then ranks securities by risk and reward and evaluates the potential economic correlation among borrowers in various geographic regions in the U.S. When constructing the Fund's portfolio, the Adviser selects securities from residential real estate sectors and geographic regions that it believes will not be highly correlated to each other or to the equity or fixed income markets in general. Generally, the Adviser expects to purchase notes at a significant discount from their face value to increase yield and provide a cushion in the event of delinquency and default. The Fund may also borrow for temporary liquidity purposes and to facilitate note purchases. The Adviser sells a security if a target price is reached, a borrower's fundamentals deteriorate, or a more attractive investment opportunity is identified.

Investment Adviser and Fee. Behringer Advisors, LLC, the investment adviser of the Fund, is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. The Adviser is entitled to receive a monthly fee at the annual rate of 1.25% of the Fund's average daily net assets, depending upon the net assets in the Fund. The Adviser and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Adviser has agreed contractually to waive its fees and to pay or absorb the ordinary operating expenses of the Fund (including offering expenses, but excluding interest, brokerage commissions, extraordinary expenses and acquired fund fees and expenses) to the extent that they exceed 1.85% per annum of the Fund's average daily net assets, at least through January 31, 2017 (the "Expense Limitation"). See "Management of the Fund."

Administrator, Accounting Agent and Transfer Agent. Gemini Fund Services, LLC ("GFS") serves as the administrator, accounting agent and transfer agent of the Fund. See "Management of the Fund."

Closed-End Fund Structure. Closed-end funds differ from open end management investment companies (commonly referred to as mutual funds) in that closed-end funds do not typically redeem their shares at the option of the shareholder. Rather, closed-end fund shares typically trade in the secondary market via a stock exchange. Unlike many closed-end funds, however, the Fund's shares will not be listed on a stock exchange. Instead, the Fund will provide limited liquidity to shareholders by offering to repurchase a limited amount of shares (at least 5%) quarterly, which is discussed in more detail below. The Fund, similar to a mutual fund, is subject to continuous asset in-flows, although not subject to the continuous out-flows.

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

objectives and personal financial situation and (ii) consider factors such as your personal net worth, income, age, risk tolerance and liquidity needs.

Repurchases of Shares. The Fund is an interval fund and, as such, has adopted a fundamental policy to make quarterly repurchase offers, at net asset value, of no less than 5% of the shares outstanding. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer, although each shareholder will have the right to require the Fund to purchase up to and including 5% of such shareholder's shares in each quarterly repurchase. Limited liquidity will be provided to shareholders only through the Fund's quarterly repurchases. See "Quarterly Repurchases of Shares."

Summary of Risks.

Investing in the Fund involves risks, including the risk that you may receive little or no return on your investment or that you may lose part or all of your investment. Therefore, before investing you should consider carefully the following risks that you assume when you invest in the Fund's shares. See "Risk Factors."

Borrower Risk. A specific security can perform differently from the market as a whole for reasons related to the borrower, such as an individual's economic situation. Compared to investment companies that focus only on securities issued by large capitalization companies, the Fund's net asset value may be more volatile because it invests in notes of individuals. Individuals issuing notes secured by residential real estate are more likely to suffer sudden financial reversals such as (i) job loss, (ii) depletion of savings or (iii) loss of access to refinancing opportunities. Further, compared to securities issued by large companies, notes issued by individuals are more likely to experience more significant changes in market values, be harder to sell at times and at prices that the Adviser believes appropriate, and offer greater potential for losses.

Concentration Risk. Because the Fund will invest more than 25% of its assets in the mortgage-related industry, the Fund will be subject to greater volatility risk than a fund that is not concentrated in a single industry. The Fund's investments may be concentrated in regions or states, which exposes the Fund to region- or state-specific economic risks.

Credit Risk. Individual borrowers may not make scheduled interest and principal payments, resulting in losses to the Fund. In addition, the credit quality of securities may be lowered if a borrower's financial condition deteriorates, which tends to increase the risk of default and decreases a note's value. Weak or declining general economic conditions tend to increase default risk. Lower-quality notes, such as those considered "sub-prime" by the Adviser are more likely to default than those considered "prime" by the Adviser or a rating evaluation agency or service provider. An economic downturn or period of rising interest rates could adversely affect the market for sub-prime notes and reduce the Fund's ability to sell these securities. The lack of a liquid market for these securities could decrease the Fund's share price. Additionally, borrowers may seek

bankruptcy protection which would delay resolution of security holder claims and may eliminate or materially reduce liquidity.

Defaulted Securities Risk. Defaulted securities lack liquidity and may have no secondary market for extended periods. Defaulted securities may have low recovery values and defaulting borrowers may seek bankruptcy protection which would delay resolution of the Fund's claims. The Fund anticipates a significant likelihood of default by mortgage-related borrowers.

Fixed Income Risk . Typically, a rise in interest rates causes a decline in the value of fixed income securities. Rising interest rates tend to increase the likelihood of borrower default.

Leverage Risk. The use of leverage by borrowing money to purchase additional securities causes the Fund to incur additional expenses and will magnify losses in the event of underperformance of the securities purchased with borrowed money. In addition, a lender to the Fund may terminate or refuse to renew any credit facility. If the Fund is unable to access additional credit, it may be forced to sell investments at inopportune times, which may further depress the returns of the Fund.

Liquidity Risk . There is currently no secondary market for Fund shares and the Fund expects that no secondary market will develop. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the shares outstanding at net asset value. There is no guarantee that shareholders will be able to sell all the shares they desire in a quarterly repurchase offer. The Fund's investments also are subject to liquidity risk because there is a limited secondary market for mortgage notes. Liquidity risk exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

Management Risk. The Adviser's judgments about the attractiveness, value and potential appreciation of a particular real estate segment and securities in which the Fund invests may prove to be incorrect and may not produce the desired results. The Adviser has not previously managed a closed-end interval fund.

Market Risk. An investment in the Fund's shares is subject to investment risk, including the possible loss of the entire principal amount invested. An investment in the Fund's shares represents an indirect investment in the securities owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. The Fund’s borrowing costs, if any, will increase when interest rates rise.

Prepayment Risk. Securities may be subject to prepayment risk because borrowers are typically able to prepay principal. Consequently, a security's maturity may be longer or shorter than anticipated. When interest rates fall, obligations tend to be paid off more quickly than originally anticipated and the Fund may have to invest the prepaid proceeds

in securities with lower yields. When interest rates rise, obligations will tend to be paid off by the obligor more slowly than anticipated, preventing the Fund from reinvesting at higher yields.

Real Estate Risk. The Fund will not invest in real estate directly, but, because the Fund will invest the majority of its assets in securities secured by real estate, its portfolio will be significantly impacted by the performance of the real estate market and may experience more volatility and be exposed to greater risk than a more diversified portfolio. The value of residential real estate collateral is affected by:

(i) changes in general economic and market conditions including changes in employment;
(ii) changes in the value of real estate properties generally;
(iii) local economic conditions, overbuilding and increased competition;
(iv) increases in property taxes and operating expenses;
(v) changes in zoning laws;
(vi) casualty and condemnation losses including environment remediation costs;
(vii) variations in rental income, neighborhood values or the appeal of property to tenants or potential buyers;
(viii) the availability of financing and
(ix) changes in interest rates and available borrowing leverage.

Repurchase Policy Risks. Quarterly repurchases by the Fund of its shares typically will be funded from available cash or sales of portfolio securities. The sale of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's net asset value. To the extent the Fund borrows to make repurchases, it will incur interest expense.

Servicer Risk. Because the Fund engages a servicer to collect payments from borrowers, there is a risk that payments to the Fund will be delayed if the servicer fails to perform its functions or fails to perform them in a timely manner. If the servicer becomes insolvent the Fund will incur expenses in transferring servicing duties to a new servicer and borrower delinquencies would likely rise during a transition.

U.S. Federal Income Tax Matters.

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

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

Dividend Reinvestment Policy.

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

Custodian.

MUFG Union Bank, N.A., will serve as the Fund's custodian. See "Management of the Fund."

SUMMARY OF FUND EXPENSES

Shareholder Transaction Expenses	
Maximum Sales Load (as a percent of offering price)[1]	4.50%
Annual Expenses (as a percentage of net assets attributable to shares)	
Management Fees	1.25%
Interest Payments and Fees on Borrowed Funds	0.27%
Other Expenses [2]	1.15%
Total Annual Expenses	2.67%
Fee Waiver [3]	(0.34)%
Total Annual Expenses (after fee waiver)	2.33%

[1] The Fund's transfer agent charges a $15 fee for repurchase proceeds transferred by wire.

[2] Restated and estimated.

[3] The Adviser and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Adviser has agreed contractually to waive its fees and to pay or absorb the ordinary annual operating expenses of the Fund (including offering expenses, but excluding interest, brokerage commissions, acquired fund fees and expenses and extraordinary expenses), to the extent that they exceed 1.85% per annum of the Fund's average daily net assets through at least January 31, 2017 (the "Expense Limitation"). In consideration of the Adviser's agreement to limit the Fund's expenses, the Fund has agreed to repay the Adviser in the amount of any fees waived and Fund expenses paid or absorbed, subject to the limitations that: (1) the reimbursement for fees and expenses will be made only if payable not more than three years from the end of the fiscal year in which they were incurred; and (2) the reimbursement may not be made if it would cause the Expense Limitation to be exceeded. The Expense Limitation Agreement will remain in effect as described above unless and until the Board approves its modification or termination. This agreement may be terminated only by the Fund's Board of Trustees on 60 days written notice to the Adviser. See "Management of the Fund."

The Summary of Expenses Table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. You may qualify for sales charge discounts on purchases of shares if you and your family invest, or agree to invest in the future, at least $25,000 in the Fund. More information about these and other discounts is available from your financial professional and in **Purchase Terms** starting on page 37 of this Prospectus.

The following example illustrates the hypothetical expenses that you would pay on a $1,000 investment assuming annual expenses attributable to shares remain unchanged and shares earn a 5% annual return:

Example	1 Year	3 Years	5 Years	10 Years
You would pay the following expenses on a $1,000 investment, assuming a 5% annual return	$68	$121	$177	$329

Shareholders who choose to participate in repurchase offers by the Fund will not incur a repurchase fee. However, if shareholders request repurchase proceeds be paid by wire transfer, such shareholders will be assessed an outgoing wire transfer fee at prevailing rates charged by GFS, currently $15. The purpose of the above table is to help a holder of shares understand the fees and expenses that such holder would bear directly or indirectly. **The example should not be considered a representation of actual future expenses. Actual expenses may be higher or lower than those shown.**

FINANCIAL HIGHLIGHTS

The table below sets forth financial data for one share of beneficial interest outstanding throughout the period presented.

	Year Ended September 30, 2015	Year Ended September 30, 2014	Year Ended September 30, 2013	Period Ended September 30, 2012**
Net Asset Value, Beginning of Period	$11.04	$10.87	$10.58	$10.00
From Operations:				
Net investment income (a)	0.41	0.51	0.50	0.33
Net gain from investments (both realized and unrealized)	0.56	0.27	0.28	0.44
Total from operations	0.97	0.78	0.78	0.77
Distributions to shareholders from:				
Net investment income	(0.44)	(0.56)	(0.42)	(0.19)
Net realized gains	(0.04)	(0.05)	(0.07)	—
Total distributions	(0.48)	(0.61)	(0.49)	(0.19)
Net Asset Value, End of Period	$11.53	$11.04	$10.87	$10.58
Total Return (b)	8.86%	7.29%	7.42%	7.70%(d)
Ratios/Supplemental Data				
Net assets, end of period (in 000's)	$160,382	$108,610	$39,987	$11,756
Ratio of gross expenses to average net assets	2.67%(e)(f)	2.32%(e)	3.20%	9.42%(c)
Ratio of net expenses to average net assets	2.33%(e)(f)	1.91%(e)	1.85%	1.85%(c)
Ratio of net investment income to average net assets	3.54%(e)(f)	4.68%(e)	4.61%	4.21%(c)
Portfolio turnover rate	2.58%	8.37%	11.68%	1.50%(d)

_____

** The Fund commenced operations on December 30, 2011.
(a) Per share amounts are calculated using the average shares method, which more appropriately presents the per share data for the period.
(b) Total returns are historical in nature and assume changes in share price, reinvestment of dividends and capital gains distributions, if any, and excludes the effect of sales charges. Had the Adviser not waived expenses, total returns would have been lower.
(c) Annualized.
(d) Not annualized.
(e) Ratio includes 0.27% and 0.06% for the year ended September 30, 2015 and September 30, 2014 respectively that attributed to interest expenses and fees.
(f) Ratio includes 0.21% for the year ended September 30, 2015 that attributed to adviser transition expenses.

The Fund's complete audited Financial Statements, which include the Financial Highlights presented above, and independent registered public accounting firm's report thereon contained in the Fund's annual report dated September 30, 2015, are incorporated by

reference in the Fund's SAI. The Fund's SAI, annual report and semi-annual report are available upon request, without charge, by calling the Fund toll-free at 1-877-803-6583.

THE FUND

The Fund is a continuously offered, diversified, closed-end management investment company that is operated as an interval fund. The Fund was organized as a Delaware statutory trust on April 8, 2011. The Fund's principal office is located at c/o Gemini Fund Services, LLC, 80 Arkay Drive, Suite 110, Hauppauge, NY 11788, and its telephone number is 1-866-277-VCIF.

USE OF PROCEEDS

The net proceeds of the continuous offering of shares, after payment of the sales load, will be invested in accordance with the Fund's investment objective and policies (as stated below) as soon as practicable after receipt, which the Fund expects will be less than 30 days. The Fund will pay offering expenses incurred with respect to its continuous offering. Pending investment of the net proceeds in accordance with the Fund's investment objective and policies, the Fund will invest in money market or short-term fixed-income mutual funds. Investors should expect, therefore, that before the Fund has fully invested the proceeds of the offering in accordance with its investment objective and policies, a portion of the Fund's assets would earn interest income at a modest rate.

INVESTMENT OBJECTIVE, POLICIES AND STRATEGIES

Investment Objective and Policies.

The Fund's investment objective is to seek income. The Fund pursues its investment objective by investing primarily in individual interest income-producing debt securities secured by residential real estate (i.e., mortgage loans made to individuals that are represented by a note (the "security") and a security agreement in the form of a mortgage or deed of trust). The Fund does not primarily invest in pools of mortgage-related notes, but rather note-by-note. However, these notes are typically sold in groups or packages, which are difficult to value. Up to 10% of the loans in the group or package may be delinquent or in default. The Fund will not purchase loans that currently are in foreclosure; however, loans acquired by the Fund may go into foreclosure subsequent to acquisition by the Fund. The Fund will acquire loans of borrowers with varying credit histories and may invest up to approximately 10% of its assets in loans that were classified as "sub-prime" at the time of origination. The Fund invests without restriction as to the credit quality of the individual borrower or the maturity of individual notes. The Fund does not invest in foreign securities. Under normal circumstances, the Fund will invest at least 25% of its net assets in mortgage-related securities represented by notes issued by individuals. This policy is fundamental and may not be changed without shareholder approval. The Statement of Additional Information contains a list of the fundamental and non-fundamental (if any) investment policies of the Fund under the heading "Investment Objective and Policies."

Investment Strategy and Criteria Used in Selecting Investments

The Adviser selects securities by evaluating the borrower's credit quality and the potential liquidation value of the residential real estate collateral securing the debt obligation. When evaluating credit quality, the Adviser uses a proprietary underwriting model takes into account the following factors, but may also take into consideration others:

Residential Borrowers

- Borrower payment history including delinquencies and defaults
- Borrower credit report
- Borrower credit score, such as a FICO® score
- Security's interest rate
- Borrower total debt service load
- Alternative sources of repayment such as liquid assets
- Title search of property to assure clear title by borrower

When evaluating residential real estate collateral's potential liquidation value the Adviser uses a proprietary collateral valuation underwriting model takes into account the following factors, but may also take into consideration others:

- Current property value as established by an independent broker's price opinion
- State laws pertaining to mortgages in that domicile
- Local real estate trends around the respective property
- Potential environmental remediation costs at site
- Estimated foreclosure value for the property

Even though the Adviser re-evaluates each borrower's ability to pay, it nonetheless anticipates a significant likelihood of default by borrowers because of difficult-to-predict economic events, such as job loss. The Adviser expects to resolve or forestall defaults primarily by renegotiating note terms to lower interest and/or principal payments so that a borrower can resume payments on its note. The Adviser also may enter into an agreement with the borrower and a third party to sell the property to the third party for less than the principal balance on the note while forgiving any unpaid principal that remains after receiving the proceeds from the sale (commonly referred to as a short-sale). The Adviser may also foreclose upon the property and seek to recover via sale of the property.

The Adviser primarily selects securities with the highest expected income from a real estate sector peer group of borrowers with similar financial resources and/or credit quality and residential real estate collateral value relative to debt amount. Secondarily, the

Adviser considers potential for capital appreciation. Generally, the Adviser expects to purchase notes at a significant discount from their face value to increase yield and provide a cushion to the effects of delinquency and default. The Fund may also borrow for temporary liquidity purposes and to facilitate note purchases. The Adviser anticipates using three primary methods of liquidating securities from the Fund:

- Borrower sells the collateral and the note is then paid in full
- Borrower refinances the note, and note is then paid in full
- The Fund sells the note to another institution

Other Information Regarding Investment Strategy

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

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") will vary from year to year. It is anticipated that the Fund's portfolio turnover rate will ordinarily be between 10% and 15%. The portfolio turnover rate is not expected to exceed 100%, but may vary greatly from year to year and will not be a limiting factor when the Adviser deems portfolio changes appropriate. Although the Fund generally does not intend to trade for short-term profits, the Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when, in the opinion of the Adviser, investment considerations warrant such action. These policies may have the effect of increasing the annual rate of portfolio turnover of the Fund. Higher rates of portfolio turnover would likely result in higher brokerage or placement agent commissions and may generate short-term capital gains taxable as ordinary income. See "Tax Status" in the Fund's Statement of Additional Information.

There is no assurance what portion, if any, of the Fund's investments will qualify for the reduced federal income tax rates applicable to qualified dividends under the Code. As a result, there can be no assurance as to what portion of the Fund's distributions will be designated as qualified dividend income. See "U.S. Federal Income Tax Matters."

Portfolio Investments

Securities Secured by Real Estate

The Fund will invest primarily in securities secured by residential real estate. The market or liquidation value of each type of residential real estate collateral may be adversely affected by numerous factors, including rising interest rates; changes in the national, state and local economic climate and real estate conditions; perceptions of prospective buyers of the safety, convenience and attractiveness of the properties; maintenance and insurance costs; changes in real estate taxes and other expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; and other factors beyond the control of the borrowers.

Certain Legal Aspects of Notes Secured by Real Estate

Each of the Fund's mortgage-related notes will be secured by a deed of trust, mortgage, security agreement, or legal title. The deed of trust and mortgage are the most commonly used real property security devices. A deed of trust formally has three parties: (1) a debtor, referred to as the "trustor," (2) a third party referred to as the "trustee" and (3) the lender/creditor, referred to as the "beneficiary." The trustor irrevocably grants the property until the debt is paid, "in trust, with power of sale" to the trustee to secure payment of the obligation. In a mortgage note, there are only two parties, the mortgagor (commonly referred to as the borrower) and the mortgagee (commonly referred to as the investor). State law determines how a mortgage is foreclosed. The process usually requires a judicial process.

Foreclosure

Deed of Trust

Some states have a statute known as the "one form of action" rule, which requires the beneficiary of a deed of trust to exhaust the security under the deed of trust (i.e., foreclose on the property) before any personal action may be brought against the note-issuing borrower. There are two methods of foreclosing a deed of trust. Foreclosure of a deed of trust is accomplished in most cases by a non-judicial trustee's sale under the power of sale provision in the deed of trust. A judicial foreclosure (in which the beneficiary's purpose is usually to obtain a deficiency judgment where otherwise unavailable) is subject to most of the delays and expenses of other lawsuits, sometimes requiring up to several years to complete.

Mortgage

Notes owned by the Fund secured by mortgages will be foreclosed in compliance with the laws of the state where the real property collateral is located, which vary from state to state. A mortgage is a legal document in which the owner uses the title to residential property as security for a loan described in a promissory note. If the owner fails to make payments on the promissory note then the lender can foreclose (through the courts, or in some states, without court involvement) on the mortgage to force a sale of

the real property and receive the proceeds, or receive the property itself at a public sheriff's sale.

Additional Information Regarding Foreclosures and Related Issues

Redemption

After a foreclosure sale pursuant to a mortgage, the borrower and foreclosed junior lien holders may have a statutory period in which to redeem the property from the foreclosure sale by paying amounts due.

Anti-Deficiency Legislation

The Fund may acquire interests in mortgage notes which limit the Fund's recourse to foreclosure upon the security property, with no recourse against the borrower's other assets. In some jurisdictions, the Fund can pursue a deficiency judgment against the note-issuing borrower or a guarantor if the value of the property securing the note is insufficient to pay back the debt owed to the Fund. In other jurisdictions, however, if the Fund desires to seek a judgment in court against the borrower for the deficiency balance, the Fund may be required to seek judicial foreclosure and/or have other security from the borrower.

Special Considerations in Connection with Junior Encumbrances

In addition to the general considerations concerning trust deeds discussed above, there are certain additional considerations applicable to second and more junior deeds of trust ("junior encumbrances"). By its very nature, a junior encumbrance is less secure than a more senior lien. If a senior lienholder forecloses on its note, unless the amount of the bid exceeds the senior encumbrances, the junior lienholder will receive nothing. Because of the limited notice and attention given to foreclosure sales, it is possible for a junior lienholder to be "sold out," receiving nothing from the foreclosure sale. By virtue of anti-deficiency legislation, discussed above, a junior lienholder may be totally precluded from any further remedies.

Environmental

The Fund's security property may be subject to potential environmental risks. Of particular concern may be those security properties which have been built upon the site of manufacturing, industrial or disposal activity. These environmental risks may give rise to a diminution in value of the security property or liability for clean-up costs or other remedial actions. This liability could exceed the value of the real property or the principal balance of the related mortgage note. For this reason, the Fund may choose not to foreclose on contaminated property rather than risk incurring liability for remedial actions.

"Due-on-Sale" Clauses

The notes and deeds of trust held by the Fund, like those of many investors, contain "due-on-sale" clauses permitting the Fund to accelerate the maturity of a note if the note borrower sells, conveys or transfers all or any portion of the property, but may or may not contain "due-on-encumbrance" clauses which would permit the same action if the borrower further encumbers the property (i.e., executes further deeds of trust). The

enforceability of these types of clauses has been the subject of several major court decisions and legislation in recent years.

Prepayment Charges

Some notes acquired by the Fund may provide for certain prepayment charges to be imposed on the note borrower in the event of certain early payments on the note. The Adviser reserves the right, at its business judgment, to waive collection of prepayment penalties.

Bankruptcy Laws

If a borrower files for protection under the federal bankruptcy statutes, the Fund will be initially barred from taking any foreclosure action on its real property security by an "automatic stay order" that goes into effect upon the borrower's filing of a bankruptcy petition. Thereafter, the Fund would be required to incur the time, delay and expense of filing a motion with the bankruptcy court for permission to foreclose on the real property security ("relief from the automatic stay order"). Such permission is granted only in limited circumstances. If permission is denied, the Fund will likely be unable to foreclose on its security for the duration of the bankruptcy, which could be a period of years. During such delay, the borrower may or may not be required to pay current interest on the note. The Fund would therefore lack the cash flow it anticipated from the note, and the total indebtedness secured by the security property would increase by the amount of the defaulted payments, perhaps reaching a total that would exceed the market value of the property.

In addition, bankruptcy courts have broad powers to permit a sale of the real property free of the Fund's lien, to compel the Fund to accept an amount less than the

balance due under the note and to permit the borrower to repay over a term which may be substantially longer than the original term of the note.

RISK FACTORS

An investment in the Fund's shares is subject to risks. The value of the Fund's investments will increase or decrease based on changes in the prices of the investments it holds. This will cause the value of the Fund's shares to increase or decrease. You could lose money by investing in the Fund. By itself, the Fund does not constitute a balanced investment program. Before investing in the Fund you should consider carefully the following risks. There may be additional risks that the Fund does not currently foresee or consider material. You may wish to consult with your legal or tax advisors before deciding whether to invest in the Fund.

Borrower Risk. The value of a specific security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The Fund's performance may be more sensitive to regional economic occurrences than the value of shares of a fund that does not invest, in part, based on the recovery value of residential real estate collateral. The value of a borrower's securities that are held in the Fund's portfolio may decline for a number of reasons that directly relate to the borrower, such as financial leverage, job loss, or an individual's other sources of revenue or repayment.

Individuals may have short work histories, limited alternative employment opportunities and few resources. The risks associated with these investments are generally greater than those associated with investments in the securities of large established companies. This may cause the Fund's net asset value to be more volatile when compared to investment companies that focus only on large capitalization companies. Generally, securities of individual borrowers are more likely to experience sharper swings in market values and less liquid markets, in which it may be more difficult for the Adviser to sell at times and at prices that the Adviser believes appropriate. Further, the notes of individual borrowers, in which the Fund invests, do not trade on an exchange and trade over-the-counter and generally experience a lower trading volume than is typical for securities that are traded on a national securities exchange. Consequently, the Fund may be required to dispose of these notes over a longer period of time (and potentially at less favorable prices) than would be the case for securities of larger companies, offering greater potential for gains and losses and associated tax consequences.

Concentration Risk. Because the Fund will invest more than 25% of its assets in the mortgage-related industry, the Fund will be subject to greater volatility risk than a fund that is not concentrated in a single industry. The mortgage-related industry, as a whole, may be unstable if the price of real estate declines below a certain level or if the U.S. economy weakens below a certain level. Additionally, the Fund's investments in mortgage-related industry securities may be more volatile than securities markets in general and may perform poorly even when securities markets, in general, are rising. The Fund's investments may be concentrated in regions or states, which exposes the Fund to region- or state-specific economic risks such as higher unemployment rates, higher borrower default rates and declining property values.

Credit Risk. There is a risk that note-issuing borrowers will not make scheduled payments, resulting in losses to the Fund. In addition, the credit quality of securities may decline if a borrower's financial condition deteriorates. Lower credit quality may lead to greater volatility in the price of a note and in shares of the Fund. Lower quality notes, such as those considered sub-prime by the Adviser are more likely to default than those considered prime by the Adviser or a rating evaluation agency or service provider. An economic downturn or period of rising interest rates could adversely affect the market for these notes and reduce the Fund's ability to sell these securities. The lack of a liquid market for these securities could decrease the Fund's share price. Additionally, borrowers may seek bankruptcy protection which will delay resolution of security holder claims and may eliminate or materially reduce liquidity. Default, or the market's perception that a borrower is likely to default, could reduce the value and liquidity of portfolio securities, thereby reducing the value of your investment in Fund shares. In addition, default may cause the Fund to incur expenses in seeking recovery of principal or interest on its portfolio holdings. Lower quality notes offer the potential for higher return, but also involve greater risk than debt securities of higher quality, including an increased possibility that the borrower or guarantor, if any, may not be able to make its payments of interest and principal. If that happens, the value of the security will decrease and may become worthless. This will cause the Fund's share price to decrease and its income will be reduced.

Defaulted Securities Risk. Defaulted securities lack liquidity and may have no secondary market for extended periods. Defaulted securities may have low recovery values and defaulting borrowers may seek bankruptcy protection which would delay resolution of the Fund's claims. The Fund anticipates a significant likelihood of default by mortgage-related borrowers. Defaulted securities will not make scheduled interest or principal payments which will reduce the Fund's returns and ability to make distributions. Defaulted securities may become worthless.

Fixed Income Risk. When the Fund invests in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities. In general, the market price of debt securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). Rising interest rates tend to increase the likelihood of borrower default. These risks could affect the value of a particular investment, possibly causing the Fund's share price and total return to be reduced and fluctuate more than other types of investments.

Leverage Risk. The use of leverage by borrowing money to purchase additional securities causes the Fund to incur additional expenses and will magnify losses in the event of underperformance of the securities purchased with borrowed money. Generally, the use of leverage also will cause the Fund to have higher expenses (mostly interest expenses) than those of funds that do not use such techniques. In addition, a lender to the Fund may terminate or refuse to renew any credit facility. If the Fund is unable to access additional credit, it may be forced to sell investments at inopportune times, which may further depress the returns of the Fund.

Liquidity Risk . The Fund is a closed-end investment company structured as an "interval fund" and designed for long-term investors. Unlike many closed-end investment companies, the Fund's shares are not listed on any securities exchange and are not publicly traded. There is currently no secondary market for the shares and the Fund expects that no secondary market will develop. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the shares outstanding at net asset value. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. The Fund's investments are also subject to liquidity risk. Liquidity risk exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations. Funds with principal investment strategies that involve securities of individuals that may have substantial market and/or credit risk, tend to have the greatest exposure to liquidity risk.

Management Risk. The net asset value of the Fund changes daily based on the performance of the securities in which it invests. The Adviser's judgments about the attractiveness, value and potential appreciation of particular real estate segments and securities in which the Fund invests may prove to be incorrect and may not produce the desired results. The Adviser has not previously managed a closed-end interval fund.

Market Risk. An investment in shares is subject to investment risk, including the possible loss of the entire principal amount invested. An investment in shares represents an indirect investment in the securities owned by the Fund. The value of these securities, like other investments, may move up or down, sometimes rapidly and unpredictably. The value of your shares at any point in time may be worth less than the value of your original investment, even after taking into account any reinvestment of dividends and distributions. The Fund's borrowing costs, if any, will increase when interest rates rise.

Prepayment Risk. Securities may be subject to prepayment risk because borrowers are typically able to prepay principal. Consequently, a security's maturity may be longer or shorter than anticipated. When interest rates fall, obligations will be paid off more quickly than originally anticipated and the Fund may have to invest the prepaid proceeds in securities with lower yields. The yield realized on a security purchased at a premium will be lower than expected if prepayment occurs sooner than expected, as is often the case when interest rates fall. When interest rates rise, certain obligations will be paid off by the obligor more slowly than anticipated, preventing the Fund from reinvesting at higher yields. The yield realized on a security purchased at a discount will be lower than expected if prepayment occurs later than expected, as is often the case when interest rates rise.

Real Estate Risk. The Fund will not invest in real estate directly, but because the Fund will concentrate its investments in securities secured by real estate, its portfolio will be significantly impacted by the performance of the real estate market and may experience more volatility and be exposed to greater risk than a more diversified portfolio. Although the Fund will not invest in real estate directly, the Fund may be subject to risks similar to those associated with direct ownership in real property. The value of the Fund's shares will be affected by factors affecting the value of real estate. These factors include, among others: (i) changes in general economic and market conditions; (ii) changes in the value of real estate properties; (iii) risks related to local economic conditions, overbuilding and increased competition; (iv) increases in property taxes and other expenses; (v) changes in zoning laws; (vi) casualty and condemnation losses, including environmental remediation costs; (vii) variations in neighborhood values or the appeal of property to potential buyers; (viii) the availability of financing and (ix) changes in interest rates.

Repurchase Policy Risks. Quarterly repurchases by the Fund of its shares typically will be funded from available cash or sales of portfolio securities. However, payment for repurchased shares may require the Fund to liquidate portfolio holdings earlier than the Adviser otherwise would liquidate such holdings, potentially resulting in losses, and may increase the Fund's portfolio turnover. The Adviser may take measures to attempt to avoid or minimize such potential losses and turnover, and instead of liquidating portfolio

holdings, may borrow money to finance repurchases of shares. If the Fund borrows to finance repurchases, interest on any such borrowing will negatively affect shareholders who do not tender their shares in a repurchase offer by increasing the Fund's expenses and reducing any net investment income. To the extent the Fund finances repurchase proceeds by selling investments, the Fund may hold a larger proportion of its net assets in less liquid securities. Also, the sale of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's net asset value.

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

Servicer Risk. Because the Fund engages a servicer to collect payments from borrowers, there is a risk that payments to the Fund will be delayed if the servicer fails to perform its functions or fails to perform them in a timely manner. The servicer may be inadequately staffed to efficiently process a higher than expected level of borrower defaults. Consequently, the Fund may experience unexpected delays in foreclosing on properties securing debts and recoveries to the Fund would likely be lower than expected. If the servicer becomes insolvent, the Fund will incur expenses in transferring servicing duties to a new servicer and borrower delinquencies and defaults would likely rise during a transfer to a new servicer.

MANAGEMENT OF THE FUND

Trustees and Officers

The Board of Trustees is responsible for the overall management of the Fund, including supervision of the duties performed by the Adviser. The Board is comprised of four trustees. The Trustees are responsible for the Fund's overall management, including adopting the investment and other policies of the Fund, electing and replacing officers and selecting and supervising the Fund's investment adviser. The name and business address of the Trustees and officers of the Fund and their principal occupations and other affiliations during the past five years, as well as a description of committees of the Board, are set forth under "Management" in the Statement of Additional Information.

Investment Adviser

Behringer Advisors, LLC located at 15601 Dallas Parkway, Suite 600, Addison, Texas 75001, provides day to day management of the Fund's investment portfolio pursuant to an investment advisory agreement (the "Advisory Agreement") and earns a management fee at the annual rate of 1.25% of the Fund's average daily net assets. The Adviser and affiliates serve a variety of retail, registered investment adviser and institutional investor clients, managing approximately $787 million in assets as of August 31, 2015.

The Adviser is owned by Behringer Harvard Holdings, LLC ("Behringer"), a national sponsor of alternative investment products designed for the individual and institutional investor. The Adviser is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940 but has a limited history of managing a registered investment company. The Adviser's investment professionals are responsible for developing, recommending and implementing the Fund's investment strategy. The Adviser's investment professionals manage other real-estate related platforms for Behringer. The Adviser's investment professionals have significant experience and an extensive track record of investing in real estate properties, real estate-related debt and real estate industry securities. The team also has extensive knowledge of the managerial, operational and regulatory requirements of publicly registered investment companies. The Adviser relies on its parent, Behringer, for certain investment, finance, accounting, legal and administrative services. The Adviser is deemed to be controlled by Robert M. Behringer through his ownership of at least 25 percent of the parent company of the Adviser.

Under the general supervision of the Fund's Board of Trustees, the Adviser will carry out the investment and reinvestment of the net assets of the Fund, will furnish continuously an investment program with respect to the Fund, determine which securities should be purchased, sold or exchanged. In addition, the Adviser will supervise and provide oversight of the Fund's service providers. The Adviser will furnish to the Fund office facilities, equipment and personnel for servicing the management of the Fund. The Adviser will compensate all Adviser personnel who provide services to the Fund. In return for these services, facilities and payments, the Fund has agreed to pay the Adviser as compensation under the Advisory Agreement a monthly management fee computed at the annual rate of 1.25% of the average daily net assets. The Adviser may employ research services and service providers to assist in the Adviser's market analysis and investment selection.

A discussion regarding the basis for the Board of Trustees' approval of the Fund's Advisory Agreement is available in the Fund's Annual Report to Shareholders dated September 30, 2015.

The Adviser and the Fund have entered into an Expense Limitation Agreement under which the Adviser has agreed contractually to waive its fees and to pay or absorb the ordinary operating expenses of the Fund (including offering expenses, but excluding interest, brokerage commissions, extraordinary expenses and acquired fund fees and expenses) to the extent that they exceed 1.85% per annum of the Fund's average daily net assets, at least through January 31, 2017 (the Expense Limitation). In consideration of the Adviser's agreement to limit the Fund's expenses, the Fund has agreed to repay the Adviser in the amount of any fees waived and Fund expenses paid or absorbed, subject to the limitations that: (1) the reimbursement will be made only for fees and expenses incurred not more than three years from the end of the fiscal year in which they were incurred; and (2) the reimbursement may not be made if it would cause the Expense Limitation to be exceeded. This agreement may be terminated only by the Fund's Board of Trustees on 60 days written notice to the Adviser. After January 31, 2017, the Expense

Limitation Agreement may expire or be renewed or modified to limit expenses to a level different than 1.85% at the Adviser's and Board's discretion.

David F. Aisner

Co-Portfolio Manager

David F. Aisner is an executive vice president of the Adviser, a position held since July 2015. Mr. Aisner shares primary responsibility for management of the Fund's investment portfolio and has served the Fund in this capacity since July 2015. Mr. Aisner works closely with Behringer's real estate team to implement acquisition strategies across various investment programs. In addition to serving as an executive vice president of the Adviser, Mr. Aisner serves in a similar capacity for other Behringer entities that are affiliated with the Adviser. Prior to joining Behringer in 2010, Mr. Aisner was employed at iStar Financial from 2008 to 2010 in the Investments Group, performing underwriting and asset management duties on a range of deal types and asset classes. From 2002 to 2006, Mr. Aisner was a vice president at The 1794 Commodore Funds, a $100 million multi-strategy fund of funds affiliated with the William A.M. Burden & Co. family office and York Capital Management, an event-driven hedge fund. From 2000 to 2002, he was employed with R. S. Carmichael & Company, a management consulting firm catering to financial services clients. Mr. Aisner earned a Bachelor of Arts degree, double-majoring in economics and political science, from Williams College. He received an MBA with a concentration in real estate at the Wharton School of Business at the University of Pennsylvania.

Robert J. Chapman

Co-Portfolio Manager

Robert J. Chapman is executive vice president of the Adviser, a position held since July 2015. Mr. Chapman shares primary responsibility for management of the Fund's investment portfolio and has served in this capacity since July 2015. Prior to joining Behringer in 2007, Mr. Chapman was chief financial officer of AMLI Residential Properties Trust, a publicly traded multifamily real estate investment trust from 1997-2007; managing director of Heitman Capital Management Corporation (1994-1997); managing director and chief financial officer of JMB Institutional Realty Corporation (1994); and managing director and chief financial Officer of JMB Realty Corporation (1976-1994). Mr. Chapman has served as a member of the Advisory Board of the Graaskamp Center for Real Estate of the University of Wisconsin. He served as a Founding Board Member of the National Association of Real Estate Companies (NAREC) and the Real Estate Advisory Council of the University of Cincinnati. Mr. Chapman has also been an adjunct professor of real estate finance at DePaul University in Chicago, Illinois. Mr. Chapman received a BBA degree in accounting and an MBA degree in finance from the University of Cincinnati.

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

Administrator, Accounting Agent and Transfer Agent

Gemini Fund Services, LLC, with principal offices at 80 Arkay Drive, Suite 110, Hauppauge, NY, 11788 and 17605 Wright Street, Suite 2, Omaha, NE 68130, serves as Administrator, Accounting Agent and Transfer Agent. For the services rendered to the Fund by the Administrator, the Fund pays the Administrator the greater of an annual minimum fee or an asset based fee, which scales downward based on net assets, for fund administration, fund accounting and transfer agency services. For the fiscal period ended September 30, 2013, the Fund paid $49,600, $27,388 and $35,698 for administration, fund accounting and transfer agency fees, respectively. For the fiscal period ended September 30, 2014, the Fund paid $93,313, $36,541 and $74,423 for administration, fund accounting and transfer agency fees, respectively. For the fiscal period ended September 30, 2015, the Fund paid $159,074, $45,988 and $141,288 for administration, fund accounting and transfer agency fees, respectively.

Security Servicing Agent

Statebridge Company, LLC, ("SC") serves as Security Servicing Agent. SC assists the Fund in collections from and maintenance of its securities by providing services such as contacting delinquent borrowers and managing the foreclosure process or other recovery processes for the Fund in the event of a borrower's default. SC receives a fee equal to approximately 0.20% to 0.25% of Fund average net assets, plus certain other service-specific fees, paid monthly at the preceding annual rate. For the fiscal period ended September 30, 2015, the Fund paid $483,016 in security servicing fees, the majority of which, $318,314, was paid to the prior servicer, Vertical Recovery Management, LLC.

Custodian

MUFG Union Bank N.A., with principal offices at 350 California Street, 6th Floor San Francisco, California 94104 serves as custodian for the securities and cash of the Fund's portfolio. Under a Custody Agreement, MUFG Union Bank N.A. holds the Fund's assets in safekeeping and keeps all necessary records and documents relating to its duties.

Other Fund Expenses

The Adviser is obligated to pay expenses associated with providing the services stated in the Advisory Agreement, including compensation of and office space for its officers and employees connected with investment and economic research, trading and investment management and administration of the Fund. The Adviser is obligated to pay the fees of any Trustee of the Fund who is affiliated with it.

GFS is obligated to pay expenses associated with providing the services contemplated by a Fund Services Administration Agreement (administration, accounting and transfer agent), including compensation of and office space for its officers and employees and administration of the Fund.

SC is obligated to pay expenses associated with providing the services contemplated by a servicing agreement, including compensation of and office space for its officers and employees.

The Fund pays all other expenses incurred in the operation of the Fund including, among other things, (i) expenses for legal and independent accountants' services, (ii) costs of printing proxies, share certificates, if any, and reports to shareholders, (iii) charges of the custodian and transfer agent in connection with the Fund's dividend reinvestment policy, (iv) fees and expenses of independent Trustees, (v) printing costs, (vi) membership fees in trade association, (vii) fidelity bond coverage for the Fund's officers and Trustees, (viii) errors and omissions insurance for the Fund's officers and Trustees, (ix) brokerage costs, (x) taxes, (xi) costs associated with the Fund's quarterly repurchase offers, (xii) servicing fees and (xiii) other extraordinary or non-recurring expenses and other expenses properly payable by the Fund. The expenses incident to the offering and issuance of shares to be issued by the Fund will be recorded as a reduction of capital of the Fund attributable to the shares.

The Fund may pay a monthly shareholder servicing fee at an annual rate of up to 0.25% of the average daily net assets of the Fund.

The Advisory Agreement authorizes the Adviser to select brokers or dealers (including affiliates) to arrange for the purchase and sale of Fund securities, including principal transactions. Any commission, fee or other remuneration paid to an affiliated broker or dealer is paid in compliance with the Fund's procedures adopted in accordance with Rule 17e-1 under the 1940 Act.

Control Persons

A control person is one who owns, either directly or indirectly, more than 25% of the voting securities of a company or acknowledges the existence of control. As of December 9, 2015 there were no persons with beneficial ownership of Fund shares that owned more than 25% of the voting securities of the Fund.

DETERMINATION OF NET ASSET VALUE

The net asset value of shares of the Fund is determined daily, as of the close of regular trading on the NYSE (normally, 4:00 p.m., Eastern time). Each share will be offered at net asset value plus the applicable sales load. During the continuous offering, the price of the shares will increase or decrease on a daily basis according to the net asset value of the shares. In computing net asset value, portfolio securities of the Fund are valued at their current market values determined on the basis of market quotations, if available. Because market quotations are not typically readily available for the majority of the Fund's securities, they are valued at fair value as determined by the Board of Trustees. The Board has delegated the day to day responsibility for determining these fair values in accordance with the policies it has approved to the Adviser and GFS. Fair valuation involves subjective judgments, and it is possible that the fair value determined for a security may differ materially from the value that could be realized upon the sale of the

security. There is no single standard for determining fair value of a security. Rather, in determining the fair value of a security for which there are no readily available market quotations, the Adviser may consider several factors, including fundamental analytical data relating to the investment in the security, the nature and duration of any restriction on the disposition of the security, the cost of the security at the date of purchase, the liquidity of the market for the security and the recommendation of the Fund's portfolio managers.

The Adviser and GFS will provide the Board of Trustees with periodic reports, no less frequently than quarterly, that discuss the functioning of the valuation process, if applicable to that period, and that identify issues and valuations problems that have arisen, if any. To the extent deemed necessary by the Adviser, the Valuation Committee of the Board will review any securities valued by the Adviser and GFS in accordance with the Fund's valuation policies. The Adviser will provide the Board of Trustees with periodic reports, no less frequently than quarterly, that discuss the functioning of the valuation process, if applicable to that period, and that identify issues and valuations problems that have arisen, if any. The Board has delegated execution of these procedures to a fair value team composed of one or more officers from each of the (i) Trust, (ii) administrator and (iii) Adviser. The team may also enlist third party consultants such as an audit firm or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. The Board reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

Non-dollar-denominated securities, if any, are valued as of the close of the NYSE at the closing price of such securities in their principal trading market, but may be valued at fair value if subsequent events occurring before the computation of net asset value materially have affected the value of the securities. Trading may take place in foreign issues held by the Fund, if any, at times when the Fund is not open for business. As a result, the Fund's net asset value may change at times when it is not possible to purchase or sell shares of the Fund. The Fund may use a third party pricing service to assist it in determining the market value of securities in the Fund's portfolio. The Fund's net asset value per share is calculated 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 accrued expenses of the Fund, less the Fund's other liabilities by the total number of shares outstanding.

For purposes of determining the net asset value of the Fund, readily marketable portfolio securities listed on the NYSE are valued, except as indicated below, at the last sale price reflected on the consolidated tape at the close of the NYSE on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the closing bid and asked prices on such day. If no bid or asked prices are quoted on such day or if market prices may be unreliable because of events occurring after the close of trading, then the security is valued by such method as the Board shall determine in good faith to reflect its fair market value. Readily marketable securities not listed on the NYSE but listed on other domestic or foreign

securities exchanges are valued in a like manner. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined as reflected on the consolidated tape at the close of the exchange representing the principal market for such securities. Securities trading on the NASDAQ are valued at the closing price.

Readily marketable securities traded in the over-the-counter market, including listed securities whose primary market is believed by the Adviser to be over-the-counter, are valued at the mean of the current bid and asked prices as reported by the NASDAQ or, in the case of securities not reported by the NASDAQ or a comparable source, as the Board deems appropriate to reflect their fair market value. Where securities are traded on more than one exchange and also over-the-counter, the securities will generally be valued using the quotations the Board of Trustees believes reflect most closely the value of such securities.

CONFLICTS OF INTEREST

As a general matter, certain conflicts of interest may arise in connection with a portfolio manager's management of a fund's investments, on the one hand, and the investments of other accounts for which the portfolio manager is responsible, on the other. For example, it is possible that the various accounts managed could have different investment strategies that, at times, might conflict with one another to the possible detriment of the Fund. Alternatively, to the extent that the same investment opportunities might be desirable for more than one account, possible conflicts could arise in determining how to allocate them. Other potential conflicts might include conflicts created by specific portfolio manager compensation arrangements, and conflicts relating to selection of brokers or dealers to execute Fund portfolio trades and/or specific uses of commissions from Fund portfolio trades (for example, research, or "soft dollars", if any). The Adviser has adopted policies and procedures and has structured its portfolio managers' compensation in a manner reasonably designed to safeguard the Fund from being negatively affected as a result of any such potential conflicts.

QUARTERLY REPURCHASES OF SHARES

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

Shareholders will be notified in writing about each quarterly repurchase offer, how they may request that the Fund repurchase their shares and the Repurchase Request

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

Determination of Repurchase Offer Amount

The Board of Trustees, or a committee thereof, in its sole discretion, will determine the number of shares that the Fund will offer to repurchase (the "Repurchase Offer Amount") for a given Repurchase Request Deadline. The Repurchase Offer Amount, however, will be no less than 5% and no more than 25% of the total number of shares outstanding on the Repurchase Request Deadline.

If shareholders tender for repurchase more than the Repurchase Offer Amount for a given repurchase offer, the Fund will repurchase the shares on a pro rata basis. However, the Fund may accept all shares tendered for repurchase by shareholders who own less than one hundred shares and who tender all of their shares, before prorating other amounts tendered.

Notice to Shareholders

Approximately 30 days (but no less than 21 days and more than 42 days) before each Repurchase Request Deadline, the Fund shall send to each shareholder of record and to each beneficial owner of the shares that are the subject of the repurchase offer a notification ("Shareholder Notification"). The Shareholder Notification will contain information shareholders should consider in deciding whether or not to tender their shares for repurchase. The notice also will include detailed instructions on how to tender shares for repurchase, state the Repurchase Offer Amount and identify the dates of the Repurchase Request Deadline, the scheduled Repurchase Pricing Date, and the date the repurchase proceeds are scheduled for payment (the "Repurchase Payment Deadline"). The notice also will set forth the NAV that has been computed no more than seven days before the date of notification, and how shareholders may ascertain the NAV after the notification date.

Repurchase Price

The repurchase price of the shares will be the NAV as of the close of regular trading on the NYSE on the Repurchase Pricing Date. You may call 1-866-277-VCIF to learn the NAV. The notice of the repurchase offer also will provide information concerning the NAV,

such as the NAV as of a recent date or a sampling of recent NAVs, and a toll-free number for information regarding the repurchase offer.

Repurchase Amounts and Payment of Proceeds

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

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

Suspension or Postponement of Repurchase Offer

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

Liquidity Requirements

The Fund must maintain liquid assets equal to the Repurchase Offer Amount from the time that the notice is sent to shareholders until the Repurchase Pricing Date. The Fund will ensure that a percentage of its net assets, including through access to a line of credit, equal to at least 100% of the Repurchase Offer Amount consists of assets that can be sold or disposed of in the ordinary course of business at approximately the price at which the Fund has valued the investment within the time period between the Repurchase Request Deadline and the Repurchase Payment Deadline. The Board of Trustees has

adopted procedures that are reasonably designed to ensure that the Fund's assets are sufficiently liquid so that the Fund can comply with the repurchase offer and the liquidity requirements described in the previous paragraph. If, at any time, the Fund falls out of compliance with these liquidity requirements, the Board of Trustees will take whatever action it deems appropriate to ensure compliance.

Consequences of Repurchase Offers

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

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

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

DISTRIBUTION POLICY

Monthly Distribution Policy

The Fund intends to make a dividend distribution each month to its shareholders of the net investment income of the Fund after payment of Fund operating expenses. The dividend rate may be modified by the Board from time to time. If, for any monthly distribution, investment company taxable income (which term includes net short-term capital gain), if any, and net tax-exempt income, if any, is less than the amount of the distribution, then assets of the Fund will be sold and the difference will generally be a tax-free return of capital distributed from the Fund's assets. The Fund's final distribution for

each calendar year will include any remaining investment company taxable income and net tax-exempt income undistributed during the year, as well as all net capital gain realized during the year. If the total distributions made in any calendar year exceed investment company taxable income, net tax-exempt income and net capital gain, such excess distributed amount would be treated as ordinary dividend income to the extent of the Fund's current and accumulated earnings and profits. Distributions in excess of the earnings and profits would first be a tax-free return of capital to the extent of the adjusted tax basis in the shares. After such adjusted tax basis is reduced to zero, the distribution would constitute capital gain (assuming the shares are held as capital assets). This distribution policy may, under certain circumstances, have certain adverse consequences to the Fund and its shareholders because it may result in a return of capital resulting in less of a shareholder's assets being invested in the Fund and, over time, increase the Fund's expense ratio. The distribution policy also may cause the Fund to sell a security at a time it would not otherwise do so in order to manage the distribution of income and gain.

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

The dividend distribution described above may result in the payment of approximately the same amount or percentage to the Fund's shareholders each month. Section 19(a) of the 1940 Act and Rule 19a-1 thereunder require the Fund to provide a written statement accompanying any such payment that adequately discloses its source or sources. Thus, if the source of the dividend or other distribution were the original capital contribution of the shareholder, and the payment amounted to a return of capital, the Fund would be required to provide written disclosure to that effect. Nevertheless, persons who periodically receive the payment of a dividend or other distribution may be under the impression that they are receiving net profits when they are not. Shareholders should read any written disclosure provided pursuant to Section 19(a) and Rule 19a-1 carefully and should not assume that the source of any distribution from the Fund is net profit.

The Board reserves the right to change the monthly distribution policy from time to time.

DIVIDEND REINVESTMENT POLICY

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

Shareholders automatically participate in the dividend reinvestment policy, unless and until an election is made to withdraw from the policy on behalf of such participating shareholder. Shareholders who do not wish to have Distributions automatically reinvested should so notify the Agent in writing at Vertical Capital Income Fund, c/o Gemini Fund Services, LLC, 17605 Wright Street, Suite 2, Omaha, NE 68130. Such written notice must

be received by the Agent 30 days prior to the record date of the Distribution or the shareholder will receive such Distribution in shares through the dividend reinvestment policy. Under the dividend reinvestment policy, the Fund's Distributions to shareholders are reinvested in full and fractional shares as described below.

When the Fund declares a Distribution, the Agent, on the shareholder's behalf, will receive additional authorized shares from the Fund either newly issued or repurchased from shareholders by the Fund and held as treasury stock. The number of shares to be received when Distributions are reinvested will be determined by dividing the amount of the Distribution by the Fund's net asset value per share.

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

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

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

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

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

All correspondence concerning the dividend reinvestment policy should be directed to the Agent at Vertical Capital Income Fund, c/o Gemini Fund Services, LLC, 17605 Wright Street, Suite 2, Omaha, NE 68130. Certain transactions can be performed by calling the toll free number 1-866-277-VCIF.

U.S. FEDERAL INCOME TAX MATTERS

The following briefly summarizes some of the important federal income tax consequences to shareholders of investing in the Fund's 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, tax-exempt and foreign investors. Investors should consult their tax advisers regarding other federal, state or local tax considerations that may be applicable in their particular circumstances, as well as any proposed tax law changes.

The following is a summary discussion of certain U.S. federal income tax consequences that may be relevant to a shareholder of the Fund that acquires, holds and/or disposes of shares of the Fund, and reflects provisions of the Internal Revenue Code of 1986, as amended, existing Treasury regulations, rulings published by the IRS, and other applicable authority, as of the date of this Prospectus. These authorities are subject to change by legislative or administrative action, possibly with retroactive effect. The following discussion is only a summary of some of the important tax considerations generally applicable to investments in the Fund and the discussion set forth herein does not constitute tax advice. For more detailed information regarding tax considerations, see the Statement of Additional Information. There may be other tax considerations applicable to particular investors such as those holding shares in a tax deferred account such as an IRA or 401(k) plan. In addition, income earned through an investment in the Fund may be subject to state, local and foreign taxes.

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

The Fund intends to make distributions of investment company taxable income after payment of the Fund's operating expenses no less frequently than annually. Unless a shareholder is ineligible to participate or elects otherwise, all distributions will be automatically reinvested in additional shares of the Fund pursuant to the dividend reinvestment policy. For U.S. federal income tax purposes, all dividends are generally

taxable whether a shareholder takes them in cash or they are reinvested pursuant to the policy in additional shares of the Fund. Distributions of the Fund's investment company taxable income (including short-term capital gains) will generally be treated as ordinary income to the extent of the Fund's current and accumulated earnings and profits. Distributions of the Fund's net capital gains ("capital gain dividends"), if any, are taxable to shareholders as capital gains, regardless of the length of time shares have been held by shareholders. Distributions, if any, in excess of the Fund's earnings and profits will first reduce the adjusted tax basis of a holder's shares and, after that basis has been reduced to zero, will constitute capital gains to the shareholder of the Fund (assuming the shares are held as a capital asset). A corporation that owns Fund shares generally will not be entitled to the dividends received deduction with respect to all of the dividends it receives from the Fund. Fund dividend payments that are attributable to qualifying dividends received by the Fund from certain domestic corporations may be designated by the Fund as being eligible for the dividends received deduction. There can be no assurance as to what portion of Fund dividend payments may be classified as qualifying dividends. The determination of the character for U.S. federal income tax purposes of any distribution from the Fund (i.e., ordinary income dividends, capital gains dividends, qualified dividends or return of capital distributions) will be made as of the end of the Fund's taxable year. Generally, no later than 60 days after the close of its taxable year, the Fund will provide shareholders with a written notice designating the amount of any capital gain distributions and any other distributions.

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

DESCRIPTION OF CAPITAL STRUCTURE AND SHARES

The Fund is an unincorporated statutory trust established under the laws of the State of Delaware upon the filing of a Certificate of Trust with the Secretary of State of Delaware on April 8, 2011. The Fund's 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 shares, subject to a $1 billion limit on the Fund. The Fund does not intend to hold annual meetings of its shareholders. As of November 6, 2015, of 19,000,000 shares registered, 13,557,916.5490 shares were outstanding, of which none were owned by the Fund.

Title of Class	Amount Authorized	Amount Held By Fund	Amount Outstanding
Shares of Beneficial Interest	$1,000,000,000 19,000,000 shares registered	None	13,557,916.5490 shares NAV $12.11 per share

Shares

The Declaration of Trust, which has been filed with the SEC, permits the Fund to issue an unlimited number of full and fractional shares of beneficial interest, no par value. Each share of the Fund represents an equal proportionate interest in the assets of the Fund with each other share in the Fund. Holders of shares will be entitled to the payment of dividends when, as and if declared by the Board of Trustees. The Fund currently intends to make dividend distributions to its shareholders after payment of Fund operating expenses including interest on outstanding borrowings, if any, no less frequently than quarterly. Unless the registered owner of shares elects to receive cash, all dividends declared on shares will be automatically reinvested for shareholders in additional shares of the Fund. See "Dividend Reinvestment Policy." The 1940 Act may limit the payment of dividends to the holders of shares. Each whole share shall be entitled to one vote 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 upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining assets of the Fund among its shareholders. The shares are not liable to further calls or to assessment by the Fund. There are no pre-emptive rights associated with the shares. The Declaration of Trust provides that the Fund's shareholders are not liable for any liabilities of the Fund. Although shareholders of an unincorporated statutory trust established under Delaware law, in certain limited circumstances, may be held personally liable for the obligations of the Fund as though they were general partners, the provisions of the Declaration of Trust described in the foregoing sentence make the likelihood of such personal liability remote.

The Fund generally will not issue share certificates. However, upon written request to the Fund's transfer agent, a share certificate may be issued at the Fund's discretion for any or all of the full shares credited to an investor's account. Share certificates that have been issued to an investor may be returned at any time. The Fund's transfer agent will maintain an account for each shareholder upon which the registration of shares are recorded, and transfers, permitted only in rare circumstances, such as death, will be reflected by bookkeeping entry, without physical delivery. GFS will require that a shareholder provide requests in writing, accompanied by a valid signature guarantee form, when changing certain information in an account such as wiring instructions or telephone privileges.

ANTI-TAKEOVER PROVISIONS IN THE DECLARATION OF TRUST

The Agreement and Declaration of Trust includes provisions that could have the effect of limiting the ability of other entities or persons to acquire control of the Fund or to change the composition of the Board of Trustees, and could have the effect of depriving the Fund's shareholders of an opportunity to sell their shares at a premium over prevailing market prices, if any, by discouraging a third party from seeking to obtain control of the Fund. These provisions may have the effect of discouraging attempts to acquire control of the Fund, which attempts could have the effect of increasing the expenses of the Fund and interfering with the normal operation of the Fund. The Trustees are elected for indefinite terms and do not stand for reelection. A Trustee may be removed from office without cause only by a written instrument signed or adopted by a majority of the

remaining Trustees or by a vote of the holders of at least two-thirds of the class of shares of the Fund that are entitled to elect a Trustee and that are entitled to vote on the matter. The Declaration of Trust does not contain any other specific inhibiting provisions that would operate only with respect to an extraordinary transaction such as a merger, reorganization, tender offer, sale or transfer of substantially all of the Fund's asset, or liquidation. Reference should be made to the Declaration of Trust on file with the SEC for the full text of these provisions.

PLAN OF DISTRIBUTION

Northern Lights Distributors, LLC (the "Distributor"), located at 17605 Wright Street, Omaha, NE 68130, is serving as the Fund's principal underwriter and acts as the distributor of the Fund's shares on a reasonable efforts basis, subject to various conditions. The Fund's shares are offered for sale through the Distributor at net asset value plus the applicable sales load. The Distributor also may enter into selected dealer agreements with other broker dealers for the sale and distribution of the Fund's shares.

In reliance on Rule 415, the Fund intends to offer to sell up to $1,000,000,000 of its shares, on a continual basis, through the Distributor. No arrangement has been made to place funds received in an escrow, trust or similar account. The Distributor is not required to sell any specific number or dollar amount of the Fund's shares, but will use reasonable efforts to sell the shares. Shares of the Fund will not be listed on any national securities exchange and the Distributor will not act as a market marker in Fund shares.

The Fund's Adviser may advance to, or reimburse, the Fund's Distributor up to 1.00% in connection with commissions paid to authorized broker-dealers as well as to their registered representatives through payments flowing through their respective broker or dealer on certain purchases of shares that are purchased without a load. Additionally, the Adviser or its affiliates, in the Adviser's discretion and from their own resources, may pay additional compensation to brokers or dealers, as well as to their registered representatives through payments flowing through their respective broker or dealer in connection with the sale and distribution of Fund shares (the "Additional Compensation"). In some situations, in return for the Additional Compensation, the Fund may receive certain marketing advantages including access to a broker's or dealer's registered representatives, placement on a list of investment options offered by a broker or dealer, or the ability to assist in training and educating the broker's or dealer's registered representatives. The Additional Compensation may differ among brokers or dealers, and their registered representatives, in amount or in the manner of calculation: payments of Additional Compensation may be fixed dollar amounts, or based on the aggregate value of outstanding shares held by shareholders introduced by the broker or dealer or their registered representatives, or determined in some other manner. The receipt of Additional Compensation by a selling broker or dealer or their registered representatives may create potential conflicts of interest between an investor and its broker or dealer or their registered representatives who is recommending the Fund over other potential investments. Additionally, the Adviser or its affiliates pay a servicing fee to the Distributor and to other selected securities dealers and other financial industry professionals for providing ongoing broker-dealer services in respect of clients with whom they have distributed shares of the Fund. Such services may include electronic processing of client

orders, electronic fund transfers between clients and the Fund, account reconciliations with the Fund's transfer agent, facilitation of electronic delivery to clients of Fund documentation, monitoring client accounts for back-up withholding and any other special tax reporting obligations, maintenance of books and records with respect to the foregoing, and such other information and liaison services as the Fund or the Adviser may reasonably request.

The Fund and the Adviser have agreed to indemnify the Distributor against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the Distributor may be required to make because of any of those liabilities. Such agreement does not include indemnification of the Distributor against liability resulting from willful misfeasance, bad faith or gross negligence on the part of the Distributor in the performance of its duties or from reckless disregard by the Distributor of its obligations and duties under the Distribution Agreement. The Distributor may, from time to time, engage in transactions with or perform services for the Adviser and its affiliates in the ordinary course of business.

Purchasing Shares

Investors may purchase shares directly from the Fund in accordance with the instructions below. Investors will be assessed fees for returned checks and stop payment orders at prevailing rates charged by Gemini Fund Services, LLC, the Fund's administrator. The returned check and stop payment fee is currently $25. Investors may buy and sell shares of the Fund through financial intermediaries and their agents that have made arrangements with the Fund and are authorized to buy and sell shares of the Fund (collectively, "Financial Intermediaries"). Orders will be priced at the appropriate price next computed after it is received by a Financial Intermediary and accepted by the Fund. A Financial Intermediary may hold shares in an omnibus account in the Financial Intermediary's name or the Financial Intermediary may maintain individual ownership records. The Fund may pay the Financial Intermediary for maintaining individual ownership records as well as providing other shareholder services. Financial intermediaries may charge fees for the services they provide in connection with processing your transaction order or maintaining an investor's account with them. Investors should check with their Financial Intermediary to determine if it is subject to these arrangements. Financial Intermediaries are responsible for placing orders correctly and promptly with the Fund and forwarding payment promptly. Orders transmitted with a Financial Intermediary before the close of regular trading (generally 4:00 p.m., Eastern Time) on a day that the NYSE is open for business, will be priced based on the Fund's NAV next computed after it is received by the Financial Intermediary.

By Mail

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

Vertical Capital Income Fund
c/o Gemini Fund Services, LLC
17605 Wright Street, Suite 2
Omaha, NE 68130

All checks must be in US Dollars drawn on a domestic bank. The Fund will not accept payment in cash or money orders. The Fund also does not accept cashier's checks in amounts of less than $10,000. To prevent check fraud, the Fund will neither accept third party checks, Treasury checks, credit card checks, traveler's checks or starter checks for the purchase of shares, nor post-dated checks, post-dated on-line bill pay checks, or any conditional purchase order or payment.

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

By Wire — Initial Investment

To make an initial investment in the Fund, the transfer agent must receive a completed account application before an investor wires funds. Investors may mail or overnight deliver an account application to the transfer agent. Upon receipt of the completed account application, the transfer agent will establish an account. The account number assigned will be required as part of the instruction that should be provided to an investor's bank to send the wire. An investor's bank must include both the name of the Fund, the account number, and the investor's name so that monies can be correctly applied. If you wish to wire money to make an investment in the Fund, please call the Fund at 1-866-277-VCIF for wiring instructions and to notify the Fund that a wire transfer is coming. Any commercial bank can transfer same-day funds via wire. The Fund will normally accept wired funds for investment on the day received if they are received by the Fund's designated bank before the close of regular trading on the NYSE. Your bank may charge you a fee for wiring same-day funds. The bank should transmit funds by wire to:

ABA #: (number provided by calling toll-free number above)
Credit: Gemini Fund Services, LLC
Account #: (number provided by calling toll-free number above)
Further Credit:
Vertical Capital Income Fund
(shareholder registration)
(shareholder account number)

By Wire — Subsequent Investments

Before sending a wire, investors must contact Gemini Fund Services, LLC to advise them of the intent to wire funds. This will ensure prompt and accurate credit upon receipt of the wire. Wired funds must be received prior to 4:00 p.m. Eastern time to be eligible for same day pricing. The Fund, and its agents, including the transfer agent and custodian, are not

responsible for the consequences of delays resulting from the banking or Federal Reserve wire system, or from incomplete wiring instructions.

Automatic Investment Plan — Subsequent Investments

You may participate in the Fund's Automatic Investment Plan, an investment plan that automatically moves money from your bank account and invests it in the Fund through the use of electronic funds transfers or automatic bank drafts. You may elect to make subsequent investments by transfers of a minimum of $100, or $50 for retirement plan accounts, on specified days of each month into your established Fund account. Please contact the Fund at 1-866-277-VCIF for more information about the Fund's Automatic Investment Plan.

By Telephone

Investors may purchase additional shares of the Fund by calling 1-866-277-VCIF. If an investor elected this option on the account application, and the account has been open for at least 15 days, telephone orders will be accepted via electronic funds transfer from your bank account through the Automated Clearing House (ACH) network. Banking information must be established on the account prior to making a purchase. Orders for shares received prior to 4:00 p.m. Eastern time will be purchased at the appropriate price calculated on that day.

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

In compliance with the USA Patriot Act of 2001, GFS will verify certain information on each account application as part of the Fund's Anti-Money Laundering Program. As requested on the application, investors must supply full name, date of birth, social security number and permanent street address. Mailing addresses containing only a P.O. Box will not be accepted. Investors may call Gemini Fund Services, LLC at 1-866-277-VCIF for additional assistance when completing an application.

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

Purchase Terms

The minimum initial purchase by an investor is $5,000 for regular accounts and $1,000 for retirement plan accounts. The Fund's shares are offered for sale through its Distributor at net asset value plus the applicable sales load. The price of the shares during the Fund's continuous offering will fluctuate over time with the net asset value of the shares. Investors

in the Fund will pay a sales load based on the amount of their investment in the Fund. The sales load payable by each investor depends upon the amount invested by such investor in the Fund, but may range from 0.00% to 4.50%, as set forth in the table below. A reallowance will be made by the Distributor from the sales load paid by each investor. The sales charge varies, depending on how much you invest. There are no sales charges on reinvested distributions. The Fund reserves the right to waive sales charges. The following sales charges apply to your purchases of shares of the Fund:

Amount Invested	Sales Charge as a % of Offering Price[1]	Sales Charge as a % of Amount Invested	Dealer Reallowance
Under $49,999	4.50%	4.71%	4.00%
$50,000 to $99,999	3.75%	3.90%	3.35%
$100,000 to $249,999	3.00%	3.09%	2.75%
$250,000 to $499,999	2.50%	2.56%	2.25%
$500,000 to $999,999	1.25%	1.27%	1.00%
$1,000,000 and above	0.00%	0.00%	0.00%

(1) Offering price includes the front-end sales load. The sales charge you pay may differ slightly from the amount set forth above because of rounding that occurs in the calculations used to determine your sales charge.

You may be able to buy shares without a sales charge (i.e., "load-waived") when you are:

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

In addition, concurrent purchases by related accounts may be combined to determine the application of the sales load. The Fund will combine purchases made by an investor, the investor's spouse or domestic partner, and dependent children when it calculates the sales load.

It is the investor's responsibility to determine whether a reduced sales load would apply. The Fund is not responsible for making such determination. To receive a reduced sales load, notification must be provided at the time of the purchase order. If you purchase

shares directly from the Fund, you must notify the Fund in writing. Otherwise, notice should be provided to the Financial Intermediary through whom the purchase is made so they can notify the Fund.

Right of Accumulation

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

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

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

Letter of Intent

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

Shareholder Service Expenses

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

CYBERSECURITY

The computer systems, networks and devices used by the Fund and its service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized by the Fund and its service providers, systems, networks, or devices potentially can be breached. The Fund and shareholders could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact the Fund's business operations, potentially resulting in financial losses; interference with the Fund's ability to calculate NAV; impediments to trading; the inability of the Fund, the Adviser, and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which the Fund invests; counterparties with which the Fund engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions (including financial intermediaries and service providers for the Fund's shareholders); and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

LEGAL MATTERS

Certain legal matters in connection with the shares will be passed upon for the Fund by Thompson Hine LLP, 41 South High Street, Suite 1700, Columbus, OH 43215.

REPORTS TO SHAREHOLDERS

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

Householding

In an effort to decrease costs, the Fund intends to reduce the number of duplicate annual and semi-annual reports by sending only one copy of each to those addresses shared by two or more accounts and to shareholders reasonably believed to be from the same family or household. Once implemented, a shareholder must call 1-866-277-VCIF to discontinue householding and request individual copies of these documents. Once the Fund receives notice to stop householding, individual copies will be sent beginning thirty days after receiving your request. This policy does not apply to account statements.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP is the independent registered public accounting firm for the Fund and audits the Fund's financial statements. KPMG LLP is located at KPMG Plaza, 2323 Ross Avenue, Suite 1400, Dallas, TX 75201.

ADDITIONAL INFORMATION

The Prospectus and the 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 (file No. 333-_____). The complete Registration Statement may be obtained from the SEC at www.sec.gov. See the cover page of this Prospectus for information about how to obtain a paper copy of the Registration Statement or Statement of Additional Information without charge.

TABLE OF CONTENTS OF THE STATEMENT OF ADDITIONAL INFORMATION

FACTS **WHAT DOES VERTICAL CAPITAL INCOME FUND DO WITH YOUR PERSONAL INFORMATION?**

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

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include: § § Social Security number § § Purchase History § § Assets § § Account Balances § § Retirement Assets § § Account Transactions § § Transaction History § § Wire Transfer Instructions § § Checking Account Information When you are no longer our customer, we continue to share your information as described in this notice.

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

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

Questions? Call 1-866-277-VCIF

Who we are	
Who is providing this notice?	Vertical Capital Income Fund
What we do	
How does Vertical Capital Income Fund protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.
How does Vertical Capital Income Fund collect my personal information?	We collect your personal information, for example, when you § Open an account § Provide account information § Give us your contact information § Make deposits or withdrawals from your account § Make a wire transfer § Tell us where to send the money § Tells us who receives the money § Show your government-issued ID § Show your driver's license We also collect your personal information from other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness ▪ Affiliates from using your information to market to you ▪ Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. § *Vertical Capital Income Fund does not share with our affiliates.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies § *Vertical Capital Income Fund does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. § *Vertical Capital Income Fund doesn't jointly market.*

Vertical Capital Income Fund
Shares of Beneficial Interest

PROSPECTUS

December 18, 2015

Investment Adviser
Behringer Advisors, LLC

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

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

STATEMENT OF ADDITIONAL INFORMATION

December 18, 2015

VERTICAL CAPITAL INCOME FUND
(VCAPX)
Principal Executive Offices
80 Arkay Drive, Suite 110, Hauppauge, NY 11788
1-866-277-VCIF

This Statement of Additional Information ("SAI") is not a Prospectus. This SAI should be read in conjunction with the Prospectus of Vertical Capital Income Fund, dated December 18, 2015, as it may be supplemented from time to time. The Prospectus is hereby incorporated by reference into this SAI (legally made a part of this SAI). Capitalized terms used but not defined in this SAI have the meanings given to them in the Prospectus. This SAI does not include all information that a prospective investor should consider before purchasing the Fund's securities.

You should obtain and read the Prospectus and any related Prospectus supplement prior to purchasing any of the Fund's securities. A copy of the Prospectus may be obtained without charge by calling the Fund toll-free at 1-866-277-VCIF or by visiting vertical-incomefund.com. Information on the website is not incorporated herein by reference. The registration statement of which the Prospectus is a part can be reviewed and copied at the Public Reference Room of the Securities and Exchange Commission (the "SEC") at 100 F Street NE, Washington, D.C. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-202-551-8090. The Fund's filings with the SEC also are available to the public on the SEC's Internet web site at *www.sec.gov*. Copies of these filings may be obtained, after paying a duplicating fee, by electronic request at the following E-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street NE, Washington, D.C. 20549.

The Securities and Exchange Commission has not approved or disapproved these securities or determined if this Statement of Additional Information is truthful or complete. Any representation to the contrary is a criminal offense.

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GENERAL INFORMATION AND HISTORY

The Fund is a continuously offered, diversified, closed-end management investment company that is operated as an interval fund (the "Fund" or the "Trust"). The Fund was organized as a Delaware statutory trust on April 8, 2011. The Fund's principal office is located at c/o Gemini Fund Services, LLC, 80 Arkay Drive, Suite 110, Hauppauge, NY 11788, and its telephone number is 1-866-277-VCIF. The investment objective and principal investment strategies of the Fund, as well as the principal risks associated with the Fund's investment strategies, are set forth in the Prospectus. Certain additional investment information is set forth below.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The Fund's investment objective is to seek income.

Fundamental Policies

The Fund's stated fundamental policies, which may only be changed by the affirmative vote of a majority of the outstanding voting securities of the Fund (the shares), are listed below. For the purposes of this SAI, "majority of the outstanding voting securities of the Fund" means the vote, at an annual or special meeting of shareholders, duly called, (a) of 67% or more of the shares present at such meeting, if the holders of more than 50% of the outstanding shares are present or represented by proxy; or (b) of more than 50% of the outstanding shares, whichever is less. The Fund may not:

(1) Borrow money, except to the extent permitted by the Investment Company Act of 1940, as amended (the "1940 Act") (which currently limits borrowing to no more than

33-1/3% of the value of the Fund's total assets, including the value of the assets purchased with the proceeds of its indebtedness, if any). The Fund may borrow for investment purposes, for temporary liquidity, or to finance repurchases of its shares.

(2) Issue senior securities, except to the extent permitted by Section 18 of the 1940 Act (which currently limits the issuance of a class of senior securities that is indebtedness to no more than 33-1/3% of the value of the Fund's total assets or, if the class of senior security is stock, to no more than 50% of the value of the Fund's total assets).

(3) Underwrite securities of other issuers, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933, as amended (the "Securities Act") in connection with the disposition of its portfolio securities. The Fund may invest in restricted securities (those that must be registered under the Securities Act before they may be offered or sold to the public) to the extent permitted by the 1940 Act.

(4) Invest more than 25% of the market value of its assets in the securities of companies, entities or issuers engaged in any one industry, except the mortgage-related industry, as defined in the Fund's Prospectus. This limitation does not apply to investment in the securities of the U.S. Government, its agencies or instrumentalities.

(5) Purchase or sell real estate or interests in real estate. This limitation is not applicable to investments in securities that are secured by or represent interests in real estate (e.g. mortgage loans evidenced by notes or other writings defined to be a type of security). Additionally, the preceding limitation on real estate or interests in real estate does not preclude the Fund from investing in mortgage-related securities or investing in companies engaged in the real estate business or that have a significant portion of their assets in real estate (including real estate investment trusts), nor from disposing of real estate that may be acquired pursuant to a foreclosure (or equivalent procedure) upon a security interest.

(6) Purchase or sell commodities, commodity contracts, including commodity futures contracts, unless acquired as a result of ownership of securities or other investments, except that the Fund may invest in securities or other instruments backed by or linked to commodities, and invest in companies that are engaged in a commodities business or have a significant portion of their assets in commodities, and may invest in commodity pools and other entities that purchase and sell commodities and commodity contracts.

(7) Make loans to others, except (a) through the purchase of debt securities in accordance with its investment objectives and policies, including notes secured by real estate, which may be considered loans; (b) to the extent the entry into a repurchase agreement is deemed to be a loan; and (c) by loaning portfolio securities. Additionally, the preceding limitation on loans does not preclude the Fund from modifying note terms.

In addition, the Fund has adopted a fundamental policy that

(8) The Fund will make quarterly repurchase offers for no less than for 5% of the shares outstanding at net asset value ("NAV") less any repurchase fee, unless suspended

or postponed in accordance with regulatory requirements, and each repurchase pricing shall occur no later than the 14th day after the Repurchase Request Deadline, or the next business day if the 14th is not a business day.

If a restriction on the Fund's investments is adhered to at the time an investment is made, a subsequent change in the percentage of Fund assets invested in certain securities or other instruments, or change in average duration of the Fund's investment portfolio, resulting from changes in the value of the Fund's total assets, will not be considered a violation of the restriction; provided, however, that the asset coverage requirement applicable to borrowings shall be maintained in the manner contemplated by applicable law.

Certain Portfolio Securities and Other Operating Policies

As discussed in the Prospectus, the Fund invests in securities secured by real estate. No assurance can be given that any or all investment strategies, or the Fund's investment program, will be successful. The Fund's investment adviser is Behringer Advisors, LLC (the "Adviser"). The Adviser is responsible for allocating the Fund's assets among various securities using its investment strategies, subject to policies adopted by the Fund's Board of Trustees. Additional information regarding the types of securities and financial instruments is set forth below.

Non-Performing Notes Issued By Individual Borrowers Secured By Residential Real Estate

The Fund invests substantially all its assets in groups or packages of loans secured by real estate. However, the Adviser expects that up to approximately 10% of the loans in the group or package may be in default or considered by the Adviser to be non-performing. Non-performing notes are not current on payments and are considered by the Adviser to be seriously delinquent (at least 120 days overdue). In selecting these notes, the Adviser focuses on rehabilitating a borrower's delinquency and resuming payments primarily by renegotiating note terms to lower interest and/or principal payments so that a borrower can resume payments on its note. The Adviser also gives greater weight to the liquidation value of residential real estate collateral than when selecting performing notes.

When evaluating a borrower's ability to resume payments, the Adviser uses a proprietary underwriting model that takes into account the following factors, but may also take into consideration others:

- Borrower payment history including delinquencies and defaults
- Security's interest rate and principal balance
- Borrower total debt service load
- Alternative sources of repayment such as liquid assets

- Title search of property to assure clear title by borrower

When evaluating residential real estate collateral's potential liquidation value the Adviser uses a proprietary collateral valuation underwriting model that takes into account the following factors, but may also take into consideration others:

- Current property value as established by an independent broker's price opinion
- State laws pertaining to mortgages in that domicile
- Local real estate trends around the respective property
- Potential environmental remediation costs at site
- Estimated foreclosure value for the property

Non-performing notes are subject to the investment risks associated with performing notes (See "Risk Factors" in the Fund's Prospectus), but are especially sensitive to residential real estate collateral recovery values and are considered illiquid. Non-performing notes require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such a note. Even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such a note, replacement "take-out" financing will not be available. It is possible that the Adviser may find it necessary or desirable to foreclose.

Notes Issued By Commercial Real Estate-Related Issuers Secured By Commercial Real Estate

The Adviser may invest up to 10% of the Fund's assets in notes secured by commercial real estate. The Adviser selects securities by evaluating the issuer's credit quality and the potential liquidation value of the commercial real estate collateral securing the issuer's debt obligation. When evaluating credit quality the Adviser uses a proprietary underwriting model that takes into account the following factors, but may also take into consideration others:

Commercial Issuers

- Issuer payment history including delinquencies and defaults
- Issuer credit report
- Security's interest rate
- Issuer total debt service load and total fixed costs
- Tenant quality and lease roll-over
- Local market competition
- Projected vacancy rate
- Title search of property to assure clear title by issuer

When evaluating residential real estate collateral's potential liquidation value the Adviser uses a proprietary collateral valuation underwriting model that may take into account the following factors, but may also take into consideration others:

- Current property value as established by an independent broker's price opinion
- State laws pertaining to mortgages in that domicile
- Local real estate trends around the respective property
- Potential environmental remediation costs at site
- Estimated foreclosure value for the property

Even though the Adviser re-evaluates each issuer's ability to pay, it nonetheless anticipates a significant likelihood of default by issuers because of difficult-to-predict economic events. The Adviser expects to resolve or forestall defaults primarily by renegotiating note terms to lower interest and/or principal payments so that an issuer can resume payments on its note. The Adviser also may enter into an agreement with the issuer and a third party to sell the property to the third party for less than the principal balance on the note while forgiving any unpaid principal that remains after receiving the proceeds from the sale (commonly referred to as a short-sale). The Adviser may also foreclose upon the property and seek to recover via sale of the property.

There are also special risks associated with particular sectors, or real estate operations generally, as described below:

Retail Properties. Retail properties are affected by the overall health of the economy and may be adversely affected by, among other things, the growth of alternative forms of retailing, bankruptcy, departure or cessation of operations of a tenant, a shift in consumer demand due to demographic changes, changes in spending patterns and lease terminations.

Office Properties. Office properties are affected by the overall health of the economy, and other factors such as a downturn in the businesses operated by their tenants, obsolescence and non-competitiveness.

Hotel Properties. The risks of hotel properties include, among other things, the necessity of a high level of continuing capital expenditures, competition, increases in operating costs which may not be offset by increases in revenues, dependence on business and commercial travelers and tourism, increases in fuel costs and other expenses of travel, and adverse effects of general and local economic conditions. Hotel properties tend to be more sensitive to adverse economic conditions and competition than many other commercial properties.

Healthcare Properties. Healthcare properties and healthcare providers are affected by several significant factors, including federal, state and local laws governing licenses,

certification, adequacy of care, pharmaceutical distribution, rates, equipment, personnel and other factors regarding operations, continued availability of revenue from government reimbursement programs and competition on a local and regional basis. The failure of any healthcare operator to comply with governmental laws and regulations may affect its ability to operate its facility or receive government reimbursements.

Multifamily Properties. The value and successful operation of a multifamily property may be affected by a number of factors such as the location of the property, the ability of the management team, the level of mortgage rates, the presence of competing properties, adverse economic conditions in the locale, oversupply and rent control laws or other laws affecting such properties.

Community Centers. Community center properties are dependent upon the successful operations and financial condition of their tenants, particularly certain of their major tenants, and could be adversely affected by bankruptcy of those tenants. In some cases a tenant may lease a significant portion of the space in one center, and the filing of bankruptcy could cause significant revenue loss. Like others in the commercial real estate industry, community centers are subject to environmental risks and interest rate risk. They also face the need to enter into new leases or renew leases on favorable terms to generate rental revenues. Community center properties could be adversely affected by changes in the local markets where their properties are located, as well as by adverse changes in national economic and market conditions.

Self-Storage Properties. The value and successful operation of a self-storage property may be affected by a number of factors, such as the ability of the management team, the location of the property, the presence of competing properties, changes in traffic patterns and effects of general and local economic conditions with respect to rental rates and occupancy levels.

Other factors may contribute to the risk of real estate investments:

Development Issues. Certain commercial real estate issuers may engage in the development or construction of real estate properties. These issuers are exposed to a variety of risks inherent in real estate development and construction, such as the risk that there will be insufficient tenant demand to occupy newly developed properties, and the risk that prices of construction materials or construction labor may rise materially during the development.

Lack of Insurance. Certain commercial real estate issuers may fail to carry comprehensive liability, fire, flood, earthquake extended coverage and rental loss insurance, or insurance in place may be subject to various policy specifications, limits and deductibles. Should any type of uninsured loss occur, the portfolio company could lose its investment in, and anticipated profits and cash flows from, a number of properties and, as a result, adversely affect the Fund's investment performance.

Dependence on Tenants. The value of commercial real estate issuers' properties and the ability to repay their notes depend upon the ability of the tenants at their properties to generate enough income in excess of their operating expenses to make their lease payments. Changes beyond the control of commercial real estate issuers may adversely affect their tenants' ability to make their lease payments and, in such event, would substantially reduce both their income from operations and ability to repay their notes.

Financial Leverage. Commercial real estate issuers may be highly leveraged and financial covenants may affect the ability of these issuers to operate effectively.

Environmental Issues. In connection with the ownership (direct or indirect), operation, management and development of real properties that may contain hazardous or toxic substances, a commercial real estate issuer may be considered an owner, operator or responsible party of such properties and, therefore, may be potentially liable for removal or remediation costs, as well as certain other costs, including governmental fines and liabilities for injuries to persons and property. The existence of any such material environmental liability could have a material adverse effect on the results of operations and cash flow of any such issuer and, as a result, the amount available to make interest or principal payments to the Fund could be reduced.

Current Conditions . The decline in the broader credit markets in recent years related to the sub-prime mortgage dislocation has caused the global financial markets to become more volatile and the United States homebuilding and commercial real estate market has been dramatically impacted as a result. The confluence of the dislocation in the real estate credit markets with the broad based stress in the United States real estate industry could create a difficult environment for owners of real estate in the near term and investors should be aware that the general risks of investing in securities secured by real estate may be magnified.

Recent instability in the United States, Europe and other credit markets also has made it more difficult for borrowers to obtain financing or refinancing on attractive terms or at all. In particular, because of the current conditions in the credit markets, borrowers may be subject to increased interest expenses for borrowed money and tightening underwriting standards. There is also a risk that a general lack of liquidity or other adverse events in the credit markets may adversely affect the ability of issuers in whose securities the Fund invests to continue to finance real estate developments and projects or refinance completed projects.

For example, adverse developments relating to sub-prime mortgages have been adversely affecting the willingness of some lenders to extend credit, in general, which may make it more difficult for companies to obtain financing on attractive terms or at all so that they may commence or complete real estate development projects, refinance completed projects or purchase real estate. It also may adversely affect the price at which companies can sell real estate, because purchasers may not be able to obtain financing on attractive terms or at all. These developments also may adversely affect the broader economy, which in turn may adversely affect the real estate markets. Such developments

could, in turn, reduce the number of real estate funds publicly-traded during the investment period and reduce the Fund's investment opportunities.

Certain Legal Aspects of Notes Secured by Real Estate

Each of the Fund's mortgage-related notes will be secured by a deed of trust, mortgage, security agreement, or legal title. The deed of trust and mortgage are the most commonly used real property security devices. A deed of trust formally has three parties: (1) a debtor, referred to as the "trustor," (2) a third party referred to as the "trustee" and (3) the lender/creditor, referred to as the "beneficiary." The trustor irrevocably grants the property until the debt is paid, "in trust, with power of sale" to the trustee to secure payment of the obligation. The trustee's authority is governed by law, the express provisions of the deed of trust and the directions of the beneficiary. The Fund will be the beneficiary under all deeds of trust securing Fund investments. In a mortgage note, there are only two parties, the mortgagor (commonly referred to as the borrower) and the mortgagee (commonly referred to as the investor). State law determines how a mortgage is foreclosed. The process usually requires a judicial process.

Foreclosure

Deed of Trust

Some states have a statute known as the "one form of action" rule, which requires the beneficiary of a deed of trust to exhaust the security under the deed of trust (i.e., foreclose on the property) before any personal action may be brought against the note-issuing borrower. There are two methods of foreclosing a deed of trust.

(1) Foreclosure of a deed of trust is accomplished in most cases by a non-judicial trustee's sale under the power of sale provision in the deed of trust. Prior to such sale, the trustee must record a notice of default and send a copy to the trustor and to any person who has recorded a request for a copy of a notice of default, and to the successor in interest to the trustor and to the beneficiary of any junior deed of trust. The trustor or any person having a junior lien or encumbrance of record may, during a three month reinstatement period, cure the default by paying the entire amount of the debt then due, plus costs and expenses actually incurred in enforcing the obligation and statutorily limited attorneys' and trustee's fees. Thereafter, a notice of sale must be posted in a public place and published for a specified amount of time. A copy of the notice of sale must be posted on the property, and sent to the trustee, to each person who has requested a copy, to any successor in interest to the trustor and to the beneficiary of any junior deed of trust for a period of time before the sale. Generally, following the sale, neither the debtor/trustor nor a junior lien has any right of redemption, and the beneficiary may not obtain a deficiency judgment against the trustor.

(2) A judicial foreclosure (in which the beneficiary's purpose is usually to obtain a deficiency judgment where otherwise unavailable) is subject to most of the delays and expenses of other lawsuits, sometimes requiring up to several years to complete.

Following a judicial foreclosure sale, the trustor or his or her successors in interest may redeem for a period of one year (or a period of only three months if the entire amount of the debt is bid at the foreclosure sale), and until the trustor redeems, a foreclosed junior lienholder may redeem during successive redemption periods of sixty (60) days following the previous redemption, but in no event later than one year after the judicial foreclosure sale. The Fund generally will not pursue a judicial foreclosure to obtain a deficiency judgment, except where, in the sole discretion of the Adviser, such a remedy is warranted in light of the time and expense involved.

Mortgage

Notes owned by the Fund secured by mortgages will be foreclosed in compliance with the laws of the state where the residential real property collateral is located. Foreclosure statutes vary from state to state. A mortgage is a legal document in which the owner uses the title to residential or commercial property as security for a loan described in a promissory note. The mortgage must be signed by the owner (borrower/mortgagor), acknowledged before a notary public, and recorded with the County Recorder or Recorder of Deeds. If the owner fails to make payments on the promissory note then the lender can foreclose on the mortgage to force a sale of the real property and receive the proceeds, or receive the property itself at a public sheriff's sale. Generally, the foreclosure process varies somewhat from state to state, and depends primarily on whether the state uses mortgages or deeds of trust for the purchase of real property. Overall, states that use mortgages conduct judicial foreclosures; states that use deeds of trust conduct non-judicial foreclosures. The principal difference between the two is that the judicial procedure requires court action on a foreclosed home.

To foreclose in accordance with the judicial procedure, a lender must prove that the mortgagor (borrower/property owner) is in default. Once the lender has exhausted its attempts to resolve the default with the homeowner, the next step is to contact an attorney to pursue court action. The attorney contacts the mortgagor to try to resolve the default. If the mortgagor is unable to pay off the default, the attorney files a lis pendens (lawsuit pending) with the court. The lis pendens gives notice to the public that a pending action has been filed against the mortgagor. The purpose of the action is to provide evidence of a default and get the court's approval to initiate foreclosure. Before the property is sold, the mortgagor must be noticed and offered an opportunity to pay all delinquent payments and costs of foreclosure to save the property. In some states the property can be redeemed by such payment even after foreclosure. When the mortgage is paid in full, the lender is required to execute a "satisfaction of mortgage" (sometimes called a "discharge of mortgage") and record it to clear the title to the property.

Additional Information Regarding Foreclosures and Related Issues

Redemption

After a foreclosure sale pursuant to a mortgage, the borrower and foreclosed junior lien holders may have a statutory period in which to redeem the property from the foreclosure sale. Redemption may be limited to where the mortgagee receives payment

of all or the entire principal balance of the loan, accrued interest and expenses of foreclosure. The statutory right of redemption diminishes the ability of the note holder to sell the foreclosed property. The right of redemption may defeat the title of any purchaser at a foreclosure sale or any purchaser from the note holder subsequent to a foreclosure sale. One remedy the Fund may have is to avoid a post-sale redemption by waiving the Fund's right to a deficiency judgment. Consequently, as noted above, the practical effect of the redemption right is often to force the note holder to retain the property and pay the expenses of ownership until the redemption period has run.

Anti-Deficiency Legislation

The Fund may acquire interests in mortgage notes which limit the Fund's recourse to foreclosure upon the security property, with no recourse against the borrower's other assets. Even if recourse is available pursuant to the terms of the mortgage note against the borrower's assets in addition to the mortgaged property, the Fund may confront statutory prohibitions which impose prohibitions against or limitations on this recourse. For example, the right of the mortgagee to obtain a deficiency judgment against the borrower may be precluded following foreclosure. A deficiency judgment is a personal judgment against the former note-issuing borrower equal in most cases to the difference between the net amount realized upon the public sale of the security (the real estate) and the amount due to the note holder. Other statutes require the mortgagee to exhaust the security afforded under a mortgage by foreclosure in an attempt to satisfy the full note before bringing a personal action against the borrower. The Fund may elect, or be deemed to have elected, between exercising the Fund's remedies with respect to the security (the real estate) or the deficiency balance. The practical effect of this election requirement is that note holders will usually proceed first against the security (the real estate) rather than bringing personal action against the note-issuing borrower. Other statutory provisions limit any deficiency judgment against the former note-issuing borrower following a judicial sale to the excess of the outstanding debt over the fair market value of the property at the time of the public sale.

In some jurisdictions, the Fund can pursue a deficiency judgment against the note-issuing borrower or a guarantor if the value of the property securing the note is insufficient to pay back the debt owed to the Fund. In other jurisdictions, however, if the Fund desires to seek a judgment in court against the note-issuing borrower for the deficiency balance, the Fund may be required to seek judicial foreclosure and/or have other security from the note-issuing borrower. The Fund would expect this to be a more prolonged procedure, and is subject to most of the delays and expenses that affect other lawsuits.

Special Considerations in Connection with Junior Encumbrances

In addition to the general considerations concerning trust deeds discussed above, there are certain additional considerations applicable to second and more junior deeds of trust ("junior encumbrances"). By its very nature, a junior encumbrance is less secure than a more senior lien. If a senior lienholder forecloses on its note, unless the amount of the bid exceeds the senior encumbrances, the junior lienholder will receive nothing. Because of the limited notice and attention given to foreclosure sales, it is possible for a

junior lienholder to be "sold out," receiving nothing from the foreclosure sale. By virtue of anti-deficiency legislation, discussed above, a junior lienholder may be totally precluded from any further remedies.

Accordingly, a junior lienholder (such as the Fund in some cases) may find that the only method of protecting its security interest in the property is to take over all obligations of the trustor with respect to senior encumbrances while the junior lienholder commences its own foreclosure, making adequate arrangements either to (i) find a purchaser for the property at a price which will recoup the junior lienholder's interest, or (ii) to pay off the senior encumbrances so that the junior lienholder's encumbrance achieves first priority. Either alternative may require the Fund to make substantial cash expenditures to protect its interest.

The Fund may also acquire wrap-around mortgage notes (sometimes called "all-inclusive"), which are junior encumbrances to which all the considerations discussed above will apply. A wrap-around note is created when the borrower desires to refinance his or her property but does not wish to retire the existing indebtedness for any reason, e.g., a favorable interest rate or a large prepayment penalty. A wrap-around note will have a principal amount equal to the outstanding principal balance of the existing secured obligations plus the amount actually to be advanced by the Fund. The note-issuing borrower will then make all payments directly to the Fund, and the Fund in turn will pay the holder of the senior encumbrance. The actual yield to the Fund under a wrap-around mortgage note will likely exceed the stated interest rate on the underlying senior obligation, since the full principal amount of the wrap-around note will not actually be advanced by the Fund. The law requires that the Fund will be notified when any senior lienholder initiates foreclosure.

If the borrower defaults solely upon his or her debt to the Fund while continuing to perform with regard to the senior lien, the Fund (as junior lienholder) will foreclose upon its security interest in the manner discussed above in connection with deeds of trust generally. Upon foreclosure by a junior lien, the property remains subject to all liens senior to the foreclosed lien. Thus, were the Fund to purchase the security property at its own foreclosure sale, it would acquire the property subject to all senior encumbrances. The standard form of deed of trust used by most institutional investors, like the one that will be used by the Fund, confers on the beneficiary the right both to receive all proceeds collected under any hazard insurance policy and all awards made in connection with any condemnation proceedings, and to apply such proceeds and awards to any indebtedness secured by the deed of trust in such order as the beneficiary may determine. Thus, in the event improvements on the property are damaged or destroyed by fire or other casualty, or in the event the property is taken by condemnation, the beneficiary under the underlying first deed of trust will have the prior right to collect any insurance proceeds payable under a hazards insurance policy and any award of damages in connection with the condemnation, and to apply the same to the indebtedness secured by the first deed of trust before any such proceeds are applied to repay the Fund's note. The amount of such proceeds may be insufficient to pay the balance due to the Fund, while the note-issuing borrower may fail or refuse to make further payments on the damaged or condemned property, leaving the Fund with no feasible means to obtain payment of the

balance due under its junior deed of trust. In addition, the note-issuing borrower may have a right to require the note buyer to allow the note-issuing borrower to use the proceeds of such insurance for restoration of the insured property.

Environmental

The Fund's security property may be subject to potential environmental risks. Of particular concern may be those security properties which are, or have been, the site of manufacturing, industrial or disposal activity. These environmental risks may give rise to a diminution in value of the security property or liability for clean-up costs or other remedial actions. This liability could exceed the value of the real property or the principal balance of the related mortgage note. For this reason, the Fund may choose not to foreclose on contaminated property rather than risk incurring liability for remedial actions.

Under the laws of certain states, an owner's failure to perform remedial actions required under environmental laws may give rise to a lien on mortgaged property to ensure the reimbursement of remedial costs. In some states this lien has priority over the lien of an existing mortgage against the real property. Because the costs of remedial action could be substantial, the value of a mortgaged property as collateral for a mortgage note could be adversely affected by the existence of an environmental condition giving rise to a lien.

The state of law is currently unclear as to whether and under what circumstances clean-up costs, or the obligation to take remedial actions, can be imposed on a secured investor. If an investor does become liable for cleanup costs, it may bring an action for contribution against the current owners or operators, the owners or operators at the time of on-site disposal activity or any other party who contributed to the environmental hazard, but these persons or entities may be bankrupt or otherwise judgment-proof. Furthermore, an action against the note-issuing borrower may be adversely affected by the limitations on recourse in the loan documents.

"Due-on-Sale" Clauses

The notes and deeds of trust held by the Fund, like those of many investors, contain "due-on-sale" clauses permitting the Fund to accelerate the maturity of a note if the note-issuing borrower sells, conveys or transfers all or any portion of the property, but may or may not contain "due-on-encumbrance" clauses which would permit the same action if the borrower further encumbers the property (i.e., executes further deeds of trust). The enforceability of these types of clauses has been the subject of several major court decisions and legislation in recent years.

(1) Due-on-Sale . Federal law now provides that, notwithstanding any contrary pre-existing state law, due-on-sale clauses contained in mortgage note documents are enforceable in accordance with their terms after October 15, 1985. On the other hand, acquisition of a property by the Fund by foreclosure on one of its notes may also constitute a "sale" of the property, and would entitle a senior lienholder to accelerate against the Fund. This would be likely to occur if then prevailing interest rates were substantially

higher than the rate provided for under the accelerated note. In that event, the Fund may be compelled to sell or refinance the property within a short period of time, notwithstanding that it may not be an opportune time to do so.

(2) Due-on-Encumbrance . With respect to mortgage notes on residential property containing four or less units, federal law prohibits acceleration of the note merely by reason of the further encumbering of the property (e.g., execution of a junior deed of trust). This prohibition does not apply to mortgage notes on other types of property. Although many of the Fund's junior lien mortgage notes will be on properties that qualify for the protection afforded by federal law, some notes will be secured by small apartment buildings or commercial properties. Junior lien mortgage notes held by the Fund may trigger acceleration of senior obligations on properties if the senior obligations contain due-on-encumbrance clauses, although both the number of such instances and the actual likelihood of acceleration is anticipated to be minor. Failure of a note-issuing borrower to pay off the senior obligation would be an event of default and subject the Fund (as junior lienholder) to the risks attendant thereto. It will not be customary practice of the Fund to invest in notes secured by non-residential property where the senior encumbrance contains a due-on-encumbrance clause.

Prepayment Charges

Some notes acquired by the Fund may provide for certain prepayment charges to be imposed on the note-issuing borrower in the event of certain early payments on the note. The Adviser reserves the right at its business judgment to waive collection of prepayment penalties. Typically, notes secured by mortgages or deeds of trust encumbering single family, owner-occupied, dwellings may be prepaid at any time, regardless of whether the note or deed of trust so provides, but prepayment made in any twelve (12) month period during the first five years of the term of the note which exceed twenty percent (20%) of the unpaid balance of the note may be subject to a prepayment charge. The law limits the prepayment charge on such notes to an amount equal to six months' advance interest on the amount prepaid in excess of the permitted twenty percent (20%), or interest to maturity, whichever is less.

Bankruptcy Laws

If a borrower files for protection under the federal bankruptcy statutes, the Fund will be initially barred from taking any foreclosure action on its real property security by an "automatic stay order" that goes into effect upon the borrower's filing of a bankruptcy petition. Thereafter, the Fund would be required to incur the time, delay and expense of filing a motion with the bankruptcy court for permission to foreclose on the real property security ("relief from the automatic stay order"). Such permission is granted only in limited circumstances. If permission is denied, the Fund will likely be unable to foreclose on its security for the duration of the bankruptcy, which could be a period of years. During such delay, the borrower may or may not be required to pay current interest on the note. The Fund would therefore lack the cash flow it anticipated from the note, and the total indebtedness secured by the security property would increase by the amount of the

defaulted payments, perhaps reaching a total that would exceed the market value of the property.

In addition, bankruptcy courts have broad powers to permit a sale of the real property free of the Fund's lien, to compel the Fund to accept an amount less than the balance due under the note and to permit the borrower to repay over a term which may be substantially longer than the original term of the note.

Money Market Instruments

The Fund may invest, for defensive purposes or otherwise, some or all of its assets in high quality fixed-income securities, money market instruments and money market mutual funds, or hold cash or cash equivalents in such amounts as the Adviser deems appropriate under the circumstances. In addition, the Fund may invest in these instruments pending allocation of its respective offering proceeds. Money market instruments are high quality, short-term fixed-income obligations, which generally have remaining maturities of one year or less and may include U.S. Government securities, commercial paper, certificates of deposit and bankers acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation, and repurchase agreements.

When-Issued, Delayed Delivery and Forward Commitment Securities

To reduce the risk of changes in securities prices and interest rates, the Fund may purchase securities on a forward commitment, when-issued or delayed delivery basis. This means that delivery and payment occur a number of days after the date of the commitment to purchase. The payment obligation and the interest rate receivable with respect to such purchases are determined when the Fund enters into the commitment, but the Fund does not make payment until it receives delivery from the counterparty. The Fund may, if it is deemed advisable, sell the securities after it commits to a purchase but before delivery and settlement takes place.

Securities purchased on a forward commitment, when-issued or delayed delivery basis are subject to changes in value based upon the public's perception of the creditworthiness of the borrower and changes (either real or anticipated) in the level of interest rates. Purchasing securities on a when-issued or delayed delivery basis can present the risk that the yield available in the market when the delivery takes place may be higher than that obtained in the transaction itself. Purchasing securities on a forward commitment, when-issued or delayed delivery basis when the Fund is fully, or almost fully invested, results in a form of leverage and may cause greater fluctuation in the value of the net assets of the Fund. In addition, there is a risk that securities purchased on a when-issued or delayed delivery basis may not be delivered, and that the purchaser of securities sold by the Fund on a forward basis will not honor its purchase obligation. In such cases, the Fund may incur a loss.

Repurchases and Transfers of Shares

Repurchase Offers

The Board has adopted a resolution setting forth the Fund's fundamental policy that it will conduct quarterly repurchase offers (the "Repurchase Offer Policy"). The Repurchase Offer Policy sets the interval between each repurchase offer at one quarter and provides that the Fund shall conduct a repurchase offer each quarter (unless suspended or postponed in accordance with regulatory requirements). The Repurchase Offer Policy also provides that the repurchase pricing shall occur not later than the 14th day after the Repurchase Request Deadline (as defined below) or the next business day if the 14th day is not a business day. The Fund's Repurchase Offer Policy is fundamental and cannot be changed without shareholder approval. The Fund may, for the purpose of paying for repurchased shares, be required to liquidate portfolio holdings earlier than the Adviser would otherwise have liquidated these holdings. Such liquidations may result in losses, and may increase the Fund's portfolio turnover.

Repurchase Offer Policy Summary of Terms

1. The Fund will make repurchase offers at periodic intervals pursuant to Rule 23c-3 under the 1940 Act, as that rule may be amended from time to time.

2. The repurchase offers will be made in March, June, September and December of each year.

3. The Fund must receive repurchase requests submitted by shareholders in response to the Fund's repurchase offer within 30 days of the date the repurchase offer is made (or the preceding business day if the New York Stock Exchange is closed on that day) (the "Repurchase Request Deadline").

4. The maximum time between the Repurchase Request Deadline and the next date on which the Fund determines the net asset value applicable to the purchase of shares (the "Repurchase Pricing Date") is 14 calendar days (or the next business day if the fourteenth day is not a business day).

The Fund may not condition a repurchase offer upon the tender of any minimum amount of shares. The Fund may deduct from the repurchase proceeds only a repurchase fee that is paid to the Fund and that is reasonably intended to compensate the Fund for expenses directly related to the repurchase. The repurchase fee may not exceed 2% of the proceeds. However, the Fund does not currently charge a repurchase fee. These fees are paid to the Fund directly and are designed to offset costs associated with fluctuations in Fund asset levels and cash flow caused by short-term shareholder trading. The Fund may rely on Rule 23c-3 only so long as the Board of Trustees satisfies the fund governance standards defined in Rule 0-1(a)(7) under the 1940 Act.

Procedures: All periodic repurchase offers must comply with the following procedures:

Repurchase Offer Amount : Each quarter, the Fund may offer to repurchase at least 5% and no more than 25% of the outstanding shares of the Fund on the Repurchase Request

Deadline (the "Repurchase Offer Amount"). The Board of Trustees shall determine the quarterly Repurchase Offer Amount.

Shareholder Notification : Generally, thirty days before each Repurchase Request Deadline, the Fund shall send to each shareholder of record and to each beneficial owner of the shares that are the subject of the repurchase offer a notification ("Shareholder Notification") providing the following information:

1. A statement that the Fund is offering to repurchase its shares from shareholders at net asset value;

2. Any fees applicable to such repurchase, if any;

3. The Repurchase Offer Amount;

4. The dates of the Repurchase Request Deadline, Repurchase Pricing Date, and the date by which the Fund must pay shareholders for any shares repurchased (which shall not be more than seven days after the Repurchase Pricing Date) (the "Repurchase Payment Deadline");

5. The risk of fluctuation in net asset value between the Repurchase Request Deadline and the Repurchase Pricing Date, and the possibility that the Fund may use an earlier Repurchase Pricing Date;

6. The procedures for shareholders to request repurchase of their shares and the right of shareholders to withdraw or modify their repurchase requests until the Repurchase Request Deadline;

7. The procedures under which the Fund may repurchase such shares on a pro rata basis if shareholders tender more than the Repurchase Offer Amount;

8. The circumstances in which the Fund may suspend or postpone a repurchase offer;

9. The net asset value of the shares computed no more than seven days before the date of the notification and the means by which shareholders may ascertain the net asset value thereafter; and

10. The market price, if any, of the shares on the date on which such net asset value was computed, and the means by which shareholders may ascertain the market price thereafter.

The Fund must file Form N-23c-3 ("Notification of Repurchase Offer") and three copies of the Shareholder Notification with the SEC within three business days after sending the notification to shareholders.

Notification of Beneficial Owners : Where the Fund knows that shares subject of a repurchase offer are held of record by a broker, dealer, voting trustee, bank, association or other entity that exercises fiduciary powers in nominee name or otherwise, the Fund

must follow the procedures for transmitting materials to beneficial owners of securities that are set forth in Rule 14a-13 under the Securities Exchange Act of 1934.

Repurchase Requests : Repurchase requests must be submitted by shareholders by the Repurchase Request Deadline. The Fund shall permit repurchase requests to be withdrawn or modified at any time until the Repurchase Request Deadline, but shall not permit repurchase requests to be withdrawn or modified after the Repurchase Request Deadline.

Repurchase Requests in Excess of the Repurchase Offer Amount : If shareholders tender more than the Repurchase Offer Amount, the Fund may, but is not required to, repurchase an additional amount of shares not to exceed 2% of the outstanding shares of the Fund on the Repurchase Request Deadline. If the Fund determines not to repurchase more than the Repurchase Offer Amount, or if shareholders tender shares in an amount exceeding the Repurchase Offer Amount plus 2% of the outstanding shares on the Repurchase Request Deadline, the Fund shall repurchase the shares tendered on a pro rata basis. This policy, however, does not prohibit the Fund from:

1. Accepting all repurchase requests by persons who own, beneficially or of record, an aggregate of not more than 100 shares and who tender all of their stock for repurchase, before prorating shares tendered by others, or

2. Accepting by lot shares tendered by shareholders who request repurchase of all shares held by them and who, when tendering their shares, elect to have either (i) all or none or (ii) at least a minimum amount or none accepted, if the Fund first accepts all shares tendered by shareholders who do not make this election.

Suspension or Postponement of Repurchase Offers : The Fund shall not suspend or postpone a repurchase offer except pursuant to a vote of a majority of the Board of Trustees, including a majority of the Trustees who are not interested persons of the Fund, and only:

1. If the repurchase would cause the Fund to lose its status as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code");

2. If the repurchase would cause the shares that are the subject of the offer that are either listed on a national securities exchange or quoted in an inter-dealer quotation system of a national securities association to be neither listed on any national securities exchange nor quoted on any inter-dealer quotation system of a national securities association;

3. For any period during which the New York Stock Exchange or any other market in which the securities owned by the Fund are principally traded is closed, other than customary week-end and holiday closings, or during which trading in such market is restricted;

4. For any period during which an emergency exists as a result of which disposal by the Fund of securities owned by it is not reasonably practicable, or during which it is not reasonably practicable for the Fund fairly to determine the value of its net assets; or

5. For such other periods as the SEC may by order permit for the protection of shareholders of the Fund.

If a repurchase offer is suspended or postponed, the Fund shall provide notice to shareholders of such suspension or postponement. If the Fund renews the repurchase offer, the Fund shall send a new Shareholder Notification to shareholders.

Computing Net Asset Value : The Fund's current net asset value per share, NAV, shall be computed no less frequently than weekly, and daily on the five business days preceding a Repurchase Request Deadline, on such days and at such specific time or times during the day as set by the Board of Trustees. Currently, the Board has determined that the Fund's NAV shall be determined daily following the close of the New York Stock Exchange. The Fund's NAV need not be calculated on:

1. Days on which changes in the value of the Fund's portfolio securities will not materially affect the current NAV of the shares;

2. Days during which no order to purchase shares is received, other than days when the NAV would otherwise be computed; or

3. Customary national, local, and regional business holidays described or listed in the Prospectus.

Liquidity Requirements : From the time the Fund sends a Shareholder Notification to shareholders until the Repurchase Pricing Date, a percentage of the Fund's assets equal to at least 100% of the Repurchase Offer Amount (the "Liquidity Amount") shall consist of assets that individually can be sold or disposed of in the ordinary course of business, at approximately the price at which the Fund has valued the investment, within a period equal to the period between a Repurchase Request Deadline and the Repurchase Payment Deadline, or of assets that mature by the next Repurchase Payment Deadline, including through access to a line of credit. This requirement means that individual assets must be salable under these circumstances. It does not require that the entire Liquidity Amount must be salable. In the event that the Fund's assets fail to comply with this requirement, the Board of Trustees shall cause the Fund to take such action as it deems appropriate to ensure compliance.

Liquidity Policy : The Board of Trustees may delegate day-to-day responsibility for evaluating liquidity of specific assets to the Fund's investment adviser, but shall continue to be responsible for monitoring the investment adviser's performance of its duties and the composition of the portfolio. Accordingly, the Board of Trustees has approved this policy that is reasonably designed to ensure that the Fund's portfolio assets are sufficiently liquid so that the Fund can comply with its fundamental policy on repurchases and comply with the liquidity requirements in the preceding paragraph.

1. In evaluating liquidity, the following factors are relevant, but not necessarily determinative:

(a) The frequency of trades and quotes for the security.
(b) The number of dealers willing to purchase or sell the security and the number of potential purchasers.
(c) Dealer undertakings to make a market in the security.
(d) The nature of the marketplace trades (e.g., the time needed to dispose of the security, the method of soliciting offer and the mechanics of transfer).
(e) The size of the Fund's holdings of a given security in relation to the total amount of outstanding of such security or to the average trading volume for the security.

2. If market developments impair the liquidity of a security, the investment adviser should review the advisability of retaining the security in the portfolio. The investment adviser should report the basis for its determination to retain a security at the next Board of Trustees meeting.

3. The Board of Trustees shall review the overall composition and liquidity of the Fund's portfolio on a quarterly basis.

4. These procedures may be modified as the Board deems necessary.

Registration Statement Disclosure : The Fund's registration statement must disclose its intention to make or consider making such repurchase offers.

Annual Report Disclosure : The Fund shall include in its annual report to shareholders the following:

1. Disclosure of its fundamental policy regarding periodic repurchase offers.

2. Disclosure regarding repurchase offers by the Fund during the period covered by the annual report, which disclosure shall include:

a. the number of repurchase offers,

b. the repurchase offer amount and the amount tendered in each repurchase offer, and

c. the extent to which in any repurchase offer the Fund repurchased stock pursuant to the procedures in this section.

Advertising : The Fund, or any underwriter for the Fund, must comply, as if the Fund were an open end company, with the provisions of Section 24(b) of the 1940 Act and the rules thereunder and file, if necessary, with FINRA or the SEC any advertisement, pamphlet, circular, form letter, or other sales literature addressed to or intended for distribution to prospective investors.

Involuntary Repurchases

The Fund may at its discretion, at any time, repurchase at net asset value shares held by a shareholder, or any person acquiring shares from or through a shareholder, if: the shares have been transferred or have vested in any person other than by operation of law as the result of the death, dissolution, bankruptcy or incompetency of a shareholder; ownership of the shares by the shareholder or other person will cause the Fund to be in violation of, or require registration of the shares, or subject the Fund to additional registration or regulation under, the securities, commodities or other laws of the United States or any other relevant jurisdiction; continued ownership of the shares may be harmful or injurious to the business or reputation of the Fund or may subject the Fund or any shareholders to an undue risk of adverse tax or other fiscal consequences; the shareholder owns shares having an aggregate net asset value less than an amount determined from time to time by the Trustees; or it would be in the interests of the Fund, as determined by the Board, for the Fund to repurchase the Shares. The Adviser may tender for repurchase in connection with any repurchase offer made by the Fund Shares that it holds in its capacity as a shareholder.

Transfers of Shares

No person may become a substituted shareholder without the written consent of the Board, which consent may be withheld for any reason in the Board's sole and absolute discretion. Shares may be transferred only (i) by operation of law pursuant to the death, bankruptcy, insolvency or dissolution of a shareholder or (ii) with the written consent of the Board, which may be withheld in its sole and absolute discretion. The Board may, in its discretion, delegate to the Adviser its authority to consent to transfers of shares. Each shareholder and transferee is required to pay all expenses, including attorneys and accountants fees, incurred by the Fund in connection with such transfer.

The Fund may hold securities, such as private placements, interests in commodity pools, other non-traded securities or temporarily illiquid securities, for which market quotations are not readily available or are determined to be unreliable. These securities will be valued at their fair market value as determined using the "fair value" procedures approved by the Board. The Board has delegated execution of these procedures to a fair value team composed of one of more officers from each of the (i) Trust, (ii) administrator and (iii) Adviser. The team may also enlist third party consultants such as an audit firm or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. The Board reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

Fair Value Team and Valuation Process. This team is composed of one of more officers from each of the (i) Trust, (ii) administrator, and (iii) Adviser and/or a sub-adviser (if any). The applicable investments are valued collectively via inputs from each of these groups. For example, fair value determinations are required for the following securities: (i) securities for which market quotations are insufficient or not readily available on a

particular business day (including securities for which there is a short and temporary lapse in the provision of a price by the regular pricing source), (ii) securities for which, in the judgment of the Adviser or sub-adviser, the prices or values available do not represent the fair value of the instrument. Factors which may cause the Adviser or sub-adviser to make such a judgment include, but are not limited to, the following: only a bid price or an asked price is available; the spread between bid and asked prices is substantial; the frequency of sales; the thinness of the market; the size of reported trades; and actions of the securities markets, such as the suspension or limitation of trading; (iii) securities determined to be illiquid; (iv) securities with respect to which an event that will affect the value thereof has occurred (a "significant event") since the closing prices were established on the principal exchange on which they are traded, but prior to the Fund's calculation of its net asset value. Specifically, interests in commodity pools or managed futures pools are valued on a daily basis by reference to the closing market prices of each futures contract or other asset held by a pool, as adjusted for pool expenses. Restricted or illiquid securities, such as private placements or non-traded securities are valued via inputs from the Adviser or sub-adviser valuation based upon the current bid for the security from two or more independent dealers or other parties reasonably familiar with the facts and circumstances of the security (who should take into consideration all relevant factors as may be appropriate under the circumstances). If the Adviser or sub-adviser is unable to obtain a current bid from such independent dealers or other independent parties, the fair value team shall determine the fair value of such security using the following factors: (i) the type of security; (ii) the cost at date of purchase; (iii) the size and nature of the Fund's holdings; (iv) the discount from market value of unrestricted securities of the same class at the time of purchase and subsequent thereto; (v) information as to any transactions or offers with respect to the security; (vi) the nature and duration of restrictions on disposition of the security and the existence of any registration rights; (vii) how the yield of the security compares to similar securities of companies of similar or equal creditworthiness; (viii) the level of recent trades of similar or comparable securities; (ix) the liquidity characteristics of the security; (x) current market conditions; and (xi) the market value of any securities into which the security is convertible or exchangeable.

Standards For Fair Value Determinations. As a general principle, the fair value of a security is the amount that a Fund might reasonably expect to realize upon its current sale. The Trust has adopted Financial Accounting Standards Board Statement of Financial Accounting Standards Codification Topic 820, Fair Value Measurements and disclosures ("ASC 820"). In accordance with ASC 820, fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820 establishes a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that

reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Various inputs are used in determining the value of the Fund's investments relating to ASC 820. These inputs are summarized in the three broad levels listed below.

Level 1 – quoted prices in active markets for identical securities.

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The fair value team takes into account the relevant factors and surrounding circumstances, which may include: (i) the nature and pricing history (if any) of the security; (ii) whether any dealer quotations for the security are available; (iii) possible valuation methodologies that could be used to determine the fair value of the security; (iv) the recommendation of a portfolio manager of the Fund with respect to the valuation of the security; (v) whether the same or similar securities are held by other Funds managed by the Adviser (or a sub-adviser, if any) or other Funds and the method used to price the security in those Funds; (vi) the extent to which the fair value to be determined for the security will result from the use of data or formulae produced by independent third parties and (vii) the liquidity or illiquidity of the market for the security.

Board of Trustees Determination. The Board of Trustees meets at least quarterly to consider the valuations provided by fair value team and ratify valuations for the applicable securities. The Board of Trustees considers the reports provided by the fair value team, including follow up studies of subsequent market-provided prices when available, in reviewing and determining in good faith the fair value of the applicable portfolio securities .

MANAGEMENT OF THE FUND

The Board has overall responsibility to manage and control the business affairs of the Vertical Capital Income Fund (the "Fund" or "Trust"), including the complete and exclusive authority to oversee and to establish policies regarding the management, conduct and operation of the Fund's business. The Board exercises the same powers, authority and responsibilities on behalf of the Fund as are customarily exercised by the board of directors of a registered investment company organized as a corporation. The business of the Trust is managed under the direction of the Board in accordance with the Agreement and Declaration of Trust and the Trust's By-laws (the "Governing Documents"), each as amended from time to time, which have been filed with the Securities and Exchange Commission and are available upon request. The Board

consists of four individuals, one of whom is an "interested person" (as defined under the Investment Company Act of 1940) of the Trust; and three Trustees who are not "interested persons" ("Independent Trustees"). Pursuant to the Governing Documents of the Trust, the Trustees shall elect officers including a President, a Secretary, a Treasurer, a Principal Executive Officer and a Principal Accounting Officer. The Board retains the power to conduct, operate and carry on the business of the Trust and has the power to incur and pay any expenses, which, in the opinion of the Board, are necessary or incidental to carry out any of the Trust's purposes. The Trustees, officers, employees and agents of the Trust, when acting in such capacities, shall not be subject to any personal liability except for his or her own bad faith, willful misfeasance, gross negligence or reckless disregard of his or her duties.

Board Leadership Structure

The Fund is led by Mr. Chapman as Chairman of the Board. Mr. Chapman is considered an interested person because he is Executive Vice President of the Adviser. The Trustees elected Mr. Chapman Chairman on September 9, 2015. The Board of Trustees is comprised of Mr. Chapman ("Interested Trustee") and three Independent Trustees. The Independent Trustees have selected Robert J. Boulware as the Lead Independent Trustee. Additionally, under certain 1940 Act governance guidelines that apply to the Trust, the Independent Trustees will meet in executive session, at least quarterly. Under the Trust's Agreement and Declaration of Trust and By-Laws, the Chairman and President are responsible, generally, for (a) presiding at board and shareholder meetings, (b) calling special meetings on an as-needed basis, and, more generally, in-practice (c) execution and administration of Fund policies including (i) setting the agendas for Board meetings and (ii) providing information to Board members in advance of each Board meeting and between Board meetings. Generally, the Fund believes it best to have more than a single leader so as to be seen by shareholders, business partners and other stakeholders as providing strong leadership through a depth of leadership. The Fund believes that its Chairman, Lead Independent Trustee and President together with the Audit Committee and the full Board of Trustees, provide effective leadership that is in the best interests of the Fund and shareholders because of the Board's collective business acumen and understanding of the regulatory framework under which investment companies must operate.

Board Risk Oversight

The Board of Trustees is comprised of Mr. Chapman, an Interested Trustee and three other Independent Trustees with a standing independent Audit Committee with a separate chair. The Audit Committee is composed of only Independent Trustees. The Board is responsible for overseeing risk management, and the full Board regularly engages in discussions of risk management and receives compliance reports that inform its oversight of risk management from its Chief Compliance Officer at quarterly meetings and on an ad hoc basis, when and if necessary. The Audit Committee considers financial and reporting risk within its area of responsibilities. Generally, the Board believes that its oversight of material risks is adequately maintained through the compliance-reporting

chain where the Chief Compliance Officer is the primary recipient and communicator of such risk-related information.

Trustee Qualifications

Generally, the Trust believes that each Trustee is competent to serve because of their individual overall merits including: (i) experience, (ii) qualifications, (iii) attributes and (iv) skills. Robert J. Boulware has over 20 years of business experience in the financial services industry including executive positions with ING Funds Distributor, LLC, Bank of America and Wesav Financial Corporation. Mr. Boulware also holds a Bachelor of Science degree in Business Administration from Northern Arizona University. Mr. Boulware serves as a member of another investment company board outside of the Fund Complex and possesses a strong understanding of the regulatory framework under which investment companies must operate based on his years of service to a multiple-fund mutual fund complex. T. Neil Bathon has over 20 years of business experience in the financial services industry including executive positions with financial; research and consulting firms. Mr. Bathon also holds a Master of Business Administration degree from DePaul University and a Bachelors of Business Administration degree from Marquette University. Mr. Bathon also served as a member of another investment company board outside of the Fund Complex and possesses a strong understanding of the regulatory framework under which investment companies must operate based on his years of service to a multiple-fund mutual fund complex. Mark J. Schlafly has over 20 years of business experience in the financial services industry with a focus on brokerage firms including A.G. Edwards and LPL Financial Corporation. Mr. Schlafly also holds a Bachelor of Science degree in Finance from Saint Louis University. Mr. Chapman has over 20 years of business experience in the financial services industry including executive positions with financial enterprises including real estate investment trusts (REITs) such as AMLI Residential Properties Trust, a publicly traded multifamily real estate investment trust (NYSE:AML), where he served as chief financial officer from 1997-2007. Mr. Chapman served as a Founding Board Member of the National Association of Real Estate Companies (NAREC). He is, or has been, a member of the Association of Foreign Investors in Real Estate, the Mortgage Bankers Association, the National Association of Real Estate Investment Trusts, the National Multi Housing Council, Pension Real Estate Association, the Real Estate Investment Advisory Council, the Urban Land Institute, and the International Council of Shopping Centers. Additionally, Mr. Chapman holds a Bachelor of Business Administration degree in accounting and an Master of Business Administration degree in finance from the University of Cincinnati. He is also a certified public accountant (CPA) and has been, a member of the American Institute of Certified Public Accountants, and the Illinois CPA Society. Mr. Chapman is well-versed in the nature of regulatory frameworks under which companies must operate based on his years of service to various companies subject to multiple levels of regulation. The Trust does not believe any one factor is determinative in assessing a Trustee's qualifications, but that the collective experience of each Trustee makes them each highly qualified.

Following is a list of the Trustees and executive officers of the Trust and their principal occupation over the last five years. Unless otherwise noted, the address of each Trustee and Officer is 80 Arkay Drive, Suite 110, Hauppauge, NY 11788.

Independent Trustees

Name, Address and Age (Year of Birth)	Position/Term of Office*	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex** Overseen by Trustee	Other Directorships held by Trustee During Last Five Years
Robert J. Boulware 1956	Trustee since August 2011	Managing Director, Pilgrim Funds, LLC (private equity fund), Sept. 2006 to present.	1	Trustee, Met Investors Series Trust (48 portfolios), March 2008 to present; Trustee, Metropolitan Series Fund (30 portfolios), April 2012 to present; Director, Gainsco Inc. (auto insurance) May 2005 to present; SharesPost 100 Fund, March 2013 to present.
Mark J. Schlafly 1961	Trustee since August 2011	Staff Member, Weston Center, Washington University, August 2011 to present; Managing Director, Russell Investments, June 2013 to Jan. 2015; President and Chief Executive Officer, FSC Securities Corporation, July 2008 to April 2011; Senior Vice President, LPL Financial Corporation, July 2006 to July 2008.	1	None
T. Neil Bathon 1961	Trustee since August 2011	Managing Partner, FUSE Research Network, LLC, Aug. 2008 to present; Managing Director, PMR Associates LLC, July 2006 to Present; Financial Research Corp, Oct. 1987 to May 2006.	1	BNY Mellon Charitable Gift Fund, June 2013 to present.

Interested Trustee, Officers

Name, Address and Age (Year of Birth)	Position/Term of Office*	Principal Occupation During the Past Five Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships held by Trustee During Last 5 Years
Robert J. Chapman *** 1947	Trustee, since August 2015	Executive Vice President, Behringer Advisors, LLC (investment adviser), a position held since July 2015. Executive Vice President, Behringer Harvard Holdings, LLC (financial services holding company) a position held since 2007.	1	None
Michael D. Cohen 1974	President, since July 2015	President of Behringer Harvard Holdings, LLC, (financial services holding company) a position held since April 2015; Executive Vice President, Jan. 2013 to Apr. 2015. President of Harvard Property Trust, LLC, Apr. 2015 to present; Executive Vice President, Jan. 2011 to Apr. 2015; Senior Vice President, Sep. 2008 to Jan. 2011. Executive Vice President of Behringer Harvard Opportunity Advisors I, LLC, Jan. 2015 to present. Executive Vice President of Behringer Harvard Opportunity Advisors II, LLC, Jan. 2015 to present. Managing Director of Behringer Lodging Group, LLC, Nov. 2014 to present. Executive Vice President of Pathway Energy Infrastructure	n/a	n/a

		Management, LLC, Aug. 2014 to present. Director, Behringer Harvard Opportunity REIT I, Inc., July 2014 to present. Director, Behringer Harvard Opportunity REIT II, Inc., Feb. 2013 to present. Executive Vice President, Pathway Energy Infrastructure Fund, LLC, Feb 2013 to present. Chief Executive Officer of Behringer Harvard Europe Holdings, LLC. Jan. 2013 to present. Executive Vice President of Behringer Net Lease Advisors, LLC, Dec. 2012 to present. Executive Vice President of Priority Senior Secured Income Management, LLC, Oct. 2012 to present. Executive Vice President of Priority Income Fund, Inc., July 2012 to present.		
S. Jason Hall 1966	Treasurer since July 2015	Senior VP, Chief Financial Officer, Chief Accounting Officer and Treasurer, Behringer Harvard Opportunity REIT II Inc., positions held since Oct. 2014; Senior VP, Chief Accounting Officer, Treasurer, Sept. 2013 to Oct. 2014; Treasurer, Director of Financial Reporting, Senior Fund Controller, Jan 2012 to Sept. 2013, Director of Financial Reporting, Senior Fund Controller,	n/a	n/a

		Behringer Harvard Holdings, LLC (financial services holding company), Jan. 2011 to Dec. 2011; Director of Financial Reporting, Jan. 2010 to Dec. 2010; SEC Reporting Manager, Jan. 2005 to Dec. 2010.		
Harris Cohen 1981	Assistant Treasurer since August 2011	Manager of Fund Administration, Gemini Fund Services, LLC, Nov. 2004 to present.	n/a	n/a
Stanton P. Eigenbrodt 1965	Secretary since July 2015	Executive Vice President and General Counsel of Behringer Harvard Holdings, LLC (financial services holding company) a position held since 2006.	n/a	n/a
Emile R. Molineaux 1962	Chief Compliance Officer and Anti-Money Laundering Officer since August 2011	Northern Lights Compliance Services, LLC (Secretary since 2003 and Senior Compliance Officer since 2011); General Counsel, CCO and Senior Vice President, Gemini Fund Services, LLC; Secretary and CCO, Northern Lights Compliance Services, LLC (2003-2011).	n/a	n/a

* The term of office for each Trustee listed above will continue indefinitely and officers listed above serve subject to annual reappointment.
** The term "Fund Complex" refers to the Vertical Capital Income Fund.
*** Mr. Chapman is an interested Trustee because he is also an officer of the Fund's investment adviser.

Board Committees

Audit Committee

The Board has an Audit Committee that consists of all the Independent Trustees, each of whom is not an "interested person" of the Trust within the meaning of the 1940 Act. The Audit Committee's responsibilities include: (i) recommending to the Board the selection, retention or termination of the Trust's independent auditors; (ii) reviewing with

the independent auditors the scope, performance and anticipated cost of their audit; (iii) discussing with the independent auditors certain matters relating to the Trust's financial statements, including any adjustment to such financial statements recommended by such independent auditors, or any other results of any audit; (iv) reviewing on a periodic basis a formal written statement from the independent auditors with respect to their independence, discussing with the independent auditors any relationships or services disclosed in the statement that may impact the objectivity and independence of the Trust's independent auditors and recommending that the Board take appropriate action in response thereto to satisfy itself of the auditor's independence; and (v) considering the comments of the independent auditors and management's responses thereto with respect to the quality and adequacy of the Trust's accounting and financial reporting policies and practices and internal controls. The Audit Committee operates pursuant to an Audit Committee Charter. The Audit Committee is responsible for seeking and reviewing nominee candidates for consideration as Independent Trustees as is from time to time considered necessary or appropriate. The Audit Committee generally will consider shareholder nominees to the extent required pursuant to rules under the Securities Exchange Act of 1934. The Audit Committee is also responsible for reviewing and setting Independent Trustee compensation from time to time when considered necessary or appropriate. During the fiscal year ended September 30, 2015, the Audit Committee held three meetings.

Trustee Ownership

The following table indicates the dollar range of equity securities that any Trustee beneficially owned in the Fund as of December 31, 2014.

Name of Trustee	**Dollar Range of Equity Securities in the Fund**	**Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies**
Robert J. Boulware	Over $100,000	Over $100,000
Mark J. Schlafly	None	None
T. Neil Bathon	None	None
Robert J. Chapman	None	None

Compensation

Each Trustee who is not affiliated with the Trust or Adviser will receive an annual fee of $20,000, as well as reimbursement for any reasonable expenses incurred attending the meetings. None of the executive officers receive compensation from the Trust.

The table below details the amount of compensation the Trustees received from the Trust during the fiscal period ended September 30, 2015. The Trustees were also reimbursed for certain Fund-related expenses such as travel. The Trust does not have a bonus, profit sharing, pension or retirement plan.

Name and Position	Aggregate Compensation From Trust	Pension or Retirement Benefits Accrued as Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation From Trust Paid to Directors
Robert J. Boulware	$20,000	None	None	$20,000
Mark J. Schlafly	$20,000	None	None	$20,000
T. Neil Bathon	$20,000	None	None	$20,000
Robert J. Chapman	None	None	None	None

CODES OF ETHICS

Each of the Fund, the Adviser and the Trust's Distributor has adopted a code of ethics under Rule 17j-1 of the 1940 Act (collectively the "Ethics Codes"). Rule 17j-1 and the Ethics Codes are designed to prevent unlawful practices in connection with the purchase or sale of securities by covered personnel ("Access Persons"). The Ethics Codes permit Access Persons, subject to certain restrictions, to invest in securities, including securities that may be purchased or held by the Fund. Under the Ethics Codes, Access Persons may engage in personal securities transactions, but are required to report their personal securities transactions for monitoring purposes. In addition, certain Access Persons are required to obtain approval before investing in initial public offerings or private placements. The Ethics Codes can be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-202-551-8090. The codes are available on the EDGAR database on the SEC's website at www.sec.gov, and also may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, Washington, D.C. 20549.

PROXY VOTING POLICIES AND PROCEDURES

The Board has adopted Proxy Voting Policies and Procedures ("Policies") on behalf of the Trust, which delegate the responsibility for voting proxies to the Adviser, subject to the Board's continuing oversight. However, the Fund does not anticipate investing in securities that will have shareholder voting by proxy or otherwise. The Policies require that the Adviser vote proxies received in a manner consistent with the best interests of the Fund and shareholders. The Policies also require the Adviser to present to the Board, at least annually, the Adviser's Proxy Policies and a record of each proxy voted by the Adviser on behalf of the Fund, including a report on the resolution of all proxies identified by the Adviser involving a conflict of interest.

Where a proxy proposal raises a material conflict between the interests of the Adviser, any affiliated person(s) of the Adviser, the Fund's principal underwriter (distributor) or any affiliated person of the principal underwriter (distributor), or any affiliated person of the Trust and the Fund's or its shareholder's interests, the Adviser will resolve the conflict by voting in accordance with the policy guidelines or at the Trust's

directive using the recommendation of an independent third party. If the third party's recommendations are not received in a timely fashion, the Adviser will abstain from voting. A copy of the Adviser's proxy voting policies is attached hereto as Appendix A.

Information regarding how the Fund voted proxies relating to portfolio securities held by the Fund during the most recent 12-month period ending June 30 will be available (1) without charge, upon request, by calling the Fund toll-free at 1-866-277-VCIF; and (2) on the U.S. Securities and Exchange Commission's website at http://www.sec.gov. In addition, a copy of the Fund's proxy voting policies and procedures are also available by calling toll-free at 1-866-277-VCIF and will be sent within three business days of receipt of a request.

CONTROL PERSONS AND PRINCIPAL HOLDERS

A principal shareholder is any person who owns (either of record or beneficially) 5% or more of the outstanding shares of a fund. A control person is one who owns, either directly or indirectly more than 25% of the voting securities of a company or acknowledges the existence of control. A control person may be able to determine the outcome of a matter put to a shareholder vote.

As of December 9, 2015, the Trustees and officers as a group owned less than 1% of the outstanding shares of the Fund. As of December 9, 2015, the name, address and percentage of ownership of each entity or person that owned of record or beneficially 5% or more of the outstanding shares of the Fund were as follows:

Name & Address	Shares	Status	Percentage
Charles Schwab & Co. 211 Main Street, San Francisco, CA 94105	2,051,907.9350	Record	14.89%

INVESTMENT ADVISORY AND OTHER SERVICES

The Adviser

Behringer Advisors, LLC, located at 15601 Dallas Parkway, Suite 600, Addison, Texas 75001, provides day to day management of the Fund's investment portfolio pursuant to an investment advisory agreement (the "Advisory Agreement") and earns a management fee at the annual rate of 1.25% of the Fund's average daily net assets. The Adviser and affiliates serve a variety of retail, registered investment adviser and institutional investor clients, managing approximately $787 million in assets as of August 31, 2015.

Under the general supervision of the Fund's Board of Trustees, the Adviser will carry out the investment and reinvestment of the net 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. In addition, the Adviser will supervise and provide oversight of the Fund's service providers. The Adviser will furnish to the Fund office facilities, equipment and personnel for servicing the management of the Fund. The

Adviser will compensate all Adviser personnel who provide services to the Fund. In return for these services, facilities and payments, the Fund has agreed to pay the Adviser as compensation under the Advisory Agreement a monthly management fee computed at the annual rate of 1.25% of the average daily net assets. The Adviser may employ research services and service providers to assist in the Adviser's market analysis and investment selection. During the fiscal year ended September 30, 2013 and fiscal year ended September 30, 2014, the Fund paid $278,213, and $917,918 respectively, in advisory fees to the Fund's prior investment adviser. All these fees were waived for the fiscal year ended September 30, 2013 and $299,897 were waived for the fiscal year ended September 30, 2014. During the fiscal year ended September 30, 2015, the Fund incurred advisory fees of $1,563,374; of which $1,102,166 were earned by the Fund's prior investment adviser and $461,208 were earned by the Fund's current investment adviser, Behringer Advisors, LLC. During the fiscal year ended September 30, 2015, the prior adviser waived fees of $292,148 and Behringer Advisors, LLC waived fees of $178,366.

An affiliate (Vertical Recovery Management, LLC) of the prior adviser served as a security servicing agent for the Fund until June 24, 2015, providing for collections from and maintenance of its securities by providing services such as contacting delinquent borrowers and managing the foreclosure process or other recovery processes for the Fund in the event of a borrower's default. Vertical Recovery Management, LLC continued to serve in a transition capacity after June 24, 2015. For the fiscal year ended September 30, 2013, fiscal year ended September 30, 2014, and a portion of the fiscal year ended September 30, 2015, the Fund incurred security servicing fees with Vertical Recovery Management, LLC of $55,644, $200,471, and $318,314.

The Adviser and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Adviser has agreed contractually to waive its fees and to pay or absorb the ordinary operating expenses of the Fund (including all organization and offering expenses, but excluding interest, brokerage commissions, extraordinary expenses and acquired fund fees and expenses) to the extent that they exceed 1.85% per annum of the Fund's average daily net assets, at least through January 31, 2017 (the "Expense Limitation"). In consideration of the Adviser's agreement to limit the Fund's expenses, the Fund has agreed to repay the Adviser in the amount of any fees waived and Fund expenses paid or absorbed, subject to the limitations that: (1) the reimbursement will be made only for fees and expenses incurred not more than three years from the end of the fiscal year in which they were incurred; and (2) the reimbursement may not be made if it would cause the Expense Limitation to be exceeded. This agreement may be terminated only by the Fund's Board of Trustees on 60 days written notice to the Adviser. After January 31, 2017, the Expense Limitation Agreement may expire, be renewed, or be modified to limit expenses to a level different than 1.85% at the Adviser's and Board's discretion.

Conflicts of Interest

The Adviser may provide investment advisory and other services, directly and through affiliates, to various entities and accounts other than the Fund ("Adviser

Accounts"). The Fund has no interest in these activities. The Adviser and the investment professionals, who on behalf of the Adviser, provide investment advisory services to the Fund, are engaged in substantial activities other than on behalf of the Fund, may have differing economic interests in respect of such activities, and may have conflicts of interest in allocating their time and activity between the Fund and the Adviser Accounts. Such persons devote only so much time to the affairs of the Fund as in their judgment is necessary and appropriate. Set out below are practices that the Adviser follows.

Participation in Investment Opportunities

Directors, principals, officers, employees and affiliates of the Adviser may buy and sell securities or other investments for their own accounts and may have actual or potential conflicts of interest with respect to investments made on behalf of the Fund. As a result of differing trading and investment strategies or constraints, positions may be taken by directors, principals, officers, employees and affiliates of the Adviser, or by the Adviser for the Adviser Accounts, if any, that are the same as, different from or made at a different time than, positions taken for the Fund.

PORTFOLIO MANAGERS

David F. Aisner, an executive vice president of the Adviser, and Robert J. Chapman, an executive vice president of the Adviser, are the Fund's co-portfolio managers. Each share primary responsibility for management of the Fund's investment portfolio and have served the Fund in this capacity since July 2015. Mr. Aisner and Mr. Chapman are not compensated directly by the Adviser, but receive cash compensation in the form of base salary, cash bonus and benefits from an operating subsidiary of Behringer Harvard Holdings, LLC, the parent of the Adviser.

Because the portfolio managers may manage assets for other pooled investment vehicles and/or other accounts (including institutional clients, pension plans and certain high net worth individuals) (collectively "Client Accounts"), or may be affiliated with such Client Accounts, there may be an incentive to favor one Client Account over another, resulting in conflicts of interest. For example, the Adviser may, directly or indirectly, receive fees from Client Accounts that are higher than the fee it receives from the Fund, or it may, directly or indirectly, receive a performance-based fee on a Client Account. In those instances, a portfolio manager may have an incentive to not favor the Fund over the Client Accounts. The Adviser has adopted trade allocation and other policies and procedures that it believes are reasonably designed to address these and other conflicts of interest. As of September 30, 2015, Mr. Aisner and Mr. Chapman owned no shares of the Fund.

As of September 30, 2015, Mr. Aisner was responsible for the management of the following types of accounts in addition to the Fund:

Other Accounts By Type	Total Number of Accounts by Account Type	Total Assets By Account Type	Number of Accounts by Type Subject to a Performance Fee	Total Assets By Account Type Subject to a Performance Fee

Registered Investment Companies	0	$0	0	$0
Other Pooled Investment Vehicles	0	$0	0	$0
Other Accounts	1	$44,000,000	0	$0

As of September 30, 2015, Mr. Chapman was responsible for the management of the following types of accounts in addition to the Fund:

Other Accounts By Type	Total Number of Accounts by Account Type	Total Assets By Account Type	Number of Accounts by Type Subject to a Performance Fee	Total Assets By Account Type Subject to a Performance Fee
Registered Investment Companies	0	$0	0	$0
Other Pooled Investment Vehicles	0	$0	0	$0
Other Accounts	0	$0	0	$0

Distributor

Northern Lights Distributors, LLC (the "Distributor"), located at 17605 Wright Street, Omaha, NE 68130, is serving as the Fund's principal underwriter and acts as the distributor of the Fund's shares on a reasonable efforts, subject to various conditions.

ALLOCATION OF BROKERAGE

Specific decisions to purchase or sell securities for the Fund are made by the portfolio managers who are employees of the Adviser. The Adviser is authorized by the Trustees to allocate the orders placed on behalf of the Fund to brokers or dealers who may, but need not, provide research or statistical material or other services to the Fund or the Adviser for the Fund's use. Such allocation is to be in such amounts and proportions as the Adviser may determine.

In selecting a broker or dealer to execute each particular transaction, the Adviser takes the following into consideration:

- the best net price available;
- the reliability, integrity and financial condition of the broker or dealer;
- the size of and difficulty in executing the order; and
- the value of the expected contribution of the broker or dealer to the investment performance of the Fund on a continuing basis.

Brokers or dealers executing a portfolio transaction on behalf of the Fund may receive a commission in excess of the amount of commission another broker or dealer would have

charged for executing the transaction if the Adviser determines in good faith that such commission is reasonable in relation to the value of brokerage and research services provided to the Fund. In allocating portfolio brokerage, the Adviser may select brokers or dealers who also provide brokerage, research and other services to other accounts over which the Adviser exercises investment discretion. Some of the services received as the result of Fund transactions may primarily benefit accounts other than the Fund, while services received as the result of portfolio transactions effected on behalf of those other accounts may primarily benefit the Fund. During the fiscal year ended September 30, 2013, the fiscal year ended September 30, 2014, and the fiscal year ended September 30, 2015, the Fund paid $256,339, $773,567, and $779,032, respectively, in brokerage commissions of which 100% was paid to an affiliate (Vertical Recovery Management, LLC) of the prior adviser.

Affiliated Party Brokerage

The Adviser and its affiliates will not purchase securities or other property from, or sell securities or other property to, the Fund, except that the Fund may in accordance with rules under the 1940 Act engage in transactions with accounts that are affiliated with the Fund as a result of common officers, directors, advisers, members, managing general partners or common control. These transactions would be effected in circumstances in which the Adviser determined that it would be appropriate for the Fund to purchase and another client to sell, or the Fund to sell and another client to purchase, the same security or instrument each on the same day.

The Adviser places its trades under a policy adopted by the Trustees pursuant to Section 17(e) and Rule 17(e)(1) under the 1940 Act which places limitations on the securities transactions effected through the Distributor. The policy of the Fund with respect to brokerage is reviewed by the Trustees from time to time. Because of the possibility of further regulatory developments affecting the securities exchanges and brokerage practices generally, the foregoing practices may be modified.

TAX STATUS

The following discussion is general in nature and should not be regarded as an exhaustive presentation of all possible tax ramifications. All shareholders should consult a qualified tax adviser regarding their investment in the Fund.

The Fund intends to qualify as regulated investment company under Subchapter M of the Code, which requires compliance with certain requirements concerning the sources of its income, diversification of its assets, and the amount and timing of its distributions to shareholders. Such qualification does not involve supervision of management or investment practices or policies by any government agency or bureau. By so qualifying, the Fund should not be subject to federal income or excise tax on its net investment income or net capital gain, which are distributed to shareholders in accordance with the applicable timing requirements. Net investment income and net capital gain of the Fund will be computed in accordance with Section 852 of the Code.

Net investment income is made up of dividends and interest less expenses. Net capital gain for a fiscal year is computed by taking into account any capital loss carryforward of the Fund.

The Fund intends to distribute all of its net investment income, any excess of net short-term capital gains over net long-term capital losses, and any excess of net long-term capital gains over net short-term capital losses in accordance with the timing requirements imposed by the Code and therefore should not be required to pay any federal income or excise taxes. Distributions of net investment income will be made monthly and net capital gain will be made at least annually. Both types of distributions will be in shares of the Fund unless a shareholder elects to receive cash.

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

If the Fund fails to qualify as a regulated investment company under Subchapter M of the Code in any fiscal year, it will be treated as a corporation for federal income tax purposes. As such, the Fund would be required to pay income taxes on its net investment income and net realized capital gains, if any, at the rates generally applicable to corporations. Shareholders of the Fund generally would not be liable for income tax on the Fund's net investment income or net realized capital gains in their individual capacities. Distributions to shareholders, whether from the Fund's net investment income or net realized capital gains, would be treated as taxable dividends to the extent of current or accumulated earnings and profits of the Fund.

The Fund is subject to a 4% nondeductible excise tax on certain undistributed amounts of ordinary income and capital gain under a prescribed formula contained in Section 4982 of the Code. The formula requires payment to shareholders during a calendar year of distributions representing at least 98% of the Fund's ordinary income for the calendar year and at least 98.2% of its capital gain net income (i.e., the excess of its capital gains over capital losses) realized during the one-year period ending October 31 during such year plus 100% of any income that was neither distributed nor taxed to the

Fund during the preceding calendar year. Under ordinary circumstances, the Fund expects to time its distributions so as to avoid liability for this tax.

The following discussion of tax consequences is for the general information of shareholders that are subject to tax. Shareholders that are IRAs or other qualified retirement plans are exempt from income taxation under the Code.

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

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

A redemption of Fund shares by a shareholder will result in the recognition of taxable gain or loss in an amount equal to the difference between the amount realized and the shareholder's tax basis in his or her Fund shares. Such gain or loss is treated as a capital gain or loss if the shares are held as capital assets. However, any loss realized upon the redemption of shares within six months from the date of their purchase will be treated as a long-term capital loss to the extent of any amounts treated as capital gain dividends during such six-month period. All or a portion of any loss realized upon the redemption of shares may be disallowed to the extent shares are purchased (including shares acquired by means of reinvested dividends) within 30 days before or after such redemption.

Distributions of taxable net investment income and net capital gain will be taxable as described above, whether received in additional cash or shares. Shareholders electing to receive distributions in the form of additional shares will have a cost basis for federal income tax purposes in each share so received equal to the net asset value of a share on the reinvestment date.

All distributions of taxable net investment income and net capital gain, whether received in shares or in cash, must be reported by each taxable shareholder on his or her federal income tax return. Dividends or distributions declared in October, November or December as of a record date in such a month, if any, will be deemed to have been received by shareholders on December 31, if paid during January of the following year. Redemptions of shares may result in tax consequences (gain or loss) to the shareholder and are also subject to these reporting requirements. For taxable years beginning after December 31, 2012, certain U.S. shareholders, including individuals and estates and trusts, will be subject to an additional 3.8% Medicare tax on all or a portion of their “net investment income,” which should include dividends from the Fund and net gains from the disposition of shares of the Fund. U.S. Shareholders are urged to consult their own tax advisers regarding the implications of the additional Medicare tax resulting from an investment in the Fund.

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

Payments to a shareholder that is either a foreign financial institution ("FFI") or a non-financial foreign entity ("NFFE") within the meaning of the Foreign Account Tax Compliance Act ("FATCA") may be subject to a generally nonrefundable 30% withholding tax on: (a) income dividends paid by a Fund after June 30, 2014 and (b) certain capital gain distributions and the proceeds arising from the sale of Fund shares paid by the Fund after December 31, 2016. FATCA withholding tax generally can be avoided: (a) by an FFI, subject to any applicable intergovernmental agreement or other exemption, if it enters into a valid agreement with the IRS to, among other requirements, report required information about certain direct and indirect ownership of foreign financial accounts held by U.S. persons with the FFI and (b) by an NFFE, if it: (i) certifies that it has no substantial U.S. persons as owners or (ii) if it does have such owners, reports information relating to them. A Fund may disclose the information that it receives from its shareholders to the IRS, non-U.S. taxing authorities or other parties as necessary to comply with FATCA. Withholding also may be required if a foreign entity that is a shareholder of a Fund fails to provide the Fund with appropriate certifications or other documentation concerning its status under FATCA.

Original Issue Discount and Pay-In-Kind Securities

Current federal tax law requires the holder of a U.S. Treasury or other fixed-income zero coupon security to accrue as income each year a portion of the discount at which the security was purchased, even though the holder receives no interest payment in cash on the security during the year. In addition, pay-in-kind securities will give rise to income which is required to be distributed and is taxable even though the Fund holding the security receives no interest payment in cash on the security during the year.

Some of the debt securities (with a fixed maturity date of more than one year from the date of issuance) that may be acquired by the Fund may be treated as debt securities that are issued originally at a discount. Generally, the amount of the original issue discount ("OID") is treated as interest income and is included in income over the term of the debt security, even though payment of that amount is not received until a later time, usually when the debt security matures. A portion of the OID includable in income with

respect to certain high-yield corporate debt securities (including certain pay-in-kind securities) may be treated as a dividend for U.S. federal income tax purposes.

Some of the debt securities (with a fixed maturity date of more than one year from the date of issuance) that may be acquired by the Fund in the secondary market may be treated as having market discount. Generally, any gain recognized on the disposition of, and any partial payment of principal on, a debt security having market discount is treated as ordinary income to the extent the gain, or principal payment, does not exceed the "accrued market discount" on such debt security. Market discount generally accrues in equal daily installments. The Fund may make one or more of the elections applicable to debt securities having market discount, which could affect the character and timing of recognition of income.

Some debt securities (with a fixed maturity date of one year or less from the date of issuance) that may be acquired by the Fund may be treated as having acquisition discount, or OID in the case of certain types of debt securities. Generally, the Fund will be required to include the acquisition discount, or OID, in income over the term of the debt security, even though payment of that amount is not received until a later time, usually when the debt security matures. The Fund may make one or more of the elections applicable to debt securities having acquisition discount, or OID, which could affect the character and timing of recognition of income.

A fund that holds the foregoing kinds of securities may be required to pay out as an income distribution each year an amount, which is greater than the total amount of cash interest the Fund actually received. Such distributions may be made from the cash assets of the Fund or by liquidation of portfolio securities, if necessary (including when it is not advantageous to do so). The Fund may realize gains or losses from such liquidations. In the event the Fund realizes net capital gains from such transactions, its shareholders may receive a larger capital gain distribution, if any, than they would in the absence of such transactions.

Shareholders of the Fund may be subject to state and local taxes on distributions received from the Fund and on redemptions of the Fund's shares.

A brief explanation of the form and character of the distribution accompany each distribution. In January of each year the Fund issues to each shareholder a statement of the federal income tax status of all distributions.

Shareholders should consult their tax advisers about the application of federal, state and local and foreign tax law in light of their particular situation.

OTHER INFORMATION

Each share represents a proportional interest in the assets of the Fund. Each share has one vote at shareholder meetings, with fractional shares voting proportionally, on matters submitted to the vote of shareholders. There are no cumulative voting rights. Shares do not have pre-emptive or conversion or redemption provisions. In the event of a liquidation of the Fund, shareholders are entitled to share pro rata in the net assets of

the Fund available for distribution to shareholders after all expenses and debts have been paid.

Compliance Service Provider

Northern Lights Compliance Services, LLC ("NLCS"), located at 80 Arkay Drive, Suite 110, Hauppauge, NY 11788 provides a Chief Compliance Officer to the Fund as well as related compliance services pursuant to a consulting agreement between NLCS and the Fund.

Administrator

Gemini Fund Services, LLC ("GFS"), located at 80 Arkay Drive, Suite 110, Hauppauge, NY 11788 serves as the Fund's administrator, fund accountant and transfer agent pursuant to a fund services agreement between GFS and the Fund.

Legal Counsel

Thompson Hine LLP, 41 South High Street, Suite 1700, Columbus, Ohio 43215, acts as legal counsel to the Fund.

Custodian

MUFG Union Bank, N.A. (the "Custodian") serves as the primary custodian of the Fund's assets, and may maintain custody of the Fund's assets with domestic and foreign subcustodians (which may be banks, trust companies, securities depositories and clearing agencies) approved by the Trustees. Assets of the Fund are not held by the Adviser or commingled with the assets of other accounts other than to the extent that securities are held in the name of a custodian in a securities depository, clearing agency or omnibus customer account of such custodian. The Custodian's principal business address is 350 California Street, 6th Floor San Francisco, California 94104.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP is the independent registered public accounting firm for the Fund and will audit the Fund's financial statements. KPMG LLP is located is located at KPMG Plaza, 2323 Ross Avenue, Suite 1400, Dallas, TX 75201.

FINANCIAL STATEMENTS

The Financial Statements and independent registered public accounting firm's report thereon contained in the Fund's annual report dated September 30, 2015, are incorporated by reference in this Statement of Additional Information. The Fund's annual

report is available upon request, without charge, by calling the Fund toll-free at 1-877-803-6583.

APPENDIX A

PROXY VOTING POLICIES AND PROCEDURES

Summary of Proxy Policies and Procedures

Behringer Advisors, LLC (“BA, LLC”) will review on a case-by-case basis each proposal submitted for a stockholder vote to determine its impact on the portfolio securities held by its Clients. Although BA, LLC will generally vote against proposals that may have a negative impact on its Clients' portfolio securities, it may vote for such a proposal if there exists compelling long-term reasons to do so. The proxy voting decisions of BA, LLC shall be made by the senior officers who are responsible for monitoring each of its Clients' investments. To ensure that its vote is not the product of a conflict of interest, BA, LLC requires that: (a) anyone involved in the decision-making process disclose to the CCO any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (b) employees involved in the decision making process or vote administration are prohibited from revealing how BA, LLC intends to vote on a proposal in order to reduce any attempted influence from interested parties.

If BA, LLC becomes aware of a class action lawsuit in which Clients may participate, the President will determine whether Clients will (a) participate in a recovery achieved through a class action lawsuit, or (b) opt out of the class action and separately pursue their own remedy. The President will oversee the completion of Proof of Claim forms and any associated documentation, the submission of such documents to the claim administrator, and the receipt of any recovered monies. The President will maintain documentation associated with Clients participation in class action lawsuits.

Employees must notify the President if they are aware of any material conflict of interest associated with Clients’ participation in class action lawsuits.

PART C - OTHER INFORMATION

Item 25. Financial Statements and Exhibits

1. Financial Statements

Part A: The financial highlights of Vertical Capital Income Fund (the "Registrant") for the fiscal period ended September 30, 2015 are included in Part A of this registration statement in the section entitled "Financial Highlights."

Part B: The Registrant's audited Financial Statements and the notes thereto in the Registrant's Annual Report to Shareholders for the fiscal period ended September 30, 2015, filed electronically with the Securities and Exchange Commission pursuant to Section 30(b)(2) of the Investment Company Act of 1940, as amended, are incorporated by reference into Part B of this registration statement.

2. Exhibits

a. (1) Agreement and Declaration of Trust*
a. (2) Certificate of Trust*
b. By-Laws **
c. Voting Trust Agreements: None
d. Instruments Defining Rights of Security Holders. See Article III, "Shares" and Article V "Shareholders' Voting Powers and Meetings" of the Registrant's Agreement and Declaration of Trust. See also, Article 12, "Meetings" of shareholders of the Registrant's By-Laws.
e. Dividend reinvestment plan: None.
f. Rights of subsidiaries long-term debt holders: Not applicable.
g. Investment Advisory Agreement (Filed herewith)
h. (1) Underwriting Agreement (Filed herewith)
(2) Shareholder Servicing Plan ***
(3) Selling Agreement Form **
i. Bonus, profit sharing, pension and similar arrangements for Fund Trustees and Officers: None.
j. Custodian Agreement **
k. (1) Fund Services Agreement (Administration, Accounting and Transfer Agency) **
(2) Compliance Consulting Agreement **
(3) Expense Limitation Agreement (Filed herewith)
(4) Security Servicing Agreement (Filed herewith)
l. Opinion and Consent of Counsel (Filed herewith)

m. Non-resident Trustee Consent to Service of Process: Not applicable
n. Consent of Independent Registered Public Accounting Firm (Filed herewith)
o. Omitted Financial Statements: None
p. Initial Capital Agreement **
q. Model Retirement Plan: None

r. (1) Code of Ethics-Fund **
(2) Code of Ethics-Adviser (Filed herewith)
(3) Code of Ethics-Principal Underwriter/Distributor **
s. (1) Powers of Attorney **
(2) Powers of Attorney (Filed herewith)

* Previously filed on May 3, 2011, as an exhibit to the Registrant's Registration Statement on Form N-2, and hereby incorporated by reference.

** Previously filed on September 30, 2011, as an exhibit to Pre-Effective Amendment No. 1 to the Registrant's Registration Statement on Form N-2, and hereby incorporated by reference.

*** Previously filed on January 22, 2014, as an exhibit to Post-Effective Amendment No. 2 to the Registrant's Registration Statement on Form N-2, and hereby incorporated by reference.

Item 26. Marketing Arrangements

Not Applicable.

Item 27 . Other Expenses of Issuance and Distribution

Not Applicable.

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

None.

Item 29 . Number of Holders of Securities as of November 6, 2015:

Title of Class	Number of Record Holders
Shares of Beneficial Ownership.	4981

Item 30. Indemnification

Reference is made to Article VIII Section 2 of the Registrant's Agreement and Declaration of Trust (the "Declaration of Trust"), filed as Exhibit (a)(2) hereto, and to Section 8 of the Registrant's Underwriting Agreement, to be filed as Exhibit (h)(1) hereto. The Registrant hereby undertakes that it will apply the indemnification provisions of the Declaration of Trust and Underwriting Agreement in a manner consistent with Release 40-11330 of the Securities and Exchange Commission (the "SEC") under the Investment Company Act of 1940, as amended (the "1940 Act"), so long as the interpretation therein of Sections 17(h) and 17(i) of the 1940 Act remains in effect. The Registrant maintains insurance on behalf of any person who is or was an independent trustee, officer, employee, or agent of the Registrant against certain liability asserted against and incurred by, or arising out of, his

or her position. However, in no event will the Registrant pay that portion of the premium, if any, for insurance to indemnify any such person for any act for which the Registrant itself is not permitted to indemnify.

Insofar as indemnification for liability arising under the Securities Act of 1933 (the "1933 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 SEC such indemnification is against public policy as expressed in the 1933 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, trustee, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, trustee, 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 1933 Act and will be governed by the final adjudication of such issue.

Item 31. Business and Other Connections of Investment Adviser

A description of any other business, profession, vocation, or employment of a substantial nature in which the investment adviser of the Registrant, and each member, director, executive officer, or partner of any such investment adviser, is or has been, at any time during the past two fiscal years, engaged in for his or her own account or in the capacity of member, trustee, officer, employee, partner or director, is set forth in the Registrant's Prospectus in the section entitled "Management of the Fund." Information as to the members and officers of the Adviser is included in its Form ADV as filed with the SEC (File No. 801-80540), and is incorporated herein by reference.

Item 32. Location of Accounts and Records

Gemini Fund Services, LLC, the Fund's administrator, maintains certain required accounting related and financial books and records of the Registrant at 80 Arkay Drive, Suite 110, Hauppauge, New York 11788. The other required books and records are maintained by the Adviser at 15601 Dallas Parkway, Suite 600, Addison, Texas 75001.

Item 33 . Management Services

Not Applicable.

Item 34. Undertakings

1. The Registrant undertakes to suspend the offering of shares until the Prospectus is amended if (1) subsequent to the effective date of its registration statement, the net asset value of the Fund declines more than ten percent from its net asset value as of the effective date of the registration statement or (2) the net asset value of the Fund increases to an amount greater than its net proceeds as stated in the Prospectus.

2. The Registrant undertakes to file, during any period in which offers or sales are being made, a post-effective amendment to the registration statement: (a) (i) to include any prospectus required by Section 10(a)(3) of the 1933 Act; (ii) 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; and (iii) 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. (b) For the purpose of determining any liability under the 1933 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. (c) The Registrant undertakes 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) The Registrant undertakes that, for the purpose of determining liability under the 1933 Act, if the Registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 497(b), (c), (d) or (e) under the 1933 Act as part of a registration statement relating to an offering, other than prospectuses filed in reliance on Rule 430A under the 1933 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. (e) The Registrant undertakes that, for the purpose of determining liability under the 1933 Act, 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: (i) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the 1933 Act; (ii) the portion of any advertisement pursuant to Rule 482 under the 1933 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 (iii) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

3. For purposes of determining any liability under the Securities Act of 1933, as amended, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant under Rule 497(h) under the 1933 Act shall be deemed to be part of this registration statement as of the time it was declared effective. The Registrant undertakes that, for the purpose of determining any liability under the 1933 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 those securities at that time shall be deemed to be the initial bona fide offering thereof.

4. 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 a written or oral request, the Registrant's statement of additional information.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 the Registrant certifies that it meets all of the requirements for effectiveness of this registration statement pursuant to Rule 486(b) under the Securities Act. Pursuant to the 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 Columbus, State of Ohio, on the 17th day of December 2015.

VERTICAL CAPITAL INCOME FUND

By: /s/ JoAnn M. Strasser
Name: JoAnn M. Strasser
Title: Attorney-in-Fact*
*Pursuant to Powers of Attorney

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

Name	Title	Date
Robert J. Boulware**	Trustee	**
Mark J. Schlafly**	Trustee	**
T. Neil Bathon**	Trustee	**
Robert J. Chapman**	Trustee	**
Michael D. Cohen**	President and Principal Executive Officer	**
S. Jason Hall**	Treasurer and Principal Financial Officer	**

**By: /s/ JoAnn M. Strasser December 17, 2015
JoAnn M. Strasser
**Attorney-in-Fact – Pursuant to Powers of Attorney

EXHIBIT INDEX

Description	Exhibit Number
Advisory Agreement	99(g)
Underwriting Agreement	99(h)(1)
Expense Limitation Agreement	99(k)(3)
Servicing Agreement	99(k)(4)
Opinion and Consent of Counsel	99(l)
Consent of Independent Registered Public Accounting Firm	99(n)
Code of Ethics of Adviser	99(r)(2)
Powers of Attorney	99(s)(2)

SERVICING AGREEMENT

This Servicing Agreement is entered into as of June 24, 2015, by and between Statebridge Company, LLC with an office at 5680 Greenwood Plaza Blvd., Suite 100, Greenwood Village, Colorado 80111 ("Servicer"), and Vertical Capital Income Fund with an office at 80 Arkay Drive, Suite 110, Hauppauge, NY 11788 ("Investor"). Each of Servicer and Investor may be referred to herein as a "Party" to this Agreement (as defined herein).

WHEREAS, Investor and/or its Affiliates (as defined herein) may request that Servicer provide Services (as defined herein) and Servicer desires to provide such Services.

THEREFORE, in consideration of the mutual agreements below, and intending to be legally bound, the parties agree:

1. DEFINITIONS

(1.1) "Affiliate" means, (i) with respect to Investor, any entity that controls, is controlled by, or is under common control with Investor (or its trustee or beneficiaries, if Investor is a trust) or any trust sponsored by Investor or any of its other Affiliates and (ii) with respect to Servicer, any entity that controls, is controlled by, or is under common control with Servicer. For purposes of this Agreement, "control" means possessing, directly or indirectly, the power to direct or cause the direction of the management, policies or operations of an entity, whether through ownership of voting securities, by contract or otherwise.

(1.2) "Agreement" means this Servicing Agreement, the Exhibits hereto, any Transaction Addendum, and any duly executed amendments thereto.

(1.3) "Confidential Information" includes (i) all information, including Intellectual Property, related to the business of Servicer or Investor and any of their respective Affiliates, clients and other third parties, to which Servicer or Investor has access, whether in written, graphic or machine-readable form, in the course of or in connection with providing the Services; (ii) all notes, analyses and studies prepared by Servicer or any of its Representatives, during the term of this Agreement or anytime thereafter, incorporating any of the information described in Article 4 ("Non-Disclosure"), and (iii) the terms and conditions of this Agreement.

(1.4) "Servicing Fee" means the fee for Services as specified in the relevant Transaction Addendum.

(1.5) "Effective Date" means (i) generally, the date first stated above and (ii) with respect to any Transaction Addendum, the date on which Servicer executes such Transaction Addendum, as set forth thereon.

(1.6) "Intellectual Property" means all (i) patents, patent applications, patent disclosures and inventions (whether patentable or not), (ii) trademarks, service marks, trade dress, trade names, logos, corporate names, Internet domain names, and registrations and applications for the registration thereof together with all of the goodwill associated therewith, (iii) copyrights and copyrightable works (including computer programs and mask works) and registrations and applications thereof, (iv) databases, trade secrets, know-how and other confidential information, (v) waivable or assignable rights of publicity and (vi) waivable or assignable moral rights.

(1.7) "Representatives" means Servicer's or Investor's officers, directors, employees, agents and subcontractors (and their employees).

(1.8) "Services" means all services to be provided by Servicer to Investor under the express terms of this Agreement (including, without limitation, the services to be provided under Article 2 ("Services") hereof) and Work Product.

(1.9) "Transaction Addendum" means each duly executed addendum to this Agreement, the form of which is attached hereto as Exhibit A.

(1.10) "Work Product" means all works, materials, software, documentation, methods, apparatus, systems, designs, improvements, inventions, user interfaces, processes, formulae, products or future products, plans, devices, enhancements, refinements or works of authorship and the like (and all tangible embodiments thereof) created by, conceived, originated, prepared, developed, conceived, or delivered by Servicer, either individually or jointly with others (whether or not patented, patentable, copyrighted or copyrightable), directly or indirectly useful in any aspect whatsoever in the business of Servicer as part of or in connection with the Services; provided, that nothing shall be considered "Work Product" as such term is used in Section 5.1 ("Work Product"), Section 9.4 ("Effect of Termination") or Section 14.6 ("Nonexclusivity") hereunder that Investor or any third party could develop independently of Servicer's Intellectual Property or other Confidential Information (including but not limited to such Intellectual Property and Confidential Information as may be created or developed during the term of this Agreement but separate from Servicer's provision of Services hereunder).

2. SERVICES

(2.1) Services. Servicer will perform and deliver Services in accordance with the specifications and requirements as set forth herein and in each Transaction Addendum. Except as otherwise provided in Sections 9.3 ("Termination for Convenience"), 10.4 ("Limitation of Liability") and 14.1 ("Assignment"), if any of the terms or conditions of this Agreement conflict with any of the terms or conditions of any Transaction Addendum, the terms or conditions of such Transaction Addendum will control solely with respect to the Services covered under such Transaction Addendum.

(2.2) Affiliate Services. All Affiliates of Investor may request Services and execute Transaction Addendum under this Agreement. Other than with respect to termination pursuant to Section 9.2 ("Termination for Cause"), for purposes of such Transaction Addendum, each Affiliate shall be considered Investor as that term is used throughout this Agreement.

(2.3) Technical Direction. Servicer will report to and receive technical direction only from such Investor employees or officers as may be listed in the applicable Transaction Addendum or as may be designated from time to time by Investor or the applicable Affiliate.

(2.4) Servicer's Personnel. The Services will be performed by Servicer's Representatives or subcontractors. Servicer may assign or subcontract to another entity or person any of the Services to be performed hereunder. Servicer will remain fully liable for the acts and omissions of its agents and subcontractors as if performed by Servicer. Notwithstanding the foregoing, however, if Servicer’s agents or subcontractors reside at the location of the Investor and are subject to general oversight of the Investor, Servicer shall not be liable for the acts or omissions of such persons.

(2.5) Removal of Personnel. Servicer will maintain staffing levels and continuity of personnel consistent with its obligation to perform the Services. In the event that Servicer provides replacement Representatives for any reason, Servicer will not charge Investor for the number of hours required to train the replacement until such Representatives are familiar with the particular project, so that such replacement Representatives are capable of performing the Services in accordance with this Agreement. Notwithstanding the foregoing, however, if Servicer’s agents or subcontractors reside at the location of the Investor and are subject to general oversight of the Investor, and such staff is terminated at the request of the Investor, Servicer shall not be responsible for training expenses.

3. REPORTS

(3.1) Responsibility for Information. Investor agrees that Servicer will not be held responsible

for inaccurate or incomplete data provided by Investor or a servicer or master servicer, or obtained by Servicer from a reputable public source (which source has been identified to, and not objected to, by Investor) through commercially reasonable efforts. Servicer shall be entitled to rely in good faith on any document or file of any kind *prima facie* properly executed and submitted pursuant to this Agreement.

(3.2) Reports Offered by Servicer. Servicer will provide to Investor certain monthly reports mutually agreed to between the Parties relating to the performance of the loans and any other pertinent issues involving the pool of loans allocated to Servicer pursuant to a Transaction Addendum (“Pool”). These reports will be delivered to Investor at the address set forth in Section 14.2 ("Notices") of this Agreement and will be prepared by Servicer in accordance with customary industry standards.

4. NON-DISCLOSURE

(4.1) Restrictions. Each Party will keep the Confidential Information confidential. Each Party may disclose the Confidential Information to its Representatives who have a need to know such Confidential Information solely in connection with this Agreement. Each Party will cause such Representatives to comply with this Agreement and will assume full responsibility for any breach of this Agreement by any such Representatives. Each Party agrees that it will not transfer or disclose any Confidential Information or Intellectual Property of the other Party to any third party without the other Party's prior written permission and without such third party having a contractual obligation (consistent with this Article 4 ("Non-Disclosure")) to keep such Confidential Information confidential. Each Party agrees that it will not use any Confidential Information for any purpose other than to effect the terms of this Agreement.

(4.2) Nonpublic Personal Information and Foreign Data Protection. For purposes of compliance with (i) Title V of the Gramm-Leach-Bliley Act of 1999 (the "Act") or any successor federal statute to the Act, and the rules and regulations thereunder, all as may be amended or supplemented from time to time, (ii) the European Commission Data Protection Directive (95/46/EC) or Data Protection Act 1998 or any implementing or related legislation of any member state in the European Economic Area (the "Data Protection Laws") and (iii) any other applicable laws concerning personal information, Servicer will comply with the terms and conditions set forth in Exhibit B attached hereto.

(4.3) Exclusions. Neither Party will be prohibited from using information that: (i) is obtained by such Party from the public domain without breach of this Agreement and independently of such Party's knowledge of any Confidential Information; (ii) was lawfully and demonstrably in the possession of such Party prior to its receipt from the other Party without obligation of confidentiality; (iii) is independently developed by such Party without use of or reference to the other Party's Confidential Information; or (iv) becomes known by such Party from a third party independently of such Party's knowledge of the Confidential Information and, insofar as is known to such Party, is not subject to an obligation of confidentiality. Notwithstanding any other express or implied agreement, arrangement, or understanding to the contrary, Investor and Servicer agree that both Investor and Servicer (and their respective employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment of the transactions described herein and any fact relating to the structure of transactions that may be relevant to understanding such tax treatment, and all materials of any kind (including opinions or other tax analyses) that are provided to such person relating to such tax treatment and tax structure, except to the extent confidentiality is reasonably necessary to comply with securities laws (including, where applicable, confidentiality regarding the identity of an issuer of securities or its affiliates, agents and advisors).

(4.4) Legal Requirements. If either Party is requested or required to disclose any of the other

Party's Confidential Information, Intellectual Property, or Work Product under a subpoena, court order, statute, law, rule, regulation or other similar requirement (a "Legal Requirement"), such Party will, to the extent not precluded by law and if practicable, provide prompt notice of such Legal Requirement to such other Party so that such other Party may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. If such other Party is not successful in obtaining a protective order or other appropriate remedy and the Party that is requested or required to disclose the related Confidential Information is, in the reasonable opinion of its counsel, legally compelled to disclose such Confidential Information, or if such other Party waives compliance with the provisions of this Agreement in writing, then the Party that is requested or required to disclose the related Confidential Information may disclose, without liability hereunder, such Confidential Information in accordance with, but solely to the extent necessary, in the reasonable opinion of its counsel, to comply with the Legal Requirement.

(4.5) Disposition of Confidential Information on Termination or Expiration. Upon Investor's written request, either upon termination or expiration of this Agreement or otherwise, Servicer will return to Investor all copies of Confidential Information then in Servicer's possession or within its control. Alternatively, if directed by Investor, Servicer shall destroy such Confidential Information and an officer of Servicer will certify in writing to Investor that all such Confidential Information has been destroyed.

(4.6) Maintenance of Confidential Information. Notwithstanding the provisions of Section 4.5 ("Disposition of Confidential Information on Termination or Expiration") or any other provision of this Agreement, Servicer will not be required to delete or return electronic loan level personal information, provided that Servicer maintains such information archived in a secure and encrypted location and agrees to use such loan level information in a manner that does not violate any Data Protection Law.

5. OWNERSHIP

(5.1) Work Product.

(a) Servicer shall have exclusive title and ownership rights, including all Intellectual Property rights, throughout the world in all Work Product and Intellectual Property. This Section 5.1 ("Work Product") and the references incorporated herein shall survive the term of this Agreement.

(b) Investor agrees, and will cause its Representatives and Affiliates to agree, that nothing relating to the Services, or related to any Intellectual Property or Work Product, shall be considered a work made for hire within the meaning of Title 17 of the United States Code. Investor automatically assigns, and shall cause its Representatives and Affiliates, as appropriate, to assign, at the time of creation and without any requirement of future consideration, any right, title, or interest it or they may have in any Work Product or Intellectual Property, including any patent applications, patents, copyrights, or other Intellectual Property rights. Upon request of the Servicer, Investor shall take such further action, and shall cause its Representatives and/or Affiliates to take such further action, including the execution and delivery of instruments of conveyance, as the Servicer reasonably may deem appropriate to give full and proper effect to such assignment. This section shall survive the term of this Agreement.

(c) All uses of any trademarks, service marks and trade names in the Work Product or in the performance of the Services, and the goodwill associated therewith, whether by Servicer or third parties, inures and will inure to the benefit of Servicer. Servicer hereby grants Investor and its Affiliates an irrevocable, unrestricted, non-exclusive, paid-up, perpetual, worldwide license to use, duplicate, distribute and display any Work Product so as to enable the full use and/or benefit of the Work Product, provided that Investor or its Affiliate obtains the prior

written consent of the Servicer for any use contemplated by this Section 5.1(c), which consent shall not be unreasonably withheld. The license granted by this Section 5.1(c) shall survive by one (1) year any termination of this Agreement or any Transaction Addendum.

6. SERVICING FEES

(6.1) Servicing Fees. Servicing Fees will be as set forth in the applicable Transaction Addendum covering such Services and shall be payable as set forth therein.

(6.2) Taxes. Servicer will be solely responsible for and Investor will not owe any applicable sales or use tax and all Servicing Fees stated in any Transaction Addendum are deemed inclusive of all forms and types of taxes in all jurisdictions. In no event will Investor owe any taxes attributable to Servicer's income.

(6.3) Expenses. Servicer shall be entitled to periodically deduct its allowable expenses related to the Services from custodial and REO accounts and will provide Investor with documentation evidencing all expenses.

(6.4) Advance Account. At least ten (10) days prior to the boarding date, Investor shall deposit with Servicer $0 for Servicer to use for advances made in the ordinary course of servicing Investor's Loans ("Advance Account"). Such funds will be kept in a separate account and shall be used solely for Investor Loan advances. In the event that funds in the Advance Account are insufficient to pay the applicable advances in a given month, the provision of Section 6.5 below shall govern. In addition, in such situations, Investor will replenish such advance account, plus an amount equal to the month's overage, by the 5th day after the next remittance date. Paries agree to re-evaluate need for Advance Account in 4 months from date of this Servicing Agreement.

(6.5) In the event that borrower payments and/or the Advance Account do not cover Servicer's expenses, Servicer shall:

- Provide Investor with a daily preliminary accounting of advances, both pending and actual;
- Upon receipt, Investor shall remit funds to Servicer via bank wire within one (1) business day;
- At month end, Servicer shall provide final documentation evidencing such expenses, showing whether a credit or debit exists;
- Investor shall have 15 days to audit such documentation and shall be credited or invoiced as the case may be; and
- Such amounts due shall be wired by the applicable party within one (1) business day.

As a part of Servicer's fees, servicer shall be entitled to collect and retain income from the Loans including, late charges, insufficient fund fees, assumption fees, web and phone pay fees, and all other similar fees allowed by the applicable insurer/guarantor, state or federal regulations or approved by Investor.

(6.6) Past Due Payments. Notwithstanding anything to the contrary in this Servicing Agreement, in the event that servicing fees due to Servicer are more than 60 days past due, Servicer shall be entitled to one of the following, at Servicer's election:

- Retain through liquidation such number of Loans or REO assets whose with an estimated value as is equal or greater than the total amount of servicing fees due; or
- Convert such number of Loans or REO assets with an estimated value as is equal or greater than the total amount of servicing fees due to Statebridge ownership.

7. INDEPENDENT CONTRACTOR

(7.1) Independent Contractor. Servicer acknowledges that it is acting as an independent contractor, that Servicer is solely responsible for its actions or inactions, and that nothing in this Agreement will be construed to create an agency or employment relationship between Investor and Servicer or their respective Affiliates and Representatives. Servicer is not authorized to enter into contracts or agreements on behalf of Investor or to otherwise create obligations of Investor to third parties. Neither Servicer nor any of its Representatives are Investor employees for any purpose, including for: (i) federal, state or local tax, employment, withholding or reporting purposes; or (ii) eligibility or entitlement to any benefit under any of the Investor's employee benefit plans (including those that are subject to the Employee Retirement Income Security Act of 1974, as amended), incentive, compensation or other employee programs or policies (collectively, "Benefit Plans"). Servicer agrees that all such Representatives will be informed that they are employees solely of Servicer, or its agent or subcontractor if applicable, and not eligible to participate in any Benefit Plan. Servicer agrees that Servicer is solely responsible for payment of all applicable workers' compensation, disability benefits and unemployment insurance, and for withholding and paying such employment taxes and income withholding taxes as required.

(7.2) Waiver and Indemnification. In the event that any federal, state or local government or administrative agency, or other regulatory or quasi-regulatory entity, or any court, determines that Servicer or any of its Representatives acted as an employee of Investor in performing Services, Servicer: (i) waives any and all claims that Servicer may have as a result of any such determination and acknowledges that Servicer agreed to render Services under this Agreement with the understanding that Servicer does not have any right or entitlement to any benefits or compensation; and (ii) will indemnify and defend the Indemnitee (as defined in Section 11.1) from and against any and all liabilities, costs, losses, damages and expenses (including reasonable attorneys' and reasonable experts' fees and expenses as well as interparty damages directly or indirectly caused by Servicer or third parties) and will reimburse such fees and expenses as they are incurred, arising out of or relating to such a determination in accordance with Article 11 ("Indemnification").

8. TERM

(8.1) Term. This Agreement is effective as of the Effective Date and will continue until terminated in accordance with Article 9 ("Termination").

(8.2) Transaction Addendum. The Services will commence on the date set forth in each Transaction Addendum and continue thereafter as set forth in such Transaction Addendum, unless otherwise terminated earlier in accordance with the terms of such Transaction Addendum or this Agreement.

9. TERMINATION

(9.1) Termination for Breach. If Servicer materially breaches this Agreement or any Transaction Addendum, and (i) such breach is incapable of cure, or (ii) with respect to such breaches capable of cure, Servicer does not cure such breach within sixty (60) days after written notice of such breach, Investor may terminate this Agreement or the relevant Transaction Addendum, as appropriate, upon written notice to Servicer. Any such termination of a Transaction Addendum or this Agreement will be without prejudice to any other rights and remedies that Investor or any Affiliate of Investor may have under this Agreement or at law or in equity.

(9.2) Termination for Cause. If Investor fails to make any payment as and when required to be made by Investor to Servicer pursuant to the terms of this Agreement, or otherwise materially breaches this Agreement, and the failure to make such payment or such breach continues for sixty (60) days after written notice of such failure to pay or after notice of such breach has been provided to Investor by Servicer, Servicer may terminate this Agreement upon written notice to Investor. If any Affiliate of Investor fails to

make any payment as and when required to be made by such Affiliate to Servicer pursuant to the terms of any Transaction Addendum or this Agreement, or otherwise materially breaches the Transaction Addendum to which it is a party, and the failure to make any such payment or such breach continues for sixty (60) days after written notice of such failure to pay or such breach has been provided to Investor and such Affiliate by Servicer, Servicer may terminate this Agreement or such Transaction Addendum upon written notice to Investor and such Affiliate. Any such termination of a Transaction Addendum or this Agreement will be without prejudice to any other rights and remedies that Servicer may have under this Agreement or at law or in equity.

(9.3) Termination for Convenience. Investor may terminate this Agreement or any Transaction Addendum at any time upon electronically transmitted or written notice to Servicer, which termination shall be effective on the termination date that is specified in such notice. Servicer may terminate this Agreement at any time upon electronically transmitted or written notice to Investor, which termination shall be effective on the termination date that is specified in such notice (which termination date shall in no event be less than sixty (60) days after the date such notice is delivered to Investor). Notwithstanding anything to the contrary in this Agreement or any Transaction Addendum, in the event of any termination under this Section 9.3 ("Termination for Convenience"), Investor will be liable to make any payments which are due for work performed and for any deboarding or similar fees.

(9.4) Effect of Termination. Upon any termination or expiration of this Agreement or a Transaction Addendum, Servicer will: (i) deliver to Investor all then-completed reports (as described in Article 3 ("Reports") of this Agreement); (ii) collect any “de-boarding” and other fees as set forth in the applicable Transaction Addendum; (iii) repay all monies paid in advance in respect of the affected Services which have not been supplied; and (iv) work with Investor to ensure a smooth transition of Services to Investor or a third party; provided, that Servicer shall be under no obligation to transfer or divulge any Intellectual Property, Confidential Information or Work Product (except for Work Product that Investor is required to disclose to investors, that is reasonably required to be disclosed for additional servicing reporting or that it is required to disclose pursuant to securities laws or compliance regulations applicable to Investor, its beneficiaries or their direct or indirect owners).

10. REPRESENTATIONS, WARRANTIES, COVENANTS AND LIMITATION OF LIABILITY

(10.1)Performance.

(a) Servicer represents, warrants and covenants that all Services: (i) will be performed in accordance with Investor's commercially reasonable written instructions; (ii) will be performed to the best of Servicer's ability and in an effective, timely, professional and workmanlike manner; (iii) will be performed in material accordance with any specifications and documentation set forth in the relevant Transaction Addendum; and (iv) will comply, including the utilization thereof as contemplated hereunder, with all applicable laws, rules, regulations, orders of any governmental (including any regulatory or quasi-regulatory) agency and contracts, including financial, disclosure, import, export and encryption laws, as well as all applicable securities laws and compliance regulations and procedures of Investor.

(b) Servicer also represents, warrants and covenants that it is entering into this Agreement and the provision of the Services hereunder does not violate any other obligations it may have.

(10.2) Noninfringement. Servicer represents, warrants and covenants that: (i) it has and will have all rights, titles, licenses, intellectual property, permissions and approvals necessary in connection with its performance under this Agreement and to grant Investor the rights

granted hereunder; and (ii) none of the Services nor the provision or utilization thereof as contemplated under this Agreement, do or will infringe, violate, trespass or in any manner contravene or breach or constitute the unauthorized use or misappropriation of any Intellectual Property of any third party.

(10.3) Litigation. There is no litigation pending or threatened, which, if determined adversely to Servicer, would adversely affect the enforceability of this Agreement, or the ability of Servicer to perform its obligations under this Agreement and the Transaction Addendum, or which would have a material adverse effect on the financial condition of the Servicer.

(10.4) Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(10.5) Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT OR ANY TRANSACTION ADDENDUM, IN NO EVENT WILL SERVICER OR INVESTOR OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS) EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN ADDITION, ANY CLAIMS BY INVESTOR AGAINST SERVICER WILL BE CAPPED AT THE TOTAL AMOUNT OF SERVICING FEES PAID TO SERVICER PURSUANT TO THIS AGREEMENT AND ANY APPLICABLE TRANSACTION ADDEMDUM. NOTWITHSTANDING THE FOREGOING, NO LIMITATION OR EXCLUSION OF INVESTOR'S OR SERVICER'S LIABILITY WILL APPLY WITH RESPECT TO ANY CLAIMS ARISING OUT OF OR RELATING TO ARTICLES 4 ("NON-DISCLOSURE"), 5 ("OWNERSHIP"), SECTION 7.2 ("WAIVER AND INDEMNIFICATION"), AND ARTICLE 11 ("INDEMNIFICATION") OF THIS AGREEMENT, OR ITS WILLFUL MISCONDUCT OR ANY CLAIMS FOR PERSONAL INJURY OR PROPERTY DAMAGE.

11. INDEMNIFICATION

(11.1) Indemnification. Each Party, at its expense, will indemnify, defend and hold harmless the other Party and its Affiliates and any of their officers, directors, employees, agents, consultants and other representatives (collectively, the "Indemnitee") from all liabilities, costs, losses, damages and expenses of the other Party ("Indemnitor") (including reasonable attorneys' and reasonable experts' fees and expenses as well as interparty damages caused by it or third parties) and will reimburse such fees and expenses as they are incurred, including in connection with any claim or action threatened or brought against the Indemnitee involving the rights or obligations of Indemnitor pursuant to this Agreement, or a Transaction Addendum (a) that result from the gross negligence, bad faith or willful misconduct hereunder or any Transaction Addendum, including but not limited to aggregation, analysis, compilation, reporting or transmission of information regarding the collateral under each applicable Transaction Addendum, (b) for the benefit of Servicer, that arise out of the actions of Investor, any prior servicer, prior subservicer, originator, prior owner of holder of applicable debt, or any successor of such, (c) actions brought by borrowers or affiliates of borrowers against Servicer, or (d) that involve third-party claims of infringement, violation, trespass, contravention or breach of any patent, copyright, trademark, license or other property or proprietary right of any third party, or constitutes the unauthorized use or misappropriation of any trade secret of any third party. Each party will promptly notify the other Party of any such claim or action and will reasonably cooperate in the defense of such claim or action, at such party's expense.

(11.2) Investor's Right to Participate. Indemnitor will have the right to conduct the

defense of any such claim or action and all negotiations for its settlement or compromise except that Indemnitee may in its sole discretion participate in the defense of any such claim or action at Indemnitor’s expense. Without limiting the foregoing, Indemnitee may not, without Indemnitor's prior written consent, settle, compromise or consent to the entry of any judgment in any such commenced or threatened claim or action, unless such settlement, compromise or consent: (i) includes an unconditional release of the relevant Indemnitee from all liability arising out of such commenced or threatened claim or action; and (ii) is solely monetary in nature and does not include a statement as to, or an admission of fault, culpability or failure to act by or on behalf of, any Indemnitee or otherwise adversely affect any Indemnitee. If Indemnitee fails to appoint legal counsel within ten (10) days after Indemnitor has notified Servicer of any such claim or action, or after Indemnitee becomes aware of such claim or action, whichever is earlier, Indemnitor will have the right to select and appoint alternative legal counsel and the reasonable cost and expense thereof will be paid by Indemnitee.

(11.3) Election of Remedy. If any Services or Work Product or any portion thereof becomes, or in Servicer's or Investor's reasonable opinion is likely to become, the subject of any such claim or action, then Investor may terminate the relevant Transaction Addendum with respect to such Services or require Servicer to: (i) modify the Services or Work Product or such portion thereof, to render same non-infringing (provided such modification does not adversely affect the utilization of such Services or Work Product or such portion thereof, as reasonably determined by Investor); or (ii) replace same with an equally suitable, functionally equivalent, compatible, non-infringing Services or Work Product as reasonably determined by Investor. If none of the foregoing is possible and if such Services or Work Product or such portion thereof, is found to infringe by a court of competent jurisdiction, Servicer or Investor will have the right to terminate the relevant Transaction Addendum with respect to such Services not yet performed or Work Product. Any termination of any Transaction Addendum by Investor under this Section 11.3 ("Election of Remedy") will be without prejudice to any other rights and remedies which Investor may have under this Agreement or at law or in equity.

12. NO PUBLICITY

Without the prior written consent of Investor, which may be granted or withheld in its sole and absolute discretion, Servicer agrees not to disclose the identity of Investor or its Affiliates or any of their directors, officers, managers, employees, Servicers or agents as a customer or prospective customer of Servicer or the existence or nature of this Agreement. Without limiting the generality of the foregoing, Servicer will not use, in advertising, publicity or otherwise, the name of Investor or its Affiliates or any of their directors, officers, managers, employees, Servicers or agents or any trade name, trademark, service mark, logo or symbol of Investor or its Affiliates, without obtaining such prior written consent.

13. INSURANCE

(13.1) Insurance Coverage. Servicer will, and will cause its approved subcontractors to, at their own cost and expense, obtain and maintain in full force and effect during the term of this Agreement, the insurance coverage for the Services in the minimum amounts and on the terms set forth in Exhibit C attached hereto or such other amounts as may be set forth in a Transaction Addendum.

(13.2) Insurance Certifications. Upon written request, Servicer will provide Investor with a copy of all relevant certificates of insurance including those of its subcontractors. All insurance required hereunder to be carried by Servicer (as well as any approved subcontractors or agents) will be with sound and reputable insurers.

(13.3) Claims. Servicer will promptly make a full written report to Investor as to all incidents or claims for damage arising from or in connection with: (i) this Agreement; or (ii) the discharge of Servicer's duties under this

Agreement or any Transaction Addendum. Servicer will cooperate fully with Investor and with any insurance carrier in the investigation and defense of all such incidents and claims, such obligation to survive the termination or expiration of this Agreement.

14. GENERAL

(14.1) Assignment. Neither party will assign, as a result of a change of control (which will be deemed to be an assignment) or by operation of law or otherwise, its rights or obligations under (i) this Agreement or (ii) any Transaction Addendum, without the prior written consent, which consent will not be unreasonably withheld, of the other party and any attempt to do so without such consent will be null and void; provided, with respect to a change of control of Servicer, that Investor's withholding of any such consent shall be deemed to be reasonable only if any changes that are to be effected in connection with such change in control in key personnel of Servicer would have a material adverse impact on Servicer's ability to perform its duties and obligations under this Agreement or any Transaction Addendum. For purposes of this Section 14.1 ("Assignment"), "change of control" will mean the direct or indirect change in the ownership, operation or control of a party, whether resulting from merger, acquisition (including an acquisition of substantially all of the assets of such party), consolidation or otherwise. Notwithstanding the foregoing and anything to the contrary otherwise set forth in this Agreement, Investor may assign its rights or obligations under this Agreement to any of its Affiliates or to any entity that acquires all or substantially all of Investor's assets or that is otherwise a successor in interest to Investor. This Agreement will be binding upon the parties and their respective legal successors and permitted assigns.

(14.2) Notices. All notices to be given under this Agreement must be in writing, sent to the person and address designated below or to such other addresses as Servicer or Investor may designate in any Transaction Addendum or otherwise under this Section 14.2 ("Notices"), by certified mail (return receipt requested), overnight courier or personal delivery.

If to Servicer, to

Statebridge Company
5680 Greenwood Plaza Blvd., Suite 100
Greenwood Village, CO 80111
Attn: CEO
Email: kkanouff@statebridgecompany.com

If to Investor, to:
Mail:
Vertical Capital Income Fund
c/o Gemini Fund Services, LLC
80 Arkay Drive, Suite 110
Hauppauge, NY 11788
Attn: A. Bayard Closser
President, Treasurer and Trustee

Phone: 866-224-9320 xt. 4015
Fax 949-788-7729
Email: bclosser@verticalUS.com

Subject to Section 14.5 ("No Waiver by Conduct"), other notices may be given via facsimile or e-mail.

(14.3) Remedies. Servicer acknowledges that a breach of Article 4 ("Non-Disclosure") of this Agreement may result in irreparable and continuing damage to Investor for which monetary damages may not be sufficient, and agrees that Investor will be entitled to seek, in addition to its other rights and remedies hereunder or at law, injunctive or all other equitable relief, and such further relief as may be proper from a court of competent jurisdiction.

(14.4) Time of the Essence. Servicer acknowledges that time is of the essence with respect to Servicer's obligations hereunder and that prompt and timely performance of all such obligations, including all requirements in any Transaction Addendum, is strictly required for Investor in light of its schedules and commitments.

(14.5) No Waiver by Conduct. No waiver of any of the terms of this Agreement or any

Transaction Addendum will be valid unless in writing and designated as such. Any forbearance or delay on the part of either party in enforcing any of its rights under this Agreement will not be construed as a waiver of such right to enforce same for such occurrence or any other occurrence.

(14.6) Nonexclusivity. This Agreement is non-exclusive and each Party may in their sole discretion enter into arrangements with third parties that related to this Agreement.

(14.7) Non-Solicitation. During the period that commences on the date of this Agreement and ends on the first anniversary of the termination of the Term, Investor will not, and will cause each of its Affiliates not to, employ (or attempt to employ or interfere with any employment relationship with) any employee of the Servicer or any of the Servicer's subsidiaries. The provisions of this Section 14.7 shall not apply to any employee of the Servicer who: (i) initiates discussion regarding employment without any direct or indirect solicitation by Investor or its Affiliate(s); (ii) responds to any public advertisement placed by Investor or any of its Affiliates; or (iii) has been terminated by the Servicer prior to commencement of employment discussions between Investor or its Affiliate and such employee.

(14.8) Severability. If any one or more of the provisions of this Agreement are for any reason held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will be unimpaired and will remain in full force and effect, and the invalid, illegal or unenforceable provision will be replaced by a valid, legal and enforceable provision that comes closest to the intent of the parties underlying the invalid, illegal or unenforceable provision.

(14.9) Survival. Any provision of this Agreement which, by its nature, would survive termination or expiration of this Agreement will survive any such termination or expiration of this Agreement, including Article 4 ("Non-Disclosure"), Article 5 ("Ownership"), Article 7 ("Independent Contractor"), Section 9.5 ("Effect of Termination"), Article 10 ("Representations, Warranties, Covenants and Limitation of Liability"), Article 11 ("Indemnification"), Article 12 ("No Publicity"), Article 14 ("General") and Exhibit B ("Compliance with Gramm-Leach-Bliley and Non-U.S. Data Protection").

(14.10) Governing Law and Choice of Forum. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado, without regard to its choice of laws principles. The parties agree to adjudicate the terms of this Agreement in the State of Colorado.

(14.11) Dispute Resolution. A three-step process is agreed to resolve disputes. The parties will first attempt to resolve the matter through earnest discussion, including providing notice of the dispute and involving appropriate levels of management of both parties. Failing resolution within a reasonable period, the parties will participate in mediation under the rules of the American Arbitration Association. Failing resolution through mediation, any dispute will be settled by binding arbitration as set forth below.

(14.12) Arbitration. The parties unconditionally and irrevocably agree that disputes will be resolved by arbitration (and accordingly they hereby consent to personal jurisdiction over them) in the City and County of Denver, Colorado in accordance with the Commercial Dispute Resolution Procedures of the American Arbitration Association and, in the event either party seeks injunctive or provisional relief, the Optional Rules for Emergency Measures of Protection. The arbitration will be heard and determined by a single arbitrator. The arbitrator's decision in any such arbitration will be final and binding upon the parties and may be enforced in any court of competent jurisdiction. The prevailing party will be entitled to recover its attorneys' fees and arbitration costs from the other party. The parties agree that the resolution process as well as the written or oral statements or offers of settlement made in the course of the dispute resolution process (whether during earnest discussion, mediation or arbitration will (a) be Confidential Information, (b) will not be

offered into evidence, disclosed, or used for any purpose in any formal proceeding, and (c) will not constitute an admission or waiver of rights. The parties will promptly return to the other, upon request, any such written statements or offers of settlement, including all copies thereof.

(14.13) Interpretation. The terms and conditions of this Agreement are the result of negotiations between the parties. The parties intend that this Agreement should not be construed in favor of or against any party by reason of the extent to which any party or its professional advisors participated in the preparation or drafting of the Agreement.

(14.14) Counterparts; Method of Amendment. This Servicing Agreement, each Transaction Addendum and any amendments thereto may be executed in counterparts and will not be effective or enforceable unless and until it is executed with the handwritten signature of an authorized representative of each of the relevant entities.

IN WITNESS WHEREOF, the parties have caused this Master Servicing Agreement to be executed by their duly authorized representatives, as of the date first set forth above.

STATEBRIDGE COMPANY, LLC

By: /s/
Name: Kevin J. Kanouff
Title: CEO

By: /s/

Name: A. Bayard Closser
Title: President, Treasurer and Trustee

EXHIBIT A

TRANSACTION ADDENDUM

This Transaction Addendum Number 1 is entered into pursuant to and incorporates herein by reference the terms and conditions of the Servicing Agreement, entered into as of June 24, 2015 (the "Agreement"), by and between Vertical Capital Income Fund ("Investor") and Statebridge Company, LLC ("Servicer"). All terms defined in the Agreement, except as otherwise defined herein, shall have the same meanings when used in this Transaction Addendum.

I. Engagement: Investor hereby engages Servicer to provide the Services described in the Agreement.

II. Services: All Services described in the Agreement will be rendered by Servicer pursuant to each mortgage loan ("Loan") secured by a mortgage ("Mortgage") and note ("Note") together with all other loan documents ("Loan Documents") that is delivered to Servicer from Investor or Investor designated source, as set forth below:

i. **Procedures**:

From and after the boarding date, Servicer shall subservice and administer the Loans in accordance with servicing best practices. Until the principal and interest of each Loan and all obligations under each Note and Mortgage are paid in full, unless sooner terminated pursuant to the terms of the Agreement, Servicer shall:

a) Collect as they become due (i) payments of principal and interest (ii) any sums to be held in escrow for the payment of taxes, assessments and other public charges that are generally impounded, hazard and/or flood insurance premiums, FHA insurance or private mortgage insurance premiums, condominium association dues and fees and other sums required to be collected and disbursed for borrowers (collectively "Escrowed Sums"), if applicable, and (iii) all other payments from or on behalf of the borrowers associated with the Loans serviced under this Agreement.

b) Accept payments of principal, interest, escrow deposits (if applicable), late charges and other fees only in accordance with the Loan Documents or information provided by Investor. Deficiencies in or excess in payments or deposits shall be accepted and applied in accordance with the Loan Documents or, if not covered in such documents, in accordance with Investor or insurer guidelines or servicing best practices.

c) Apply all payments of principal, interest escrow deposits (if applicable) and other sums collected by it from the borrower, and maintain permanent mortgage account records capable of producing, at any time in chronological order: the date, amount, distribution, installment due date or other transactions affecting the amounts due from or to the borrower and indicating the latest outstanding balances of principal, escrow, suspense, buydown, loss drafts and advance balances associated with each Loan.

d) Pending disbursement, segregate and hold in a custodial account or accounts in a financial institution insured by the FDIC ("Custodial Accounts"; each a "Custodial Account"), in such manner as to show the custodial nature thereof, and so that the Investor and each separate borrower whose funds have been contributed to such account or accounts will be individually protected under the rules of the FDIC. Both the financial institution and Servicer's records shall reflect the respective interest of the Investor and borrowers in all Custodial Accounts as

"Statebridge Company, LLC as agent for Vertical Capital Income Fund and/or payments of various mortgagors". All funds collected for principal and interest shall be held by and carried in records of the Servicer as "trustee" for the Investor, and shall be established in such a manner as to comply with all applicable rules and regulations of any governmental agency insuring or guaranteeing each Loan. Any benefit or value derived from all Custodial Accounts shall accrue to the benefit of the Servicer. Servicer shall grant Investor (or its designee) read-only type electronic access to all Custodial Accounts.

e) Maintain escrow deposits received for the payment of Escrowed Sums in a Custodial Account as specified in subparagraph (d) of this section for each borrower ("Borrower Custodial Account"). If any state statute or law requires the payment of interest on escrowed funds, Servicer will pay such interest on each such Borrower Custodial Account, which it maintains or controls. Investor shall reimburse Servicer for said interest within three (3) business days of receipt of an invoice thereof. If applicable, Servicer will determine the amount of escrow deposits to be made by borrowers and will furnish to each borrower, at least once a year, an analysis of the Borrower Custodial Account. Servicer shall grant Investor (or its designee) read-only type electronic access to all Borrower Custodial Accounts.

f) Maintain accurate records reflecting the status of all items collected and/or disbursed from the Borrower Custodial Account including taxes, ground rents and other recurring charges generally accepted by the mortgage servicing industry, which would become a lien on the security property. For all Loans providing for the payment to and collection by Servicer of any Escrowed Sums, Servicer shall pay such charges before any penalty date provided that it receives such payment information from sources in a timely fashion.

g) For all Loans which have no provisions for the payment to and collection by Servicer of Escrowed Sums for real estate property taxes, Servicer shall upon notification by its tax service (provided Investor elects to use such), promptly contact Investor regarding the delinquency of any such property taxes. Upon Investor's instruction and remittance of funds to cover such delinquent amounts, Servicer will pay the delinquent property taxes. Additionally, Servicer shall not be responsible for the payment of ground rents or other charges for any Loan for which it is not obligated to collect Escrowed Sums and will pay such charges only upon Investor's instructions and remittance of funds for such items. Investor is responsible for notifying Servicer of all delinquent taxes at the time of loan board.

h) When Escrowed Sums held in a Borrower Custodial Account are insufficient to pay taxes, assessments, mortgage insurance premiums, hazard or flood insurance premiums, or other items due therefrom, Investor shall reimburse Servicer for all outstanding deficiencies, and any other advances made by Servicer to protect the security of Investor.

i) Servicer shall make every effort to recover any funds that have been advanced by the Investor, on behalf of the borrower for Escrow Sums and/or costs to service any Loan including but not limited to attorney fees, inspection and property preservation fees, utilities and HOA dues in accordance with agency, insurer or guarantor guidelines.

j) Maintain in full force and effect at all times FHA mortgage insurance or private mortgage insurance, as applicable, in accordance with the type of Loan, and will assume responsibility for the payment of the premium thereon for each Loan to the extent funds are available from each Borrower Custodial Account. Servicer shall remit to Investor self-insurance type mortgage insurance payments not involving a third party insurer. In the event that funds are not available from the applicable Custodial Account, Servicer will notify Investor pursuant to

Section 6.3 of the Servicing Agreement and Investor shall wire funds necessary to cover such insurance costs as stated therein.

k) Prepare and submit accurate reporting in accordance with insurer/guarantor and all applicable state or federal regulations or as directed by Investor. Such reporting shall include, but is not limited to IRS 1098/1099 forms, IRS annual reporting, annual escrow disclosures, FHA SFDMS reporting, VA Valeri reporting, and in accordance with the Fair Credit Reporting Act, report credit information for each Loan to credit repositories on a monthly basis.

l) Assure that improvements on the property securing each Loan are insured by a hazard insurance policy and if applicable a flood insurance policy issued by companies acceptable to Investor in an amount at least equal to the unpaid principal balance of the Loan or the full insurable value of the improvements, whichever is less, of a type at least as protective as fire and extended coverage, and containing a “standard” or “union” mortgage clause (without contribution) in the form customarily used in the area in which the property is located. If required by the Flood Disaster Protection Act of 1973, assure that each Loan is insured by a flood insurance policy in an amount not less than the lessor of the unpaid principal balance of the Loan or the maximum amount of insurance that is available. In all events, the provisions of the Loan Documents shall prevail. The mortgagee clause will be reflected as running to the benefit of Investor, its successors and assigns. During the course of subservicing, the mortgagee clause in the insurance policies will read in such form as is requested by Investor.

m) Administer and disburse hazard and/or flood loss settlements in accordance with agency, insurer/guarantor and/or Investor requirements including, but not limited to holding funds in a restricted Borrower Custodial Account until disbursement and ordering inspections of repairs.

n) Provide full customer service administration in accordance with agency, insurer/guarantor, state and federal requirements including but not limited to responding to all borrower communications and/or complaints, providing monthly billing statements, issuing payoff statements, performing annual escrow analysis, adjusting ARM loans and researching misapplied funds if applicable within the specified period of times.

ii. **Other**:

Servicer shall be responsible for further safeguarding Investor’s interest and rights in any real property, mobile home or other property securing any Loan under any Mortgage by:

a) Inspecting such property per insurer or guarantor guidelines, or at the written direction from the Investor or as Servicer’s best practices specify. Investor shall reimburse Servicer for all inspection and related property preservation advances made by Servicer as set forth in Section 6.3 of the Agreement.

b) To the extent possible and pursuant to the servicing best practices, secure any mortgage property found to be vacant or abandoned to the extent possible, in accordance with insurer/guarantor and/or state/jurisdiction guidelines. Investor shall reimburse Servicer for all related advances made by Servicer in accordance with Section 6.3 of the Agreement.

c) Notifying Investor whenever Servicer receives notice or otherwise becomes aware of any notice of liens, bankruptcy, condemnations, probate proceeding, tax sale, partition, local ordinance

violation, condemnation, or proceeding in the nature of eminent domain or similar event that would, in Servicer's judgment, impair Investor's security.

d) Advising Investor with respect to requests for partial releases, easements, substitutions, division, subordination, alterations, or waivers of Mortgage terms.

e) Advising Investor of any change or request for change in ownership of such mortgaged property, and subject to applicable insurer/guarantor guidelines and governing laws and regulations, comply with all reasonable instructions from Investor with respect to the acceleration, assumption or modification of the Note. Servicer, at the direction of Investor, will forward all requests for change of ownership. Servicer will, at the direction of Investor, provide the initial paperwork necessary for a Loan assumption. This information will be forwarded to Investor and/or Investor for approval and all necessary disclosures. Investor will prepare the necessary assumption papers and forward to Servicer for processing.

f) Funds due to Servicer from Investor received after the third business day will be subject to a finance charge of two percent (2%) per annum above the prime rate of interest published in the Wall Street Journal or any successor publication.

iii. **Investor Accounting:**

Servicer shall:

a) Make interest rate adjustments on ARM Loans in accordance with applicable rate index, adjustable loan regulations and the Note. Servicer shall execute and deliver all appropriate notices required by applicable adjustable loan regulations and the Note regarding such interest rate adjustments including but not limited to, timely notification to Investor of effective change dates, new interest rate and new principal and interest payment.

b) Not accept any prepayment of any Loan except as specified by insurer/guarantor, law or as permitted by the terms of the Loan Documents. Not waive, modify, release or consent to postponement on the part of the borrower of any term or provision of the Loan Documents without the written consent of Investor. Notwithstanding the foregoing, Servicer shall not be required to obtain written consent for the waiver of any late charge or the waiver, modification, release or consent postponement of any term or provision which may be waived, modified, released or consented to without the consent of the Investor under the terms of its written instruction or pursuant to servicing best practices.

c) Upon payment of a Loan in full, prepare and file any required release or satisfaction documents, and continue subservicing the Loan pending final settlement.

d) Remit to the Investor all principal and interest collected from borrowers less compensation, Loan related costs and advances due Servicer by the fifteenth (15) business day of the following month. All payments are collected on a calendar month cycle, Servicer shall provide Investor detailed reports of payment collections, disbursements, advances and fees charged as compensation as set forth herein by the fifteenth (15) business day of each month for the prior months activity.

iv. **Delinquency Control**:

Servicer shall:

a) Maintain a collection system, delinquent mortgage servicing program, and an adequate accounting system, which will immediately identify delinquent Loans and procedures that will provide for sending all required delinquent notices, assessing late charges and returning inadequate payments.

b) Provide Investor with a month-end collection and delinquency report by the fifteenth (15) business day.

c) For each Loan furnish on a monthly basis, in accordance with the Fair Credit Reporting Act and its implementing regulations, report accurate and complete information on its borrower credit files to at least one of the credit repositories.

d) If requested by the Investor, obtain updated FICO scores for any Loan at the Investor's expense and shall promptly provide such scores to Investor upon request.

e) Under the sale of such property, on terms as specified by Investor, if payments are deferred and payable under contract or Mortgage, Servicer will service the same until completely liquidated.

v. **Books and Records:**

Upon Investor's written request, Servicer shall give Investor or its authorized representative opportunity at any time during its normal business hours to examine Servicer's books and records as they relate to the Loans, serviced by the Servicer. Any additional requests for Loan audits or confirmations to be performed by Servicer's audit firm on Loans shall be at Investor's sole expense. Servicer will keep records in accordance with all regulatory guidelines and satisfactory to Investor pertaining to each Loan. All such records including, but not limited to computer and data files, books, records, images, notes, all analysis or documents received and/or generated as a result of servicing each Loan shall be the property of Investor and upon direction of Investor or termination of this Agreement all such records shall be delivered to Investor or Investor's designee at Investor's expense. Notwithstanding the foregoing, however, Servicer at its own expense may copy and retain any such records before delivering it to the Investor.

vi. **Insurance:**

Servicer will maintain in effect at all times and at its cost, a blanket fidelity bond and an errors and omission policy. If so requested by Investor, Servicer shall cause certificates evidencing the existence of such coverage to be delivered to Investor.

vii. **Termination or Transfer of Loans:**

Upon termination of this Agreement or at the written direction of Investor, Servicer will account for and turn over to Investor, or Investor's designee, all funds collected under each Loan, less the compensation and any fees due Servicer. Servicer shall also deliver to Investor or Investor's designee, all books and records as described in Section II.v (Books & Records) relating to each Loan at the expense of the Investor and will take all steps necessary to transfer the servicing of the Loans, including sending notices to borrowers and foreclosure attorneys.

viii. **Notice of Breach:**

Servicer notify Investor of any failure or anticipated failure on its part to observe and perform any material covenant or agreement required to be observed and performed by it as Servicer.

ix. **Authority:**

Servicer is a duly organized and validly existing limited liability company in good standing under the laws of its state of organization and has all requisite power and authority to enter into this Agreement and the persons executing this Agreement on behalf of Servicer are duly authorized so to do. Servicer has all requisite licenses, permits and approvals to perform its obligations hereunder in each jurisdiction in which any mortgaged property is located and from the applicable insurer or guarantor, except where the failure to possess any such license, permit or approval would not materially and adversely affect the (i) servicing of the Loans, or (ii) compliance with regulatory requirements, and/or (iii) the enforceability of the related Note, or Mortgage.

x. **Terms:**

Servicer and/or Investor may, by written notice to the other, extend, modify and/or waive obligations of performance and/or compliance with any terms or covenants required to be complied with by the other hereunder.

III. Servicing Fees and Expenses: As compensation in full for Servicer's services, Investor shall pay a Servicing Fee equal to:

Task	Recurrence	Fee
Boarding/De-boarding*	**One Time**	
Electronic		$30
Manual (imaged)		$50
Manual (paper)		$100
ARM/DSI		$80
De-boarding		$60 ($100 w/out cause)
Tax boarding		$2
Servicing	**Monthly**	
Current		$19
30/60		$60
90/FC		$75
Delinquent MI loans		+$3
BK		$60
Contested/Litigated/TRO		$100
POA/ARM/DSI/HELOC	**Additional**	+$15
Tax Services***		$2 plus pass thru costs
REO oversight		$50
Full REO management	**One Time**	1% gross sales price / $1,000 min
Loss Mitigation	**Each Occurrence**	
Reperformance plan		$500
Reperformance plan (6 mos pmts)		$1,000
Reinstatement		$200
Reinstatement (after 90+)		$500

Modification		1% of UPB
DIL/CFK		1% of UPB ($1k floor)
Short sale		1% of UPB ($2,200 floor)
Refinance/ PIF		.5%
Brokered loan sale		1.5% of sale price
Short refinance		1.5% of UPB
Charge off recovery / Recovery		40%
BK proof of claim		$275
BK proof of claim (Ch.13)		$375
BK claim and plan review		$400
BK motion for relief filing**		$550
BK motion for relief filing (Ch 13)**		$650
BK transfer of claims		$200
Mediations/ Written discovery		$200
Mediations/Trials (in person)		$400/day + costs
Title		$75
Title curative		$250
NOI		$125
FC liquidation		$150
FC liquidation (timeline beat)		$275
HOA lien search		$15
Assignments		$50
O&E – Date down		$25
Lien release		$30
FHA/VA/USDA/HHF/MI Guarantee/Funding		1%
MI claim		$100
MI supplemental claims		$90
Pool insurance claim		$50
Reporting – Non Standard		
Set up	**Hourly**	$80
Report run	**Each occurrence**	$50
Special Services	**Hourly**	
Clerical		$40
Managerial		$70
Technical		$100
Legal – In house (inc. trial prep, QWR, MI disputes)		$160
Special	**Recurring**	
Outbound mail		$2
Returned mail		$4
Certified checks		$7
Third party audit		$500/day
Manual invoice pmt		$15
Wire		$35

Minimum Servicing Fee	**Monthly**	$3,000
Price adjustment	**Annual (on Jan 1)**	CPI

No charge for reasonable data storage, however, Investor will be responsible for payment to a third party contractor for imaging and uploading loan level collateral and servicing documents. Other fees may apply at market rates, including requested travel reimbursement. Fees shall be kept strictly confidential. Fees are guaranteed for 12 months at which time they are subject to revision.

IV. Authorized Investor Employees.

Servicer will accept direction only from the following Investor employees or officers, or such other Investor personnel, as **they designate:**

A. Bayard Closser and personnel he may designate; however, if such instruction relates to movement of funds other than in the ordinary course of servicing functions, then instructions shall be required from A. Bayard Closser plus one of James Ash, Secretary of Vertical Capital Income Fund, or Emile Molineaux, Chief Compliance Officer of Vertical Capital Income Fund.

IN WITNESS WHEREOF, the parties have caused this Transaction Addendum to be executed by their duly authorized representatives.

STATEBRIDGE COMPANY, LLC

By: /s/
Name: Kevin J. Kanouff
Title: CEO
Date: 6-24-15

By:/s/
Name: A. Bayard Closser
Title: President, Treasurer and Trustee
Date: June 24, 2015

EXHIBIT B

COMPLIANCE WITH GRAMM-LEACH-BLILEY
AND NON- U.S. DATA PROTECTION

For purposes of compliance with (i) Title V of the Gramm-Leach-Bliley Act of 1999 (the "Act") or any successor federal statute to the Act, and the rules and regulations thereunder, all as may be amended or supplemented from time to time, (ii) the European Commission Data Protection Directive (95/46/EC) or Data Protection Act 1998 or any implementing or related legislation of any member state in the European Economic Area (the "Data Protection Laws") and (iii) any other applicable laws concerning personal information, Servicer represents, warrants and covenants that:

- it will process, use, maintain and disclose personal information only as necessary for the specific purpose for which this information was disclosed to it and only in accordance with the Agreement;

- it will not disclose any personal information to any third party (including to the subject of such information) or any Representative who does not have a need to know such personal information;

- it will implement and maintain an appropriate security program to (a) ensure the security and confidentiality of all information provided to it by Investor, including personal information (collectively, the "information"), (b) protect against any threats or hazards to the security or integrity of information, including unlawful destruction or accidental loss, alteration and any other form of unlawful processing and (c) such prevent unauthorized access to, use or disclosure of the information;

- it will immediately notify Investor in writing if it becomes aware of (a) any disclosure or use of any information by it or any of its Representatives in breach of this Exhibit, (b) any disclosure of any information to it or its Representatives where the purpose of such disclosure is not known, (c) any request for disclosure or inquiry regarding the information from a third party and (d) any change in applicable law that is likely to have a substantial adverse effect on Servicer's ability to comply with this Exhibit;

- it will cooperate with Investor and the relevant supervisory authority in the event of litigation or a regulatory inquiry concerning the information and shall abide by the reasonable advice of Investor and the relevant supervisory authority with regard to the processing of such information;

- it will enter into further agreements as may be reasonably requested by Investor to comply with law from time to time;

- it has no reason to believe that any applicable law will prevent it from fulfilling its obligations under this Exhibit;

- at Investor's direction at any time, and in any event upon any termination or expiration of the Agreement, it will immediately return to Investor any or all information and will destroy all records of such information;

- it will cause its Representatives to act in accordance with this Exhibit;

- upon completion of all services required under any Transaction Addendum, it will return to Investor any or all applicable information which is not necessary for the performance of other services pending under any other Transaction Addendum or destroy all records of such information; and

- to the extent that the personal information is subject to the Data Protection Laws, data subjects may enforce the provisions of this Exhibit as a third-party beneficiary against it with respect to their personal information but only in cases where Investor has factually disappeared or has ceased to exist in law. Servicer and Investor do not object to the data subjects being represented by an association or other body if they so wish and if permitted by national law.

Investor reserves the right to review Servicer's policies and procedures used to maintain the security and confidentiality of information, including auditing Servicer and its Representatives concerning such policies and procedures, provided that Servicer receives prior written notice requesting such review. The provisions of this Exhibit supplement, are in addition to, and will not be construed to limit any other confidentiality obligations under the Agreement or any Transaction Addendum. Any exclusion from the definition of Confidential Information contained in the Agreement will not apply to personal information.

"Personal information" means: (i) personally identifiable information about or relating to any former, current or prospective clients (or representatives of clients), employee of Investor or any other party with respect to whom Investor maintains information, in each case, which the Servicer receives or otherwise has access to (the "Covered Parties"); and (ii) any list, description, or other grouping of information of Covered Parties (and publicly available information pertaining to them) that is derived using any personally identifiable information. "Investor" means Investor (as defined in the applicable Servicing Agreement) or its Affiliates, as the context requires.

EXHIBIT C

Insurance Coverage

Type of Insurance
Errors and Omissions Insurance (including Technical Errors and Omissions Insurance as appropriate)
Workers' Compensation
Broad Form Commercial General Liability Insurance (including Products /Completed Operations, Contractual, and Broad Form Property Damage coverage)
Employers' Liability Insurance

Consent of Independent Registered Public Accounting Firm

The Board of Trustees and Shareholders
Vertical Capital Income Fund:

We consent to the use of our report dated November 30, 2015, with respect to the financial statements of Vertical Capital Income Fund (the Fund) as of September 30, 2015, incorporated by reference herein, and to the reference to our Firm under the headings “Financial Highlights” in the Prospectus and “Independent Registered Public Accounting Firm” and “Financial Statements” in the Statement of Additional Information.

/s/ KPMG LLP
Dallas, Texas
December 16, 2015

CODE OF ETHICS

Most Recent Amendment Date: JUNE 2015

Background

Investment advisers are fiduciaries that owe their undivided loyalty to their Clients. Investment advisers are trusted to represent Clients' interests in many matters, and advisers must hold themselves to the highest standard of fairness in all such matters.

Rule 204A-1 under the Advisers Act requires each registered investment adviser to adopt and implement a written code of ethics that contains provisions regarding:

- The adviser's fiduciary duty to its Clients;
- Compliance with all applicable Federal Securities Laws;
- Reporting and review of personal Securities transactions and holdings;
- Reporting of violations of the code; and
- The provision of the code to all supervised persons.

Policies and Procedures

Fiduciary Standards and Compliance with the Federal Securities Laws

At all times, BA, LLC and its Supervised Persons must comply with the spirit and the letter of the Federal Securities Laws and the rules governing the capital markets. The CCO administers the Code of Ethics. All questions regarding the Code should be directed to the CCO. You must cooperate to the fullest extent reasonably requested by the CCO to enable (i) BA, LLC to comply with all applicable Federal Securities Laws and (ii) the CCO to discharge his duties under the Manual.

All Supervised Persons will act with competence, dignity, integrity, and in an ethical manner, when dealing with Clients, the public, prospects, third-party service providers and fellow Supervised Persons. You must use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting the services of BA, LLC, and engaging in other professional activities.

We expect all Supervised Persons to adhere to the highest standards with respect to any potential conflicts of interest with Clients. As a fiduciary, BA, LLC must act in its Clients' best interests. Notify the CCO promptly if you become aware of any practice that creates, or gives the appearance of, a material conflict of interest.

Supervised Persons are generally expected to discuss any perceived risks, or concerns about the business practices of BA, LLC, with their direct supervisor. However, if a Supervised Person is uncomfortable

discussing an issue with their supervisor, or if they believe that an issue has not been appropriately addressed, they should bring the matter to the CCO's attention.

Reporting Violations of the Code

Supervised Persons must promptly report any suspected violations of the Code of Ethics to the CCO. To the extent practicable, BA, LLC will protect the identity of a Supervised Person who reports a suspected violation. However, the Company remains responsible for satisfying the regulatory reporting, investigative and other obligations that may follow the reporting of a potential violation.

Retaliation against any Supervised Person who reports a violation of the Code of Ethics is strictly prohibited and will be cause for corrective action, up to and including dismissal.

Violations of this Code of Ethics, or the other policies and procedures set forth in the Manual, may warrant sanctions including, without limitation, requiring that personal trades be reversed, requiring the disgorgement of profits or gifts, issuing a letter of caution or warning, suspending personal trading rights, imposing a fine, suspending employment (with or without compensation), making a civil referral to the SEC, making a criminal referral, terminating employment for cause, and/or a combination of the foregoing. Violations may also subject a Supervised Person to civil, regulatory or criminal sanctions. No Supervised Person will determine whether he or she committed a violation of the Code of Ethics, or impose any sanction against him or herself. All sanctions and other actions taken will be in accordance with applicable employment laws and regulations.

Distribution of the Code and Acknowledgement of Receipt

BA, LLC will distribute this Manual, which contains the Company's Code of Ethics. Upon its adoption to each Supervised Person by BA, LLC and upon the commencement of employment, annually, and upon any change to the Code of Ethics or any material change to another portion of the Manual.

All Supervised Persons must acknowledge that they have received, read, understood, and agree to comply with the policies and procedures described in this Manual, including this Code of Ethics. Please complete the attached *Compliance Manual Acknowledgement Form* and submit the completed form to the CCO upon commencement of employment, annually, and following any material change to the Manual. The CCO will use the attached *Code of Ethics Acknowledgement Log* to track Supervised Persons' Code of Ethics acknowledgements.

Conflicts of Interest

Conflicts of interest may exist between various individuals and entities, including BA, LLC, Supervised Persons, and current or prospective Clients and Investors. Any failure to identify or properly address a conflict can have severe negative repercussions for BA, LLC, its Supervised Persons, and/or Clients and Investors. In some cases the improper handling of a conflict could result in litigation and/or disciplinary action.

BA, LLC's policies and procedures have been designed to identify and properly disclose, mitigate, and/or eliminate applicable conflicts of interest. However, written policies and procedures cannot address every potential conflict, so Supervised Persons must use good judgment in identifying and responding appropriately to actual or apparent conflicts. Conflicts of interest that involve BA, LLC and/or its Supervised Persons on one hand, and Clients and/or Investors on the other hand, will generally be fully disclosed and/or resolved in a way that favors the interests of Clients and/or Investors over the interests of BA, LLC and its Supervised Persons. If a Supervised Person believes that a conflict of interest has not

been identified or appropriately addressed, that Supervised Person should promptly bring the issue to the CCO's attention.

In some instances conflicts of interest may arise between Clients and/or Investors. Responding appropriately to these types of conflicts can be challenging, and may require robust disclosures if there is any appearance that one or more Clients or Investors have been unfairly disadvantaged. Supervised Persons should notify the CCO promptly if it appears that any actual or apparent conflict of interest between Clients and/or Investors has not been appropriately addressed.

It may sometimes be beneficial for BA, LLC to be able to retroactively demonstrate that it carefully considered particular conflicts of interest. The CCO may use the attached *Conflicts of Interest Log* to document the Company's assessment of, and response to, such conflicts.

Personal Securities Transactions

BA, LLC does not place securities orders for its clients other than related to real estate, and as a result, this provision of the manual is not normally applicable to BA, LLC. If however an Access person does place such orders, the Supervised Person trades should be executed in a manner consistent with our fiduciary obligations to our Clients: trades should avoid actual improprieties, as well as the appearance of impropriety. Employee trades must not be timed to precede orders placed for any Client, nor should trading activity be so excessive as to conflict with the Supervised Person's ability to fulfill daily job responsibilities.

Accounts Covered by the Policies and Procedures

BA, LLC's *Personal Securities Transactions* policies and procedures apply to all accounts holding any Securities over which Access Persons have any beneficial ownership interest, which typically includes accounts held by immediate family members sharing the same household. Immediate family members include children, step-children, grandchildren, parents, step-parents, grandparents, spouses, domestic partners, siblings, parents-in-law, and children-in-law, as well as adoptive relationships that meet the above criteria.

It may be possible for Access Persons to exclude accounts held personally or by immediate family members sharing the same household if the Access Persons does not have any direct or indirect influence or control over the accounts. Supervised Persons should consult with the CCO before excluding any accounts held by immediate family members sharing the same household.

Reportable Securities

BA, LLC requires Access Persons to provide periodic reports regarding transactions and holdings in all "Reportable Securities," which include any Security, **except**:

- Direct obligations of the Government of the United States;
- Bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt instruments, including repurchase agreements;
- Shares issued by money market funds;

- Shares issued by open-end investment companies registered in the U.S., other than funds advised or underwritten by BA, LLC or an affiliate;
- Interests in 529 college savings plans; and
- Shares issued by unit investment trusts that are invested exclusively in one or more open-end registered investment companies, none of which are advised or underwritten by BA, LLC or an affiliate.

Exchange-traded funds or ETFs are somewhat similar to open-end registered investment companies. However, ETFs are Reportable Securities and are subject to the reporting requirements contained in BA, LLC's *Personal Securities Transactions* policy.

Pre-clearance Procedures

Access persons must have written clearance for all transactions involving IPOs or Private Placements before completing the transactions. BA, LLC may disapprove any proposed transaction, if the transaction appears to pose a conflict of interest or otherwise appears improper.

Access persons must use the attached *Pre-clearance Form* to seek pre-clearance. All pre-clearance requests must be submitted to the CCO or designee. The CCO will use the attached *Trading Preclearance Request Log* to track pre-clearance requests.

Reporting

BA, LLC must collect information regarding the personal trading activities and holdings of all Access Persons. Access Persons must submit quarterly reports regarding Securities transactions and newly opened accounts, as well as annual reports regarding holdings and existing accounts.

Quarterly Transaction Reports

Each quarter, Access persons must report all Reportable Securities transactions in accounts in which they have a beneficial interest. Access persons must also report any accounts opened during the quarter that hold any Securities (including Securities excluded from the definition of a Reportable Security). Reports regarding Securities transactions and newly opened accounts must be submitted to the CCO or designee within 30 days of the end of each calendar quarter.

You may utilize the attached *Quarterly Reporting Forms* to fulfill your quarterly reporting obligations. Alternately, you may use the attached *Letter to a Broker-Dealer* to instruct the institution hosting your account to send the CCO or designee duplicate account statements. The CCO or designee must receive all such statements within 30 days of the end of each calendar quarter. Any trades that did not occur through a broker-dealer, such as the purchase of a private fund, must be reported on the *Quarterly Reporting Forms*.

If you did not have any transactions or account openings to report, this should be indicated on the *Quarterly Reporting Forms*. These forms should be signed, dated, and submitted to the CCO or designee within 30 days of the end of each calendar quarter.

Initial and Annual Holdings Reports

Access Persons must periodically report the existence of any account that holds any Securities (including Securities excluded from the definition of a Reportable Security), as well as all Reportable Securities holdings. Reports regarding accounts and holdings must be submitted to the CCO or designee on or before February 14th of each year, and within 10 days of an individual first becoming a Supervised Person. Annual reports must be current as of December 31st; initial reports must be current as of a date no more than 45 days prior to the date that the person became an Access Person. Initial and annual holdings reports should be submitted using the attached *Periodic Holdings Reporting Forms*.

The accounts section of the *Periodic Holdings Reporting Form* must be completed for all accounts that hold any Securities, including accounts that do not hold any Reportable Securities, as well as accounts for which individual holdings have been separately disclosed to the CCO or designee.

In lieu of completing the Reportable Securities section of the *Periodic Holdings Reporting Form* you may submit copies of account statements that contain all of the same information that would be required by the form and that are current as of the dates noted above. Any Reportable Securities not appearing on an attached account statement must be reported directly on the Reportable Securities section of the *Periodic Holdings Reporting Form*.

If you do not have any holdings and/or accounts to report, this should be indicated on the *Periodic Holdings Reporting Form*. Both sections of the form should be marked "N/A," signed, dated, and submitted to the CCO or designee within 10 days of becoming an Access Person and by February 14th of each year.

Exceptions from Reporting Requirements

There are limited exceptions from certain reporting requirements. Specifically, an Access Person is not required to submit:

- Quarterly reports for any transactions effected pursuant to an Automatic Investment Plan; or
- Any reports with respect to Securities held in accounts over which the Access Person had no direct or indirect influence or control, such as an account managed by an investment adviser on a discretionary basis.

Any investment plans or accounts that may be eligible for either of these exceptions should be brought to the attention of the CCO or designee who will, on a case-by-case basis, determine whether the plan or account qualifies for an exception. In making this determination, the CCO may ask for supporting documentation, such as a copy of the Automatic Investment Plan, a copy of the discretionary account management agreement, and/or a written certification from an unaffiliated investment adviser.

Personal Trading and Holdings Reviews

BA, LLC's Personal *Securities Transactions* policies and procedures are designed to mitigate any potential material conflicts of interest associated with Access Person's personal trading activities. Accordingly, the CCO or designee will closely monitor Access persons' investment patterns to detect the following potentially abusive behavior:

- Frequent and/or short-term trades in any Security, with particular attention paid to potential market-timing of mutual funds;

- Trading opposite of Client trades;
- Trading ahead of Clients; and
- Trading that appears to be based on Material Non-Public Information.

The CCO or designee will review all reports submitted pursuant to the *Personal Securities Transactions* policies and procedures for potentially abusive behavior, and will compare Supervised Person trading with Clients' trades as necessary. Upon review, the CCO or designee will initial and date each report received, and will attach a written description of any issues noted. Any personal trading that appears abusive may result in further inquiry by the CCO and/or sanctions, up to and including dismissal. The CCO will use the attached *PST Disclosure Log* to track Supervised Persons' personal trading disclosures.

The BA, LLC President or Chief Operating Officer will monitor the CCO's personal Securities transactions to the extent that they are compliant with the *Personal Securities Transactions* policies and procedures.

Disclosure of the Code of Ethics

BA, LLC will describe its Code of Ethics in Part 2 of Form ADV and, upon request, furnish Clients with a copy of the Code of Ethics. All Client requests for Code of Ethics should be directed to the BA, LLC President or Chief Operating Officer.

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Attachment – Compliance Manual Acknowledgement Form

By signing below, I certify that I have received, read, understood, abided by, and will continue to abide by BA, LLC's Compliance Manual, which includes BA, LLC's Code of Ethics. I understand that any questions about BA, LLC's Manual (including the Code) should be directed to the CCO.

Print Name:

Signature:

Date:

Note: All Supervised Persons must also complete and submit the *Annual Compliance Questionnaire Supplement* that begins on the following page.

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Initial: _____
Date: _____

Annual Compliance Questionnaire Supplement

Please answer the following questions accurately. If you mark any shaded boxes, explain your response in the space following the table.

Question	Yes	No
1. Are you or any members of your immediate family employed by a financial services company or a company that provides products or services to BA, LLC?		
2. Do you or any member of your immediate family serve as a general partner or managing member for an investment-related pooled investment vehicle?		
3. Do you or any members of your immediate family have some other business or personal relationship with, or substantive investment in, a financial services company or a company that provides products or services to BA, LLC?		
4. Do you or any members of your immediate family serve as trustee, executor, or in a similar capacity for any Investor?		
5. Do you or any members of your immediate family have any other business or personal relationship with any Investor?		
6. Are you or any members of your immediate family employed by any government?		
7. Do you or any members of your immediate family serve as officers or directors of any organizations (including private companies, public companies, and not-for-profit organizations)?		
8. Are you aware of any conflicts of interest that have not already been disclosed to the CCO involving BA, LLC, you or your immediate family members and any Investor?		
9. Have you complied with BA, LLC's requirements regarding the disclosure and approval of outside business activities?		
10. Have you reported all of the political contributions that you made in the past two years?		
11. In the past ten years, have you been convicted of or plead guilty or no contest in a domestic, foreign, or military court to any: • Felony • Misdemeanor involving investments or an investment-related business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?		

Initial: _____
Date: _____

Question	Yes	No
12. Are any felony or misdemeanor charges, as described above, currently pending?		
13. In the past ten years, has the SEC or the CFTC found you: ● To have made a false statement or omission? ● To have been involved in a violation of SEC or CFTC regulations or statutes? ● To have been a cause of an investment related business having its authorization to do business denied, suspended, revoked, or restricted?		
14. In the past ten years, has the SEC or the CFTC: ● Entered an order against you in connection with investment-related activity? ● Imposed a civil money penalty on you, or ordered you to cease and desist from any activity?		
15. In the past ten years, has any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority found you or an advisory affiliate to have: ● Made a false statement or omission, or been dishonest, unfair, or unethical? ● Been involved in a violation of investment-related regulations or statutes? ● Been a cause of an investment related business having its authorization to do business denied, suspended, revoked, or restricted?		
16. In the past ten years, has any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority: ● Entered an order against you in connection with an investment-related activity? ● Denied, suspended, or revoked your or any advisory affiliate's registration or license, or otherwise prevented you, by order, from associating with an investment-related business or restricted your or any advisory affiliate's activity?		
17. In the past ten years, has any self-regulatory organization or commodities exchange found you or an advisory affiliate to have: ● Made a false statement or omission? ● Been involved in a violation of its rules (other than a violation designated as a "minor rule violation" under a plan approved by the SEC)? ● Been the cause of an investment related business having its authorization to do business denied, suspended, revoked, or restricted?		
18. In the past ten years, has any self-regulatory organization or commodities exchange disciplined you by expelling or suspending you or the advisory affiliate from membership, barring or suspending you or the advisor affiliate from association with other members, or otherwise restricting your or the advisory affiliate's activities?		

Initial: _____
Date: _____

Question	Yes	No
19. Has an authorization to act as an attorney, accountant, or federal contractor granted to you ever been revoked or suspended?		
20. In the past ten years, has any domestic or foreign court: ● Enjoined you in connection with any investment-related activity? ● Found that you were involved in a violation of investment-related statutes or regulations? ● Dismissed, pursuant to a settlement agreement, an investment related civil action brought against you by a state or foreign financial regulatory authority?		
21. Are you now the subject of any proceeding that could result in a "yes" answer to any of the preceding questions?		
New Supervised Persons should skip the remaining questions and explain any marks in shaded boxes below the table.		
22. During the past 12 months, have you reported all personal Securities transactions in accordance with BA, LLC's reporting policies?		
23. During the past 12 months, have you reported gifts and entertainment in accordance with BA, LLC's reporting policies?		
24. During the past 12 months, have you traded on or improperly transmitted any Material Non-Public Information?		
25. During the past 12 months, have you become aware of any violation of BA, LLC's Code of Ethics that you did not disclose to the CCO?		
26. To the best of your knowledge, during the past 12 months, has BA, LLC and its Supervised Persons (including yourself) complied with the Company's written policies and procedures regarding: ● Insider trading; ● Outside business activities; ● Political contributions; ● Identification, reporting, and resolution of complaints; ● Portfolio management; ● Proxy voting; ● Trading; ● Identification, reporting, and resolution of trade errors; ● Soft dollars; ● Security valuation; ● Account opening and closing; ● Side pockets; ● Anti-money laundering;		

Initial: _____
Date: _____

Question	Yes	No
• Protection of Clients' privacy; • Custody and safeguarding of assets; • Fee billing; • The maintenance and dissemination of disclosure documents; • The use of electronic communications; • Advertising and marketing; • Solicitation arrangements; • Media communications • Contingency and disaster recovery planning; and • The maintenance of books and records.		

Please use the space below to explain any marks in shaded boxes. For each explanation, indicate the relevant question number. Use additional pages as necessary.

By signing below, I certify that I responded to the *Annual Compliance Questionnaire Supplement* completely and accurately.

Print Name:

Signature:

Date:

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Attachment – Conflicts of Interest Log

Actual or Apparent Conflict between:		Conflict Description	Mitigating Disclosures Summary	Mitigating Controls Summary	Date of Inclusion on the Log[1]
Party or Parties	Party or Parties				

1 Conflicts of interest may have been recognized and appropriately addressed prior to their addition to this Conflicts log.

Attachment – Pre-clearance Form for Private Placements and IPOs

Name of Issuer:

Type of Security:

Public Offering Date (IPOs only):

Investment Strategy (Privately offered pooled investment vehicles only):

By signing below, I certify and acknowledge the following:

1. I have no Material Non-Public Information or other knowledge pertaining to this proposed transaction that constitutes a violation of Company policy, confidentiality agreements or securities laws.

2. The investment opportunity did not arise by virtue of my activities on behalf of a Client.

3. To the best of my knowledge, no Clients have any foreseeable interest in purchasing this Security.

4. I have read the Code of Ethics and believe that the proposed trade fully complies with the requirements of this policy. BA, LLC reserves the right to direct me to rescind a trade even if approval is initially granted. Violation of the Code of Ethics will be grounds for disciplinary action or dismissal and may also be a violation of federal and/or state securities laws.

5. Upon request, I will provide all offering materials related to the proposed investment to the CCO.

Signature: Date: _____

Print Name: _____

Internal Use Only

Reviewer: Approved / Disapproved Date:

Reasons Supporting Decision:

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Attachment – Quarterly Reporting Form: Transactions

For the Quarter Ended: _____

Number of Shares	Security Name	Type (common stock, bond, etc.)	Ticker or CUSIP	Buy / Sell	Principal Amount	Interest Rate / Maturity	Price	Date	Executed By (Broker-Dealer or Bank)

I certify that this form fully discloses all transactions of Reportable Securities in which I have a beneficial interest. I understand that I am presumed to have a beneficial interest in Securities transactions of immediate family members living in the same household.

Signature: Print Name: _____ Date: _____

Deliver to the CCO or designee within 30 days of the end of each calendar quarter. Use additional sheets if necessary.

With respect to Section 16 of the Exchange Act, nothing in this report should be construed as an admission that the person making the report has a direct or indirect beneficial ownership interest in the Securities to which the report relates.

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Attachment – Quarterly Reporting Form: New Accounts

For the Quarter Ended: _____

Name of Broker-Dealer or Bank	Account Title	Account Number	Date Account was Established

I certify that this form fully discloses all Securities accounts opened during the calendar quarter noted above in which I have a beneficial interest. I understand that I am presumed to have a beneficial interest in Securities accounts of immediate family members living in the same household.

Signature: Print Name: _____ Date: _____

Deliver to the CCO or designee within 30 days of the end of each calendar quarter. Use additional sheets if necessary.

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Attachment – Letter to a Broker-Dealer

DATE

NAME OF BROKER/CUSTODIAN
ADDRESS
CITY, STATE ZIP

Re: Account No. _____

Account Name

Dear NAME,

As of DATE, please send duplicate monthly account statements for the above named account to:

Behringer Advisors, LLC
Attn: Peter A. Moore, Jr., Chief Compliance Officer
15601 Dallas Parkway
Suite 600
Addison, TX 75001

If you have any questions or concerns, please call me at (469) 341-2387. Thank you for your immediate attention to this matter.

Sincerely,

NAME

cc: Peter A. Moore, Jr., Chief Compliance Officer

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Attachment – Periodic Holdings Reporting Form: Accounts

Information is current as of:

Name of Broker-Dealer or Bank	Account Title	Account Number

certify that this form fully discloses all of the Securities accounts in which I have a beneficial interest. I understand that I am presumed to have a beneficial interest in Securities accounts of immediate family members living in the same household.

Deliver to the CCO or designee within 10 days of becoming associated with BA, LLC, and by February 14th of each year. Use additional sheets if necessary.

_____ _____

Signature Date

_____

Print Name

16547167.2

Attachment – Periodic Holdings Reporting Form: Reportable Securities

Security Name	Ticker or CUSIP (As Applicable)	Type (Common Stock, Bond, etc.)	Number of Shares or Principal Amount (As Applicable)

I certify that this form fully discloses all Reportable Security holdings in which I have a beneficial interest. I understand that I am presumed to have a beneficial interest in Securities holdings of immediate family members living in the same household.

Deliver to the CCO or designee within 10 days of becoming associated with BA, LLC, and by February 14th of each year. Use additional sheets if necessary.

_____ _____

Signature Date

_____

Print Name

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Attachment – PST Disclosure Log

For each column heading, indicate the type of disclosure and the due date.

QT = Quarterly Transaction QNA = Quarterly New Accounts AH = Annual Holdings AA = Annual Accounts

For each Supervised Person, indicate the date each report was submitted. Upon review, mark reports that may reflect improper behavior with an 'X.' Reports that have been reviewed and that did not raise compliance issues should be marked 'ok.'

Note to the CCO: The first example row reflects John Smith's Fidelity Account, which he has had since he was hired in April 2006. The initial and annual reports have been reviewed by compliance, but the quarterly reports submitted in April have not. The second row reflects his E-Trade account without any reportable Securities. A cell in the third row is starred, indicating improper behavior (in this case, Ms. Doe was late in submitting her quarterly transaction report). Once you are familiar with the table's formatting, you can delete this italicized text and the example entries.

Supervised Person and Account Number	**Initial Reports**		**Ongoing Reports**								
	Accounts	**Holdings**	Example: AH 12/31/07	Example: AA 12/31/07	Example: QT 3/31/08	Example: QNA 3/31/08					
John Smith Fidelity Acct. ABC123	4/15/06 ok	4/15/06 ok	1/18/08 ok	1/20/08 ok	4/14/08	4/13/08					
John Smith E-Trade Acct. 222BCB	5/12/05 ok	NA	NA	1/20/08 ok	NA	NA					
Jane Doe Schwab Acct. 12345	11/1/07 ok	11/1/07 ok	2/3/08 ok	2/3/08 ok	5/3/08 X	4/28/08 ok					

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Attachment – Miscellaneous Reporting Form

Use this form to make disclosures or seek approvals not addressed by other forms in this Manual.

Provide a detailed description of the issue you are disclosing or for which you are seeking approval. To the extent possible, include specific names and dates, as well as any applicable conflicts of interest or regulatory issues.

Submitted by:

_____ _____

Signature Date

_____

Print Name

Reviewed by:

_____ _____

Signature Date

_____

Print Name

Describe any necessary follow up:

16547167.2

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, VERTICAL CAPITAL INCOME FUND, a business trust organized under the laws of the State of Delaware (hereinafter referred to as the "Trust"), periodically files amendments to its Registration Statement with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended; and Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended; and

WHEREAS, the undersigned is the Treasurer and Principal Financial Officer of the Trust;

NOW, THEREFORE, the undersigned hereby constitutes and appoints JOANN M. STRASSER and MICHAEL V. WIBLE as attorneys for him and in his name, place and stead, and in his office and capacity in the Trust, to execute and file the Trust's Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and Amendments to such Registration Statements and any subsequent Amendment or Amendments to such Registration Statements under the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended (File No. 811-22554), hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 9th day of September, 2015.

/s/ S. Jason Hall, Treasurer and Principal Financial Officer

STATE OF TEXAS)
)
COUNTY OF DALLAS)

Before me, a Notary Public, in and for said county and state, personally appeared S. Jason Hall, Treasurer and Principal Financial Officer, who represented that he is duly authorized in the premises, and who is known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

WITNESS my hand and official seal this 9th day of September, 2015.

/s/ Catherine Mea
Notary Public

[State of Texas Notary Seal]

My commission expires 7-26-16

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, VERTICAL CAPITAL INCOME FUND, a business trust organized under the laws of the State of Delaware (hereinafter referred to as the "Trust"), periodically files amendments to its Registration Statement with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended; and Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended; and

WHEREAS, the undersigned is the President and Principal Executive Officer of the Trust;

NOW, THEREFORE, the undersigned hereby constitutes and appoints JOANN M. STRASSER and MICHAEL V. WIBLE as attorneys for him and in his name, place and stead, and in his office and capacity in the Trust, to execute and file the Trust's Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and Amendments to such Registration Statements and any subsequent Amendment or Amendments to such Registration Statements under the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended (File No. 811-22554), hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 9th day of September, 2015.

/s/Michael D. Cohen, President and Principal Executive Officer

STATE OF TEXAS)
)
COUNTY OF DALLAS)

Before me, a Notary Public, in and for said county and state, personally appeared Michael D. Cohen, President and Principal Executive Officer, who represented that he is duly authorized in the premises, and who is known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

WITNESS my hand and official seal this 9th day of September, 2015.

/s/ Catherine Mea
Notary Public

[State of Texas Notary Seal]

My commission expires 7-26-16

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, VERTICAL CAPITAL INCOME FUND, a business trust organized under the laws of the State of Delaware (hereinafter referred to as the "Trust"), periodically files amendments to its Registration Statement with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended; and Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended; and

WHEREAS, the undersigned is a Trustee of the Trust;

NOW, THEREFORE, the undersigned hereby constitutes and appoints JOANN M. STRASSER and MICHAEL V. WIBLE as attorneys for him and in his name, place and stead, and in his office and capacity in the Trust, to execute and file the Trust's Registration Statements with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended and Amendments to such Registration Statements and any subsequent Amendment or Amendments to such Registration Statements under the Securities Act of 1933, as amended and the Investment Company Act of 1940, as amended (File No. 811-22554), hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as he might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 9th day of September, 2015.

/s/Robert J. Chapman, Trustee

STATE OF TEXAS)
)
COUNTY OF DALLAS)

Before me, a Notary Public, in and for said county and state, personally appeared Robert J. Chapman, Trustee, who represented that he is duly authorized in the premises, and who is known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged to me that he executed and delivered the same for the purposes therein expressed.

WITNESS my hand and official seal this 9th day of September, 2015.

/s/ Catherine Mea

Notary Public

[State of Texas Notary Seal]

My commission expires 7-26-16

INVESTMENT ADVISORY AGREEMENT
between
VERTICAL CAPITAL INCOME FUND
and
BEHRINGER ADVISORS, LLC

AGREEMENT, made with effect as of November 16, 2015, between VERTICAL CAPITAL INCOME FUND, a Delaware statutory trust (the "Trust"), and BEHRINGER ADVISORS, LLC (the "Adviser") located at 15601 Dallas Parkway, Suite 600, Addison, Texas 75001.

RECITALS:

WHEREAS, the Trust is a closed-end management investment company operating as an interval fund and is registered as such under the Investment Company Act of 1940, as amended (the "Act");

WHEREAS, the Trust is authorized to issue shares of beneficial interest in separate series, each having its own investment objective or objectives, policies and limitations;

WHEREAS, the Trust offers shares in the series named on Appendix A hereto and made subject to this Agreement in accordance with Section 1.3, (being herein referred to as the "Fund");

WHEREAS, the Adviser is registered as an investment adviser under the Investment Advisers Act of 1940; and

WHEREAS, the Trust desires to retain the Adviser to render investment advisory services to the Trust with respect to the Fund in the manner and on the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

1. Services of the Adviser.

1.1 Investment Advisory Services. The Adviser shall act as the investment adviser to each Fund and, as such, shall (i) obtain and evaluate such information relating to the economy, industries, business, securities markets and securities as it may deem necessary or useful in discharging its responsibilities hereunder, (ii) formulate a continuing program for the investment of the assets of the Fund in a manner consistent with its investment objective(s), policies and restrictions, and (iii) determine from time to time securities to be purchased, sold, retained or lent by the Fund, and implement those decisions, including the selection of entities with or through which such purchases, sales or loans are to be effected; provided, that the Adviser will place orders pursuant to its investment determinations either directly with the issuer or with a broker or dealer,

and if with a broker or dealer, (a) will attempt to obtain the best price and execution of its orders, and (b) may nevertheless in its discretion purchase and sell portfolio securities from and to brokers who provide the Adviser with research, analysis, advice and similar services and pay such brokers in return a higher commission than may be charged by other brokers.

The Trust hereby authorizes any entity or person associated with the Adviser or any sub-adviser retained by the Adviser pursuant to Section 9 of this Agreement, which is a member of a national securities exchange, to effect any transaction on the exchange for the account of the Trust which is permitted by Section 11(a) of the Securities Exchange Act of 1934 and Rule 11a2-2(T) thereunder, and the Trust hereby consents to the retention of compensation for such transactions in accordance with Rule 11a2-2(T)(a)(2)(iv).

The Adviser shall carry out its duties with respect to each Fund's investments in accordance with applicable law and the investment objectives, policies and restrictions set forth in each Fund's then-current Prospectus and Statement of Additional Information, and subject to such further limitations as the Trust may from time to time impose by written notice to the Adviser.

1.2 Administrative Services. The Trust has engaged the services of an administrator. The Adviser shall provide such additional administrative services as reasonably requested by the Board of Trustees or officers of the Trust; provided, that the Adviser shall not have any obligation to provide under this Agreement any direct or indirect services to Trust shareholders, any services related to the distribution of Trust shares, or any other services which are the subject of a separate agreement or arrangement between the Trust and the Adviser. Subject to the foregoing, in providing administrative services hereunder, the Adviser shall:

1.2.1 Office Space, Equipment and Facilities. Provide such office space, office equipment and office facilities as are adequate to fulfill the Adviser’s obligations hereunder.

1.2.2 Personnel. Provide, without remuneration from or other cost to the Trust, the services of individuals competent to perform the administrative functions which are not performed by employees or other agents engaged by the Trust or by the Adviser acting in some other capacity pursuant to a separate agreement or arrangement with the Trust.

1.2.3 Agents. Assist the Trust in selecting and coordinating the activities of the other agents engaged by the Trust, including the Trust's shareholder servicing agent, custodian, administrator, independent auditors and legal counsel.

1.2.4 Trustees and Officers. Authorize and permit the Adviser's directors, officers and employees who may be elected or appointed as Trustees or officers of the Trust to serve in such capacities, without remuneration from or other cost to the Trust.

1.2.5 Books and Records. Assure that all financial, accounting and other records required to be maintained and preserved by the Adviser on behalf of the Trust are maintained and preserved by it in accordance with applicable laws and regulations.

1.2.6 Reports and Filings. Assist in the preparation of (but not pay for) all periodic reports by the Fund to its shareholders and all reports and filings required to maintain the registration and qualification of the Funds and Fund shares, or to meet other regulatory or tax requirements applicable to the Fund, under federal and state securities and tax laws.

1.3 Additional Series. In the event that the Trust establishes one or more series after the effectiveness of this Agreement ("Additional Series"), Appendix A to this Agreement may be amended to make such Additional Series subject to this Agreement upon the approval of the Board of Trustees of the Trust and the shareholder(s) of the Additional Series, in accordance with the provisions of the Act. The Trust or the Adviser may elect not to make any such series subject to this Agreement.

2. Expenses of the Fund.

2.1 Expenses to be Paid by Adviser. The Adviser shall pay all salaries, expenses and fees of the officers, Trustees and employees of the Trust who are officers, directors, members or employees of the Adviser.

In the event that the Adviser pays or assumes any expenses of the Trust not required to be paid or assumed by the Adviser under this Agreement, the Adviser shall not be obligated hereby to pay or assume the same or any similar expense in the future; provided, that nothing herein contained shall be deemed to relieve the Adviser of any obligation to the Funds under any separate agreement or arrangement between the parties.

2.2 Expenses to be Paid by the Fund. The Fund shall bear all expenses of its operations, except those specifically allocated to the Adviser under this Agreement or under any separate agreement between the Trust and the Adviser. Subject to any separate agreement or arrangement between the Trust and the Adviser, the expenses hereby allocated to the Fund, and not to the Adviser, include but are not limited to:

2.2.1 Custody. All charges of depositories, custodians, and other agents for the transfer, receipt, safekeeping, and servicing of the Fund's cash, securities, and other property.

2.2.2 Shareholder Servicing. All expenses of maintaining and servicing shareholder accounts, including but not limited to the charges of any shareholder servicing agent, dividend disbursing agent, transfer agent or other agent engaged by the Trust to service shareholder accounts.

2.2.3 Shareholder Reports. All expenses of preparing, setting in type, printing and distributing reports and other communications to shareholders.

2.2.4 Prospectuses. All expenses of preparing, converting to EDGAR format, filing with the Securities and Exchange Commission or other appropriate regulatory body, setting in type, printing and mailing annual or more frequent revisions of the Fund's Prospectus and Statement of Additional Information and any supplements thereto and of supplying them to shareholders.

2.2.5 Pricing and Portfolio Valuation. All expenses of computing the Fund's net asset value per share, including any equipment or services obtained for the purpose of pricing shares or valuing the Fund 's investment portfolio.

2.2.6 Communications. All charges for equipment or services used for communications between the Adviser or the Trust and any custodian, shareholder servicing agent, portfolio accounting services agent, or other agent engaged by the Trust.

2.2.7 Legal and Accounting Fees. All charges for services and expenses of the Trust's legal counsel and independent accountants.

2.2.8 Trustees' Fees and Expenses. All compensation of Trustees other than those affiliated with the Adviser, all expenses incurred in connection with such unaffiliated Trustees' services as Trustees, and all other expenses of meetings of the Trustees and committees of the Trustees.

2.2.9 Shareholder Meetings. All expenses incidental to holding meetings of shareholders, including the printing of notices and proxy materials, and proxy solicitations therefor.

2.2.10 Federal Registration Fees. All fees and expenses of registering and maintaining the registration of the Fund under the Act and the registration of the Fund's shares under the Securities Act of 1933 (the "1933 Act"), including all fees and expenses incurred in connection with the preparation, converting to EDGAR format, setting in type, printing, and filing of any Registration Statement, Prospectus and Statement of Additional Information under the 1933 Act or the Act, and any amendments or supplements that may be made from time to time.

2.2.11 State Registration Fees. All fees and expenses of taking required action to permit the offer and sale of the Fund's shares under securities laws of various states or jurisdictions, and of registration and qualification of the Fund under all other laws applicable to the Trust or its business activities (including registering the Trust as a broker-dealer, or any officer of the Trust or any person as agent or salesperson of the Trust in any state).

2.2.12 Confirmations. All expenses incurred in connection with the issue and transfer of Fund shares, including the expenses of confirming all share transactions.

2.2.13 Bonding and Insurance. All expenses of bond, liability, and other insurance coverage required by law or regulation or deemed advisable by the Trustees of the Trust, including, without limitation, such bond, liability and other insurance expenses that may from time to time be allocated to the Fund in a manner approved by its Trustees.

2.2.14 Brokerage Commissions. All brokers' commissions and other charges incident to the purchase, sale or lending of the Fund's portfolio securities.

2.2.15 Taxes. All taxes or governmental fees payable by or with respect to the Fund to federal, state or other governmental agencies, domestic or foreign, including stamp or other transfer taxes.

2.2.16 Trade Association Fees. All fees, dues and other expenses incurred in connection with the Trust's membership in any trade association or other investment organization.

2.2.17 Compliance Fees. All charges for services and expenses of the Trust's Chief Compliance Officer.

2.2.18 Nonrecurring and Extraordinary Expenses. Such nonrecurring and extraordinary expenses as may arise including the costs of actions, suits, or proceedings to which the Trust is a party and the expenses the Trust may incur as a result of its legal obligation to provide indemnification to its officers, Trustees and agents.

3. Advisory Fee.

As compensation for all services rendered, facilities provided and expenses paid or assumed by the Adviser under this Agreement, each Fund shall pay the Adviser on the last day of each month, or as promptly as possible thereafter, a fee calculated by applying a monthly rate, based on an annual percentage rate, to the Fund's average daily net assets for the month. The annual percentage rate applicable to each Fund is set forth in Appendix A to this Agreement, as it may be amended from time to time in accordance with Section 1.3 of this Agreement. If this Agreement shall be effective for only a portion of a month with respect to a Fund, the aforesaid fee shall be prorated for the portion of such month during which this Agreement is in effect for the Fund.

4. Proxy Voting.

The Adviser will vote, or make arrangements to have voted, all proxies solicited by or with respect to the issuers of securities in which assets of a Fund may be invested from time to time. Such proxies will be voted in a manner that you deem, in good faith,

to be in the best interest of the Fund and in accordance with your proxy voting policy. You agree to provide a copy of your proxy voting policy to the Trust prior to the execution of this Agreement, and any amendments thereto promptly.

5. Records.

5.1 Tax Treatment. Both the Adviser and the Trust shall maintain, or arrange for others to maintain, the books and records of the Trust in such a manner that treats each Fund as a separate entity for federal income tax purposes.

5.2 Ownership. All records required to be maintained and preserved by the Trust pursuant to the provisions or rules or regulations of the Securities and Exchange Commission under Section 31(a) of the Act and maintained and preserved by the Adviser on behalf of the Trust are the property of the Trust and shall be surrendered by the Adviser promptly on request by the Trust; provided, that the Adviser may at its own expense make and retain copies of any such records.

6. Reports to Adviser.

The Trust shall furnish or otherwise make available to the Adviser such copies of each Fund's Prospectus, Statement of Additional Information, financial statements, proxy statements, reports and other information relating to its business and affairs as the Adviser may, at any time or from time to time, reasonably require in order to discharge its obligations under this Agreement.

7. Reports to the Trust.

The Adviser shall prepare and furnish to the Trust such reports, statistical data and other information in such form and at such intervals as the Trust may reasonably request.

8. Code of Ethics.

The Adviser has adopted a written code of ethics complying with the requirements of Rule 17j-1 under the Act and will provide the Trust with a copy of the code and evidence of its adoption. Within 45 days of the last calendar quarter of each year while this Agreement is in effect, the Adviser will provide to the Board of Trustees of the Trust a written report that describes any issues arising under the code of ethics since the last report to the Board of Trustees, including, but not limited to, information about material violations of the code and sanctions imposed in response to the material violations; and which certifies that the Adviser has adopted procedures reasonably necessary to prevent "access persons" (as that term is defined in Rule 17j-1) from violating the code.

9. Retention of Sub-Adviser.

Subject to the Trust's obtaining the initial and periodic approvals required under Section 15 of the Act, the Adviser may retain one or more sub-advisers, at the Adviser's own cost and expense, for the purpose of managing the investments of the assets of one or more Funds of the Trust. Retention of one or more sub-advisers shall in no way reduce the responsibilities or obligations of the Adviser under this Agreement and the Adviser shall, subject to Section 11 of this Agreement, be responsible to the Trust for all acts or omissions of any sub-adviser in connection with the performance of the Adviser's duties hereunder.

10. Services to Other Clients.

Nothing herein contained shall limit the freedom of the Adviser or any affiliated person of the Adviser to render investment management and administrative services to other investment companies, to act as investment adviser or investment counselor to other persons, firms or corporations, or to engage in other business activities.

11. Limitation of Liability of Adviser and its Personnel.

Neither the Adviser nor any director, manager, officer or employee of the Adviser performing services for the Trust at the direction or request of the Adviser in connection with the Adviser's discharge of its obligations hereunder shall be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with any matter to which this Agreement relates, and the Adviser shall not be responsible for any action of the Trustees of the Trust in following or declining to follow any advice or recommendation of the Adviser or any sub-adviser retained by the Adviser pursuant to Section 9 of this Agreement; PROVIDED, that nothing herein contained shall be construed (i) to protect the Adviser against any liability to the Trust or its shareholders to which the Adviser would otherwise be subject by reason of willful misfeasance, bad faith, or gross negligence in the performance of the Adviser's duties, or by reason of the Adviser's reckless disregard of its obligations and duties under this Agreement, or (ii) to protect any director, manager, officer or employee of the Adviser who is or was a Trustee or officer of the Trust against any liability of the Trust or its shareholders to which such person would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office with the Trust.

The Trust shall indemnify the Adviser, any director, manager, officer or employee of the Adviser, and their respective affiliates and controlling persons for any liability and expenses, including without limitation reasonable attorneys’ fees and expenses, which they sustain as a result of responding to regulatory inquiries, actions, suits, private suits and related court-authorized actions for all Fund-related activity that commenced prior to, or is related to actions prior to, the effective date of any Interim Investment Advisory Agreement between the Trust and the Adviser.

12. Effect of Agreement.

Nothing herein contained shall be deemed to require the Trust to take any action contrary to its Declaration of Trust or its By-Laws or any applicable law, regulation or order to which it is subject or by which it is bound, or to relieve or deprive the Trustees of the Trust of their responsibility for and control of the conduct of the business and affairs of the Trust.

13. Term of Agreement.

The term of this Agreement shall begin as of the date and year upon which shareholders representing a majority of the Fund's outstanding voting securities (as that term is defined under the Act) approves this Agreement, and unless sooner terminated as hereinafter provided, this Agreement shall remain in effect for a period of two years. Thereafter, this Agreement shall continue in effect with respect to each Fund from year to year, subject to the termination provisions and all other terms and conditions hereof; PROVIDED, such continuance with respect to a Fund is approved at least annually by vote of the holders of a majority of the outstanding voting securities of the Fund or by the Trustees of the Trust; PROVIDED, that in either event such continuance is also approved annually by the vote, cast in person at a meeting called for the purpose of voting on such approval, of a majority of the Trustees of the Trust who are not parties to this Agreement or interested persons of either party hereto. The Adviser shall furnish to the Trust, promptly upon its request, such information as may reasonably be necessary to evaluate the terms of this Agreement or any extension, renewal or amendment thereof.

14. Amendment or Assignment of Agreement.

Any amendment to this Agreement shall be in writing and signed by the parties hereto; PROVIDED, that no such amendment shall be effective unless authorized (i) by resolution of the Trustees of the Trust, including the vote or written consent of a majority of the Trustees of the Trust who are not parties to this Agreement or interested persons of either party hereto, and (ii) by vote of a majority of the outstanding voting securities of the Fund affected by such amendment as required by applicable law. This Agreement shall terminate automatically and immediately in the event of its assignment.

15. Termination of Agreement.

This Agreement may be terminated as to any Fund at any time by either party hereto, without the payment of any penalty, upon sixty (60) days' prior written notice to the other party; PROVIDED, that in the case of termination by any Fund, such action shall have been authorized (i) by resolution of the Trust's Board of Trustees, including the vote or written consent of Trustees of the Trust who are not parties to this Agreement or interested persons of either party hereto, or (ii) by vote of majority of the outstanding voting securities of the Fund.

16. Use of Name.

The Trust is named the Vertical Capital Income Fund and the Fund may be identified, in part, by the name "Vertical."

17. Declaration of Trust.

The Adviser is hereby expressly put on notice of the limitation of shareholder liability as set forth in the Trust's Declaration of Trust and agrees that the obligations assumed by the Trust or a Fund, as the case may be, pursuant to this Agreement shall be limited in all cases to the Trust or a Fund, as the case may be, and its assets, and the Adviser shall not seek satisfaction of any such obligation from the shareholders or any shareholder of the Trust. In addition, the Adviser shall not seek satisfaction of any such obligations from the Trustees or any individual Trustee. The Adviser understands that the rights and obligations of any Fund under the Declaration of Trust are separate and distinct from those of any and all other Funds. The Adviser further understands and agrees that no Fund of the Trust shall be liable for any claims against any other Fund of the Trust and that the Adviser must look solely to the assets of the pertinent Fund of the Trust for the enforcement or satisfaction of any claims against the Trust with respect to that Fund.

18. Confidentiality.

The Adviser agrees to treat all records and other information relating to the Trust and the securities holdings of the Fund as confidential and shall not disclose any such records or information to any other person unless (i) the Board of Trustees of the Trust has approved the disclosure or (ii) such disclosure is compelled by law. In addition, the Adviser and the Adviser's officers, directors and employees are prohibited from receiving compensation or other consideration, for themselves or on behalf of the Fund, as a result of disclosing the Fund's portfolio holdings. The Adviser agrees that, consistent with the Adviser's Code of Ethics, neither the Adviser nor the Adviser's officers, directors, members or employees may engage in personal securities transactions based on nonpublic information about a Fund's portfolio holdings.

19. Choice of Law.

This Agreement shall be governed and construed in accordance with the laws of the State of New York.

20. Interpretation and Definition of Terms.

Any question of interpretation of any term or provision of this Agreement having a counterpart in or otherwise derived from a term or provision of the Act shall be resolved by reference to such term or provision of the Act and to interpretation thereof, if any, by the United States courts, or, in the absence of any controlling decision of any such court, by rules, regulations or orders of the Securities and Exchange Commission validly

issued pursuant to the Act. Specifically, the terms "vote of a majority of the outstanding voting securities," "interested persons," "assignment" and "affiliated person," as used in this Agreement shall have the meanings assigned to them by Section 2(a) of the Act. In addition, when the effect of a requirement of the Act reflected in any provision of this Agreement is modified, interpreted or relaxed by a rule, regulation or order of the Securities and Exchange Commission, whether of special or of general application, such provision shall be deemed to incorporate the effect of such rule, regulation or order.

21. Captions.

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

22. Execution in Counterparts.

This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

-----Signature Page Follows-----

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective officers thereunto duly authorized with effect as of the date and year first above written.

VERTICAL CAPITAL INCOME FUND

By: /s/ S. Jason Hall

Name: S. Jason Hall

Title: Treasurer

BEHRINGER ADVISORS, LLC

By: /s/ Stanton P. Eigenbrodt

Name: Stanton P. Eigenbrodt

Title: Executive Vice President

VERTICAL CAPITAL INCOME FUND

INVESTMENT ADVISORY AGREEMENT

APPENDIX A

NAME OF FUND	ANNUAL ADVISORY FEE AS A % OF AVERAGE NET ASSETS OF THE FUND
Vertical Capital Income Fund	1.25%

UNDERWRITING AGREEMENT

Between

VERTICAL CAPITAL INCOME FUND

and

NORTHERN LIGHTS DISTRIBUTORS, LLC

INDEX

ATTACHED SCHEDULES

UNDERWRITING AGREEMENT

THIS UNDERWRITING AGREEMENT effective the 30th day of April, 2015, by and between VERTICAL CAPITAL INCOME FUND, a Delaware statutory trust, having its principal office and place of business at 80 Arkay Drive, Suite 110, Hauppauge, NY 11788 (the "Trust"), and NORTHERN LIGHTS DISTRIBUTORS, LLC, a Nebraska limited liability company having its principal office and place of business at 17605 Wright Street, Omaha, Nebraska 68130 ("NLD").

WHEREAS, the Trust is offering shares of beneficial interest (the "Shares") in separate investment portfolios as set forth on **Schedule A**, as may be amended from time to time (each a "Fund"), and each a series of the Trust; and

WHEREAS, the Trust is a closed-end management investment company registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the "1940 Act"); and

WHEREAS, NLD is registered under the Securities Exchange Act of 1934, as amended ("1934 Act"), as a broker-dealer and is engaged in the business of selling shares of registered investment companies either directly to purchasers or through other financial intermediaries; and

WHEREAS, the Trust desires that NLD offer, as principal underwriter, the Shares of the Funds to the public and NLD is willing to provide those services on the terms and conditions set forth in this Agreement in order to promote the growth of the Funds and facilitate the distribution of the Shares;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, the Trust and NLD hereby agree as follows:

1. APPOINTMENT OF NLD AND DELIVERY OF DOCUMENTS

(a) The Trust hereby appoints NLD, and NLD hereby agrees, to act as principal underwriter and distributor of the Shares of the Funds for the period and on the terms set forth in this Agreement. In connection therewith, the Funds have delivered to NLD current copies of:

(i) the Trust's Agreement and Declaration of Trust and By-laws (the "Organizational Documents");

(ii) the Trust's current Registration Statement;

(iii) the Trust's notification of registration under the 1940 Act on Form N-8A as filed with the SEC;

(iv) the Trust's current Prospectus and Statement of Additional Information (as currently in effect and as amended or supplemented, the "Prospectus");

(v) each current shareholder service plan or similar document adopted by the Trust ("Service Plan").

(b) The Trust shall promptly furnish NLD with:

(i) all amendments of or supplements to the foregoing; and

(ii) a copy of the resolution of the Board appointing NLD and authorizing the execution and delivery of this Agreement.

2. NATURE OF DUTIES

(a) NLD shall act as distributor of the Funds except that the rights given under this Agreement to NLD shall not apply to: (i) Shares issued in connection with the merger, consolidation or reorganization of any other investment company or series or class thereof with a Fund or class thereof; (ii) the Trust's acquisition by purchase or otherwise of all or substantially all of the assets or stock of any other investment company or series or class thereof; (iii) the reinvestment in Shares by the Funds' shareholders of dividends or other distributions; or (iv) any other offering by the Funds of securities to its shareholders (collectively "exempt transactions").

(b) Notwithstanding the foregoing, NLD is and may in the future distribute shares of other investment companies including investment companies having investment objectives similar to those of the Funds. The Funds further understand that existing and future investors in the Funds may invest in shares of such other investment companies. The Funds agree that the services that NLD provides to such other investment companies shall not be deemed in conflict with its duties to the Funds under this Agreement.

3. OFFERING OF SHARES

(a) NLD shall have the right to buy from the Funds the Shares needed to fill unconditional orders for Shares of the Funds placed with NLD by investors or selected dealers or selected agents (each as defined in Section 12 hereof) acting as agent for their customers' or on their own behalf. Alternatively, NLD may act as the Funds' agent, to offer, and to solicit offers to subscribe to, Shares of the Funds.

(b) The price that NLD shall pay for Shares purchased from the Funds shall be the NAV used in determining the Public Offering Price on which the orders are based. Shares purchased by NLD are to be resold by NLD to investors at the respective Public Offering Price(s), or to selected dealers or selected agents acting in accordance with the terms of selected dealer or selected agent agreements described in Section 12 of this Agreement. The Funds will advise NLD of the NAV(s) each time that it is determined by the Funds, or its designated agent, and at such other times as NLD may reasonably request.

(c) NLD will promptly forward all orders and subscriptions to the Funds or its designated agent. All orders and all subscriptions shall be directed to the Funds for acceptance and shall not be binding until accepted by the Funds. Any order or subscription may be rejected by the Funds; provided, however, that the Funds will not arbitrarily or without reasonable cause refuse to accept or confirm orders or subscriptions for the purchase of Shares. The Funds or its designated agent will confirm orders and subscriptions upon their receipt, will make appropriate book entries and, upon receipt by the Funds or its designated agent of payment therefore, will issue such Shares in uncertificated form pursuant to the instructions of NLD. NLD agrees to cause such payment and such instructions to be delivered promptly to the Funds or its designated agent.

(d) The Funds reserve the right to suspend the offering of Shares of the Funds at any time in the absolute discretion of the Board, and upon notice of such suspension NLD shall cease to offer Shares of the Funds specified in the notice.

(e) No Shares shall be offered by either NLD or the Funds under any of the provisions of this Agreement and no orders for the purchase or sale of Shares hereunder shall be accepted by the Funds if and so long as the effectiveness of the Registration Statement then in effect or any necessary amendments thereto shall be suspended under any of the provisions of the Securities Act, or if and so long as a current Prospectus, as required by Section 10(b) of the Securities Act, as amended, is not on file with the SEC; provided, however, that nothing contained in this paragraph shall in any way limit the Funds' obligation to repurchase Shares from any shareholder in accordance with the provisions of the Fund's Organizational Documents or the Prospectus applicable to the Shares.

4. LICENSED REPRESENTATIVES OF THE FUNDS.

At the request of the Trust, a Fund, a Fund's sponsor, adviser or affiliate, NLD may license certain designated employees as a "registered representative" and maintain their licensed status in accordance with FINRA rules and regulations including the following:

(a) Filing Form U-4's and fingerprint submission and processing renewals and terminations

(b) On-going compliance up-dates and training

(c) Preparation of materials and training for compliance with FINRA continuing education requirements

(d) Supervision of registered representatives

NLD reserves the right in its sole discretion of refuse to register or maintain the registration for any individual and otherwise impose any requirements, fees or limitations on licensed persons.

5. REPURCHASE OR REDEMPTION OF SHARES BY THE TRUST

(a) Any of the outstanding Shares of the Funds may be tendered for redemption at any time, and the Funds agree to redeem or repurchase the Shares so tendered in accordance with its obligations as set forth in the Organizational Documents and the Prospectus relating to the Shares.

(b) The Funds or its designated agent shall pay:

(i) the total amount of the redemption price consisting of the NAV less any applicable redemption fee to the redeeming shareholder or its agent, and

(ii) except as may be otherwise required by FINRA Rules, any applicable deferred sales charges to NLD in accordance with NLD's instructions on or before the fifth business day (or such other earlier business day as is customary in the investment company industry) subsequent to the Trust or its agent having received the notice of redemption in proper form.

(c) Redemption of Shares or payment therefore may be suspended at times when the New York Stock Exchange is closed for any reason other than its customary weekend or holiday closings, when trading thereon is restricted, when an emergency exists as a result of which disposal by the Funds of securities owned by the Funds is not reasonably practicable or it is not reasonably practicable for the Funds fairly to determine the value of the Funds' net assets, or during any other period when the SEC so requires or permits.

6. DUTIES AND REPRESENTATIONS OF NLD

(a) NLD shall use reasonable efforts to facilitate the sale of Shares of the Funds upon the terms and conditions contained herein and in the then current Prospectus. NLD shall devote reasonable time and effort to facilitate the distribution of Fund shares but shall not be obligated to sell any specific number of Shares. The services of NLD to the Funds hereunder are not to be deemed exclusive, and nothing herein contained shall prevent NLD from entering into like arrangements with other investment companies so long as the performance of its obligations hereunder is not impaired thereby.

(b) NLD will execute and deliver agreements with broker/dealers, financial institutions and other industry professionals based on forms of agreement approved from time to time by the Board with respect to shares of the Funds, including but not limited to forms of sales support agreements and shareholder servicing agreements.

(c) NLD shall be responsible for reviewing and providing advice and counsel on, and filing with the FINRA, all sales literature (e.g., advertisements, brochures and shareholder communications, including the Fund's website) with respect to the Funds. All costs associated with advertising filings shall be paid by the Funds. NLD will forward all FINRA comments on marketing materials to the Trust for incorporation into such materials and the sole responsibility for incorporation of such comments shall remain with the Trust; provided, however, that the Trust shall provide all factual content, opinion, and other content for such materials and NLD shall not be responsible for the accuracy of the content of such materials, when used thereafter by the Trust or any person authorized by the Trust to use such material; nor shall NLD be responsible for the filing or content of any such materials used by third parties without the authorization of NLD; and provided further that NLD shall not be responsible for filing any materials that fall within the definition of advertising and sales literature if such materials are not provided to NLD in a form suitable for filing in a timely manner. In addition, NLD will provide one or more persons, during normal business hours, to respond to telephone questions with respect to the Funds.

(d) NLD will forward all sales related complaints concerning the Funds to the Trust.

(e) NLD will provide assistance in the preparation of quarterly board materials with regard to sales and other distribution related data reasonably requested by the Board of the Funds.

(f) All activities by NLD and its agents and employees as distributor of Shares shall comply with all applicable laws, rules and regulations, including, without limitation, the 1940 Act, the Securities Act, the Securities Exchange Act, and the FINRA Rules, all

rules and regulations made or adopted pursuant to the 1940 Act by the SEC or any securities association registered under the Securities Exchange Act.

(g) In selling Shares of the Funds, NLD shall use its best efforts in all material respects duly to conform with the requirements of all federal and state laws relating to the sale of the Shares. Neither NLD, any selected dealer, any selected agent nor any other person is authorized by the Funds to give any information or to make any representations other than as is contained in a Funds' Prospectus or any advertising materials or sales literature specifically approved in writing by the Funds or their agents.

(h) NLD shall adopt and follow procedures for the confirmation of sales to investors and selected dealers or selected agents, the collection of amounts payable by investors and selected dealers or selected agents on such sales, and the cancellation of unsettled transactions, as may be necessary to comply with the requirements of the FINRA.

(i) NLD represents and warrants to the Trust that:

(i) It is a limited liability company duly organized and existing and in good standing under the laws of the State of Nebraska and it is duly qualified to carry on its business in the State of Nebraska;

(ii) It is empowered under applicable laws and by its Articles of Organization to enter into and perform this Agreement;

(iii) All requisite actions have been taken to authorize it to enter into and perform this Agreement;

(iv) It has and will continue to have access to the necessary facilities, equipment and personnel to perform its duties and obligations under this Agreement;

(v) This Agreement, when executed and delivered, will constitute a legal, valid and binding obligation of NLD, enforceable against NLD in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and secured parties; and

(vi) It is registered under the Securities Exchange Act with the SEC as a broker-dealer, it is a member in good standing of the FINRA, it will abide by the FINRA Rules, and it will notify the Funds if its membership in the FINRA is terminated or suspended.

(vii) Its selling agreements will require that selling agents comply with applicable anti-money laundering laws, regulations, rules and government guidance, including the reporting, record keeping and compliance requirements of the Bank Secrecy Act ("BSA"), as amended by The International Money Laundering Abatement and Financial Anti-Terrorism Act of 2002, Title III of the USA PATRIOT Act (the "PATRIOT Act"), its implementing regulations, and related SEC and SRO rules.

(j) Notwithstanding anything in this Agreement, including the Schedules, to the contrary, NLD makes no warranty or representation as to the number of selected dealers or selected agents with which it has entered into agreements in accordance with Section 12 hereof, as to the availability of any Shares to be sold through any selected dealer, selected agent or other intermediary or as to any other matter not specifically set forth herein.

7. DUTIES AND REPRESENTATIONS OF THE TRUST

(a) The Trust shall furnish to NLD copies of all financial statements and other documents to be delivered to shareholders or investors at least two (2) Fund Business Days prior to such delivery and shall furnish NLD copies of all other financial statements, documents and other papers or information which NLD may reasonably request for use in connection with the distribution of Shares. The Trust shall make available to NLD the number of copies of the Funds' Prospectuses as NLD shall reasonably request.

(b) The Trust shall take, from time to time, subject to the approval of the Board and any required approval of the shareholders of the Funds, all actions necessary to fix the number of authorized Shares (if such number is not unlimited) and to register the Shares under the Securities Act, to the end that there will be available for sale the number of Shares as reasonably may be expected to be sold pursuant to this Agreement.

(c) The Trust will execute any and all documents, furnish any and all information and otherwise take all actions that may be reasonably necessary to register or qualify Shares for sale in such states as NLD may designate to the Funds and the Funds may approve, and the Funds shall pay all fees and other expenses incurred in connection with such registration or qualification; provided that NLD shall not be required to register as a broker-dealer or file a consent to service of process in any State and the Funds shall not be required to qualify as a foreign corporation, Fund or association in any State. Any registration or qualification may be withheld, terminated or withdrawn by the Funds at any time in its discretion. NLD shall furnish such information and other material relating to its affairs and activities as the Funds require in connection with such registration or qualification.

(d) The Trust represents and warrants to NLD that:

(i) It is a business trust duly organized and existing and in good standing under the laws of the state of Delaware;

(ii) It is empowered under applicable laws and by its Organizational Documents to enter into and perform this Agreement;

(iii) All proceedings required by the Organizational Documents have been taken to authorize it to enter into and perform its duties under this Agreement;

(iv) It is a closed-end management investment company registered with the SEC under the 1940 Act;

(v) All Shares, when issued, shall be validly issued, fully paid and non-assessable;

(vi) This Agreement, when executed and delivered, will constitute a legal, valid and binding obligation of the Trust, enforceable against the Trust in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and secured parties;

(vii) The performance by the Trust of its obligations hereunder does not and will not contravene any provision of the Trust's Agreement and Declaration of Trust.

(viii) The Registration Statement is currently effective and will remain effective with respect to all Shares of the Funds being offered for sale;

(ix) The Registration Statement and Prospectus have been or will be, as the case may be, carefully prepared in conformity with the requirements of the Securities Act and the rules and regulations thereunder;

(x) The Registration Statement and Prospectus contain or will contain all statements required to be stated therein in accordance with the Securities Act and the rules and regulations thereunder; all statements of fact contained or to be contained in the Registration Statement or Prospectus are or will be true and correct at the time indicated or on the effective date as the case may be; and neither the Registration Statement nor any Prospectus, when they shall become effective or be authorized for use, will include 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 to a purchaser of Shares;

(xi) It will from time to time file such amendment or amendments to the Registration Statement and Prospectus as, in the light of then-current and then-

prospective developments, shall, in the opinion of its counsel, be necessary in order to have the Registration Statement and Prospectus at all times contain all material facts required to be stated therein or necessary to make any statements therein not misleading to a purchaser of Shares ("Required Amendments");

(xii) It shall not file any amendment to the Registration Statement or Prospectus without giving NLD reasonable advance notice thereof; provided, however, that nothing contained in this Agreement shall in any way limit the Funds' right to file at any time such amendments to the Registration Statement or Prospectus, of whatever character, as the Funds may deem advisable, such right being in all respects absolute and unconditional; and

(xiii) All Shares of the Fund are properly registered in the states as required by applicable state laws; and

(xiv) Any amendment to the Registration Statement or Prospectus hereafter filed will, when it becomes effective, contain all statements required to be stated therein in accordance with the 1940 Act and the rules and regulations thereunder; all statements of fact contained in the Registration Statement or Prospectus will, when it becomes effective, be true and correct at the time indicated or on the effective date as the case may be; and no such amendment, when it becomes effective, will include an untrue statement of a material fact or will omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading to a purchaser of the Shares.

(xv) In connection with any registered representatives maintained under this Agreement, the Trust agrees to cooperate with NLD and provide reports as necessary to maintain appropriate licensing and qualifications and report to NLD any complaints, arbitrations, litigation or any other material matter that may affect a registered representative's registration status.

(xvi) It has adopted necessary procedures to comply with the Bank Secrecy Act ("BSA"), as amended by The International Money Laundering Abatement and Financial Anti-Terrorism Act of 2002, Title III of the USA PATRIOT Act (the "PATRIOT Act"), its implementing regulations, and related SEC and SRO rules. Consistent with this requirement, the Trust shall ensure that the account opening forms utilized by the Funds contain the necessary customer information such as name, address, taxpayer identification and other information to verify the identity of such customers as well as provide proper notification to customers of such anti-money laundering program adopted by the Trust and/or its service providers.

(xvii) NLD may rely on and will be held harmless from relying on oral or written instructions it receives from an officer, agent, or legal counsel to the Trust.

8. INDEMNIFICATION OF NLD BY THE TRUST

(a) The Trust authorizes NLD and any dealers with whom NLD has entered into dealer agreements to use the latest Prospectus in the form furnished by the Trust in connection with the sale of Shares. The Trust agrees to indemnify, defend and hold NLD, its several officers and managers, and any person who controls NLD within the meaning of Section 15 of the Securities Act free and harmless from and against any and all claims, demands, liabilities and expenses (including the reasonable cost of investigating or defending such claims, demands or liabilities and any reasonable counsel fees incurred in connection therewith) which NLD, its officers and managers, or any such controlling persons, may incur under the Securities Act, the 1940 Act, or common law or otherwise, arising out of or based upon:

(i) any untrue statement, or alleged untrue statement, of a material fact required to be stated in either any Registration Statement or any Prospectus,

(ii) the breach of any representations, warranties or obligations set forth herein,

(iii) any omission, or alleged omission, to state a material fact required to be stated in any Registration Statement or any Prospectus or necessary to make the statements in any of them not misleading,

(iv) the Trust's failure to maintain an effective Registration statement and Prospectus with respect to Shares of the Funds that are the subject of the claim or demand,

(v) the Trust's failure to provide NLD with advertising or sales materials to be filed with the FINRA on a timely basis or use of marketing materials that are false or misleading,

(vi) the Trust's failure to properly register Fund Shares under applicable state laws, or

(vii) actions taken by NLD resulting from NLD's reliance on instructions received from an officer, agent or legal counsel of the Trust.

(b) The Trust's agreement to indemnify NLD, its officers or managers, and any such controlling person will not be deemed to cover any such claim, demand, liability or expense to the extent that it arises out of or is based upon:

(i) any such untrue statement, alleged untrue statement, omission or alleged omission made in any Registration Statement or any Prospectus in reliance upon

information furnished by NLD, its officers, managers or any such controlling person to the Fund or its representatives for use in the preparation thereof, or

(ii) willful misfeasance, bad faith or gross negligence in the performance of NLD's duties, or by reason of NLD's reckless disregard of its obligations and duties under this Agreement ("Disqualifying Conduct").

(c) The Trust's agreement to indemnify NLD, its officers and managers, and any such controlling person, as aforesaid, is expressly conditioned upon the Trust's being notified of any action brought against NLD, its officers or managers, or any such controlling person, such notification to be given by letter, by facsimile or by telegram addressed to the Funds at the address set forth above within a reasonable period of time after the summons or other first legal process shall have been served; provided, however, that the failure to notify the Trust of any such action shall not relieve the Trust from any liability which the Trust may have to the person against whom such action is brought by reason of any such untrue, or alleged untrue, statement or omission, or alleged omission, otherwise than on account of the Funds' indemnity agreement contained in this Section.

(d) The Trust will be entitled to assume the defense of any suit brought to enforce any such claim, demand or liability, but, in such case, such defense shall be conducted by counsel of good standing chosen by the Trust and approved by NLD, which approval shall not be unreasonably withheld. If the Trust elects to assume the defense of any such suit and retain counsel of good standing approved by NLD, the defendant or defendants in such suit shall bear the fees and expenses of any additional counsel retained by any of them; but in case the Trust does not elect to assume the defense of any such suit, the Trust will reimburse NLD, its officers and managers, or the controlling person or persons named as defendant or defendants in such suit, for the reasonable fees and expenses of any counsel retained by them.

(e) The Trust's indemnification agreement contained in this Section and the Funds' representations and warranties in this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of NLD, its officers and managers, or any controlling person, and shall survive the delivery of any Shares. This agreement of indemnity will inure exclusively to NLD's benefit, to the benefit of its several officers and managers, and their respective estates, and to the benefit of any controlling persons and their successors. The Trust agrees promptly to notify NLD of the commencement of any litigation or proceedings against the Trust or any of its officers or Board members in connection with the issue and sale of Shares.

9. INDEMNIFICATION OF THE TRUST BY NLD

(a) NLD agrees to indemnify, defend and hold the Trust, its several officers and Board members, and any person who controls the Trust within the meaning of Section

15 of the Securities Act, free and harmless from and against any and all claims, demands, liabilities and expenses (including the reasonable cost of investigating or defending such claims, demands or liabilities and any reasonable counsel fees incurred in connection therewith) which the Trust, its officers or Board members, or any such controlling person, may incur under the Securities Act, the 1940 Act, or under common law or otherwise, but only to the extent that such liability or expense incurred by the Trust , its officers or Board members, or such controlling person results from such claims or demands:

(i) arising out of or based upon statements or representations made by NLD which are unauthorized by the Trust or its agents in any sales literature or advertisements or any Disqualifying Conduct by NLD in connection with the offering and sale of any Shares, or

(ii) arising out of or based upon any untrue, or alleged untrue, statement of a material fact contained in information furnished in writing by NLD to the Fund specifically for use in the Trust's Registration Statement and used in the answers to any of the items of the Registration Statement or in the corresponding statements made in the Prospectus, or shall arise out of or be based upon any omission, or alleged omission, to state a material fact in connection with such information furnished in writing by NLD to the Trust and required to be stated in such answers or necessary to make such information not misleading.

(b) NLD's agreement to indemnify the Trust, its officers and Trustees, and any such controlling person, as aforesaid, is expressly conditioned upon NLD's being notified of any action brought against the Trust, its officers or Trustees, or any such controlling person, such notification to be given by letter, by facsimile or by telegram addressed to NLD at its address set forth above within a reasonable period of time after the summons or other first legal process shall have been served.

(c) The failure to notify NLD of any such action shall not relieve NLD from any liability which it may have to the person against whom such action is brought by reason of any such untrue, or alleged untrue, statement or omission, or alleged omission, otherwise than on account of NLD's indemnity agreement contained in this Section.

(d) NLD will be entitled to assume the defense of any suit brought to enforce any such claim, demand or liability, but, in such case, such defense shall be conducted by counsel of good standing chosen by NLD and approved by the Trust, which approval shall not be unreasonably withheld. If NLD elects to assume the defense of any such suit and retain counsel of good standing approved by the Trust the defendant or defendants in such suit shall bear the fees and expenses of any additional counsel retained by any of them; but in the case NLD does not elect to assume the defense of any such suit, NLD will reimburse the Trust, the Trust's officers and directors, or the controlling person or persons named as defendant or defendants in such suit, for the reasonable fees and expenses of any counsel retained by the Trust or them.

NLD's indemnification agreement contained in this Section and NLD's representations and warranties in this Agreement shall remain operative and in full force and effect regardless of any investigation made by NLD or on behalf of NLD, its officers and managers, or any controlling person, and shall survive the delivery of any Shares. This agreement of indemnity will inure exclusively to the Funds' benefit, to the benefit of the Funds' officers and Trustees, and their respective estates, and to the benefit of any controlling persons and their successors. NLD agrees promptly to notify the Funds of the commencement of any litigation or proceedings against NLD or any of its officers or managers in connection with the issue and sale of Shares.

10. NOTIFICATION BY THE TRUST

(a) The Trust agrees to advise NLD as soon as reasonably practical:

(i) of any request by the SEC for amendments to the Registration Statement or any Prospectus then in effect;

(ii) of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or any Prospectus then in effect or of the initiation of any proceeding for that purpose;

(iii) of the happening of any event that makes untrue any statement of a material fact made in the Registration Statement or any Prospectus then in effect or which requires the making of a change in such Registration Statement or Prospectus in order to make the statements therein not misleading;

(iv) of all actions of the SEC with respect to any amendment to any Registration Statement or any Prospectus which may from time to time be filed with the SEC;

(v) if a current Prospectus is not on file with the SEC; and

(vi) of all advertising, sales materials and other communications with the public required to be filed with the FINRA. This obligation shall extend to all revisions of such communications.

For purposes of this section, informal requests by or acts of the Staff of the SEC shall not be deemed actions of or requests by the SEC.

11. COMPENSATION AND EXPENSES

(a) In consideration of NLD's services hereunder, the Fund agrees to pay, or cause the Fund's adviser to pay to NLD the fees set forth in **Schedule B**, attached hereto. The monthly Service Fee set forth on **Schedule B** may be offset by any fees and charges collected and retained by NLD, for the applicable month, as set forth below:

(i) any applicable sales charge assessed upon investors in connection with the purchase of Shares;

(ii) from the Fund, any applicable contingent deferred sales charge ("CDSC") assessed upon investors in connection with the redemption of Shares; and

(iii) from the Fund, the shareholder service fees with respect to the Shares of those Classes as designated in **Schedule A** for which a Service Plan is effective (the "Shareholder Service Fee").

(b) The Shareholder Service Fee, if any, shall be accrued daily by the Trust or class thereof and shall be paid monthly as promptly as possible after the last day of each calendar month, at the rate or in the amounts set forth in the Service Plan. The Trust grants and transfers to NLD a general lien and security interest in any and all securities and other assets of the Trust now or hereafter maintained in an account at the Trust's custodian on behalf of the Trust to secure any Shareholder Service Fees or other fees owed NLD by the Trust under this Agreement. All fees set forth herein shall be due and payable upon receipt of invoice and shall be considered late if payment is not received by NLD within fifteen (15) days of the Fund's receipt of the invoice. Payments not received with fifteen (15) days may be assessed interest at the maximum amount permitted by law.

(c) The Trust shall be responsible and assumes the obligation for payment of all the expenses of the Trust, including fees and disbursements of its counsel and auditors, in connection with the preparation and filing of the Registration Statement and Prospectus (including but not limited to the expense of setting in type the Registration Statement and Prospectus and printing sufficient quantities for internal compliance, regulatory purposes and for distribution to current shareholders).

The Trust shall bear the cost and expenses (i) of the registration of the Shares for sale under the Securities Act; (ii) of the registration or qualification of the Shares for sale under the securities laws of the various States; (iii) if necessary or advisable in connection therewith, of qualifying the Funds, (but not NLD) as an issuer or as a broker or dealer, in such States as shall be selected by the Trust and NLD pursuant to Section 7(c) hereof; (iv) payable to each State for continuing registration or qualification therein until the Funds decide to discontinue registration or qualification pursuant to Section 7(c) hereof; and (v) payable for standard transmission costs, including costs imposed by the National Securities

Clearing Corporation. NLD shall pay all expenses relating to NLD's broker-dealer qualification.

12. SELECTED DEALER AND SELECTED AGENT AGREEMENTS

NLD shall have the right to enter into selected dealer agreements with securities dealers of its choice ("selected dealers") and selected agent agreements with depository institutions and other financial intermediaries of its choice ("selected agents") for the sale of Shares and to fix therein the portion of the sales charge, if any, that may be allocated to the selected dealers or selected agents; provided, that the Trust shall approve the forms of agreements with selected dealers or selected agents and shall review the compensation set forth therein. A form selling agreement for the Funds is attached hereto. Selected dealers and selected agents shall resell Shares of the Funds at the public offering price(s) set forth in the Prospectus relating to the Shares. Within the United States, NLD shall offer and sell Shares of the Funds only to selected dealers that are members in good standing of the FINRA.

13. CONFIDENTIALITY

NLD agrees to treat all records and other information related to the Trust as proprietary information of the Trust and, on behalf of itself and its employees, to keep confidential all such information, except that NLD may:

(a) Prepare or assist in the preparation of periodic reports to shareholders and regulatory bodies such as the SEC;

(b) provide information typically supplied in the investment company industry to companies that track or report price, performance or other information regarding investment companies; and

(c) release such other information as approved in writing by the Fund, which approval shall not be unreasonably withheld;

NLD may release any information regarding the Trust without the consent of the Trust if NLD reasonably believes that it may be exposed to civil or criminal legal proceedings for failure to comply, when requested to release any information by duly constituted authorities or when so requested by the Trust. Each party agrees to comply with Regulation S-P under the Gramm-Leach-Bliley Act.

14. EFFECTIVENESS AND DURATION

(a) This Agreement shall become effective as of the date hereof and will continue for an initial one-year term and will continue thereafter so long as such continuance is specifically approved at least annually (i) by the Trust's Board or (ii) by a vote of a majority of the Shares of the Trust, provided that in either event its continuance also is approved by a majority of the Board members who are not "interested persons" of any party to this Agreement, by vote cast in person at a meeting called for the purpose of voting on such approval.

(b) This Agreement is terminable, without penalty, on sixty (60) days' notice, by the Board, by vote of a majority of the outstanding voting securities of such Trust, or by NLD.

(c) This Agreement will automatically and immediately terminate in the event of its "assignment."

(d) NLD agrees to notify the Trust immediately upon the event of NLD's expulsion or suspension by the FINRA. This Agreement will automatically and immediately terminate in the event of NLD's expulsion or suspension by the FINRA.

15. DISASTER RECOVERY

NLD shall maintain disaster recovery procedures in effect making reasonable provisions for the storage and retrieval of information maintained in NLD's possession.

16. DEFINITIONS

As used in this Agreement, the following terms shall have the meaning set forth below:

(a) The "Board" means the Board of Trustees of the Trust.

(b) "Fund Business Day" means any day on which the NAV of Shares of each Fund is determined as stated in the then current Prospectus.

(c) "FINRA Rules" means the Constitution, By-Laws, and Rules of Fair Practice of the Financial Industry Regulatory Authority, Inc. ("FINRA") and any interpretations thereof.

(d) "NAV" means the net asset value per Share of each Fund as determined by the Fund, or its designated agent, in accordance with and at the times indicated in the

applicable Prospectus of the Fund on each Fund Business Day in accordance with the method set forth in the Prospectus and guidelines established by the Board.

(e) “Public Offering Price” means the price per Share of the Fund at which NLD or selected dealers or selected agents may sell Shares to the public or to those persons eligible to invest in Shares as described in the Prospectus of the Funds, determined in accordance with such Prospectus under the Securities Act relating to such Shares.

(f) “Prospectus” means the current prospectus and statement of additional information of the Fund, as currently in effect and as amended or supplemented.

(g) “Registration Statement” means the Fund’s Registration Statement on Form N-2 and all amendments thereto filed with the SEC.

(h) “SEC” means the U.S. Securities and Exchange Commission.

(i) “Securities Act” means the Securities Act of 1933, as amended.

(j) “Securities Exchange Act” means the Securities Exchange Act of 1934, as amended.

(k) “1940 Act” means the Investment Company Act of 1940, as amended.

(l) The terms “majority of the outstanding voting securities,” “interested person” and “assignment” shall have the same meanings as such terms have in the 1940 Act.

17. MISCELLANEOUS

(a) No provision of this Agreement may be amended or modified in any manner except by a written agreement properly authorized and executed by both parties.

(b) This Agreement shall be construed and the provisions thereof interpreted under and in accordance with the laws of the State of Nebraska.

(c) This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreement with respect to the subject matter hereof whether oral or written.

(d) The parties may execute this Agreement or any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

(e) If any part, term or provision of this Agreement is held to be illegal, in conflict with any law or otherwise invalid, the remaining portion or portions shall be considered severable and not be affected by such determination, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be illegal or invalid.

(f) In the event either party is unable to perform its obligations under the terms of this Agreement because of acts of God, strikes, equipment or transmission failure or damage reasonably beyond its control, or other causes reasonably beyond its control, such party shall not be liable for damages to the other party resulting from such failure to perform or otherwise from such causes.

(g) NLD shall not be liable for any consequential, incidental, exemplary, punitive, special or indirect damages, whether or not the likelihood of such damages was known by NLD or its affiliates.

(h) Any controversy or claim arising out of, or related to, this Agreement, its termination or the breach thereof, shall be settled by binding arbitration by three arbitrators (or by fewer arbitrator(s), if the parties subsequently agree to fewer) in the State of Nebraska, in accordance with the rules then obtaining of FINRA, and the arbitrators' decision shall be binding and final, and judgment upon the award rendered may be entered in any court having jurisdiction thereof.

(i) Section and paragraph headings in this Agreement are included for convenience only and are not to be used to construe or interpret this Agreement.

(j) All notices and other communications hereunder shall be in writing, shall be deemed to have been given when received, and shall be given to the following addresses (or such other addresses as to which notice is given):

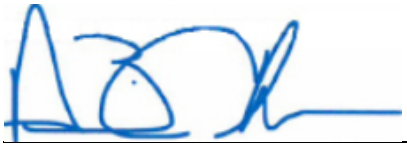
To the Trust:	**To NLD:**
Vertical Capital Income Fund Attn: President 80 Arkay Drive, Suite 110 Hauppauge, NY 11788	Northern Lights Distributors, LLC Attn: Legal Counsel 17605 Wright Street Omaha, NE 68130

(k) Notwithstanding any other provision of this Agreement, the parties agree that the assets and liabilities of each Fund of the Trust are separate and distinct from the assets and liabilities of each other Fund and that no Fund shall be liable or shall be charged for any debt, obligation or liability of any other Fund, whether arising under this Agreement or otherwise.

(l) Each of the undersigned expressly warrants and represents that they have full power and authority to sign this Agreement on behalf of the party indicated and that their signature will bind the party indicated to the terms hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names and on their behalf by and through their duly authorized persons, as of the day and year first above written.

VERTICAL CAPITAL INCOME FUND

By: 

Name: A. Bayard Closser

Title: President

NORTHERN LIGHTS DISTRIBUTORS, LLC

By: 

Brian Nielsen

Chief Executive Officer

UNDERWRITING AGREEMENT

Schedule A

Fund Name	**Adviser**	**Sub-Adviser**	**Effective Date**
Vertical Capital Income Fund	Behringer Advisors, LLC	N/A	07/7/2015

UNDERWRITING AGREEMENT
Schedule B
Vertical Capital Income Fund
Fee Schedule

This Fee Schedule is part of the Underwriting Agreement dated April 30, 2015 (the "Agreement"), by and between the Vertical Capital Income Fund and Northern Lights Distributors, LLC.

Service Fees:

Annual fee of **$15,000 for the first Fund and $5,000 for each additional Fund**

PLUS:

- **1 basis point or 0.01% per annum** of each Fund's average daily net assets up to $250 million, and;
- **¾ basis point or 0.0075% per annum** of each Fund's average daily net assets between $250 million and $500 million, and;
- **½ basis point or 0.0050% per annum** of each Fund's average daily net assets between $500 million and $1 billion, and;
- **¼ basis point or 0.0025% per annum** of each Fund's average daily net assets over $1 billion.

The Fund shall also pay an additional fee to NLD calculated as 25% of any FINRA costs incurred (for example, if FINRA charged $100 to perform advertising review, NLD would charge the Fund an additional $25).

All service fees outlined above are payable monthly in arrears.

Registered Representative Licensing:

Annual fee of $5,500 per Registered Representative plus all out-of-pocket costs such as registration expenses and travel expenses to conduct required training.

Out-of-Pocket Expenses

The Fund(s) shall pay all reasonable out-of-pocket expenses incurred by NLD in connection with activities performed for the Fund(s) hereunder including, without limitation:

- typesetting, printing and distribution of prospectuses and shareholder reports
- production, printing, distribution and placement of advertising and sales literature and materials
- engagement of designers, free-lance writers and public relations firms
- long-distance telephone lines, services and charges
- postage

- overnight delivery charges
- FINRA and registration fees
- marketing expenses
- record retention fees
- travel, lodging and meals
- NSCC charges
- Fund platform fees and service fees
- Website monitoring fees

In the event the fees authorized by the Fund for payment to NLD are insufficient to cover the fees due to NLD for its services provided hereunder, Behringer Advisors, LLC, the investment adviser to the Fund, agrees to pay NLD the remaining balance of any fees due and payable to NLD according to this fee schedule within 15 days of request.

IN WITNESS WHEREOF, the parties hereto have executed this Schedule to the Underwriting Agreement effective as of July 7, 2015.

VERTICAL CAPITAL INCOME FUND

By: 

Name: Bayard Closser

Title: President

NORTHERN LIGHTS DISTRIBUTORS, LLC

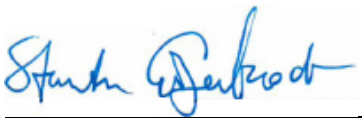
By: 

Name: Brian Nielsen

Title: CEO

The undersigned investment adviser hereby acknowledges and agrees to the terms of this Underwriting Agreement.

BEHRINGER ADVISORS, LLC
15601 Dallas Parkway, Suite 600
Addison, Texas 75001

By: 

Name: STANTON EIGENBRODT
Title: Executive Vice President

December 11, 2015

Vertical Capital Income Fund
80 Arkay Drive
Hauppauge, NY 11788

Re: Registration Statement on Form N-2 (SEC File No. 811-22554)

Dear Board Members:

This letter is in response to your request for our opinion in connection with the filing of a registration statement for Vertical Capital Income Fund (the "Fund") on Form N-2 to register shares of the Fund under the Securities Act of 1933 Act and amend the registration of the Fund under the Investment Company Act of 1940 (the "Registration Statement").

We have examined a copy of the Fund's Amended and Restated Agreement and Declaration of Trust, the Fund's By-laws, the Fund's record of the various actions by the Trustees thereof, and all such agreements, certificates of public officials, certificates of officers and representatives of the Fund and others, and such other documents, papers, statutes and authorities as we deem necessary to form the basis of the opinion hereinafter expressed. We have assumed the genuineness of the signatures and the conformity to original documents of the copies of such documents supplied to us as copies thereof.

Based upon the foregoing, we are of the opinion that, after the Registration Statement is effective for purposes of applicable federal and state securities laws, the shares of the Fund, if issued in accordance with the then current Prospectus and Statement of Additional Information of the Fund, will be legally issued, fully paid and non-assessable.

We hereby give you our permission to file this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement. This opinion may not be filed with any subsequent amendment, or incorporated by reference into a subsequent amendment, without our prior written consent. This opinion is prepared for the Fund and its shareholders, and may not be relied upon by any other person or organization without our prior written approval.

Very truly yours,

/s/ THOMPSON HINE LLP

THOMPSON HINE LLP MVW/JMS
765585.2

THOMPSON HINE LLP
ATTORNEYS AT LAW
41 South High Street
Suite 1700
Columbus, Ohio 43215-6101
www.ThompsonHine.com
Phone 614.469.3200
Fax 614.469.3361

VERTICAL CAPITAL INCOME FUND
OPERATING EXPENSES LIMITATION AGREEMENT

THIS OPERATING EXPENSES LIMITATION AGREEMENT (the "Agreement") is effective as of July 6, 2015, by and between VERTICAL CAPITAL INCOME FUND, a Delaware statutory trust (the "Trust" or "Fund"), and the Advisor of such Fund, BEHRINGER ADVISORS, LLC (the "Advisor").

WITNESSETH:

WHEREAS, the Advisor renders advice and services to the Fund pursuant to the terms and provisions of an interim investment advisory agreement (the "Interim Investment Advisory Agreement") and, subject to shareholder approval, will render advice and services to the Fund pursuant to the terms and provisions of an investment advisory agreement (the "Investment Advisory Agreement") between the Trust and the Advisor each dated as of July 6, 2015; and

WHEREAS, the Fund is responsible for, and has assumed the obligation for, payment of certain expenses pursuant to the Interim Investment Advisory Agreement and Investment Advisory Agreement that have not been assumed by the Advisor; and

WHEREAS, the Advisor desires to limit the Fund's Operating Expenses (as that term is defined in Paragraph 2 of this Agreement) pursuant to the terms and provisions of this Agreement, and the Trust (on behalf of the Fund) desires to allow the Advisor to implement those limits;

NOW THEREFORE, in consideration of the covenants and the mutual promises hereinafter set forth, the parties, intending to be legally bound hereby, mutually agree as follows:

1. Limit on Operating Expenses. The Advisor hereby agrees to limit the Fund's current Operating Expenses to an annual rate, expressed as a percentage of the Fund's average annual net assets, to the amounts listed in Appendix A (the "Annual Limit") for the time periods indicated. In the event that the current Operating Expenses of the Fund, as accrued each month, exceed its Annual Limit, the Advisor will, as needed, waive its fees and pay to that Fund, on a monthly basis, the excess expense within 30 days of being notified that an excess expense payment is due.

2. Definition. For purposes of this Agreement, the term "Operating Expenses" with respect to the Fund, is defined to include all expenses necessary or appropriate for the operation of the Fund and including the Advisor's investment advisory or management fee detailed in the Interim Investment Advisory Agreement and/or Investment Advisory Agreement, any shareholder servicing fees and other expenses described in the Interim Investment Advisory Agreement and/or Investment Advisory Agreement, but does not include any front-end or contingent deferred loads, taxes, leverage interest, borrowing

interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired (underlying) fund fees and expenses or extraordinary expenses such as litigation.

3. Reimbursement of Fees and Expenses. The Advisor retains its right to receive reimbursement of any waiver and/or excess expense payments paid by it pursuant to this Agreement within the three fiscal years following the fiscal year in which the waiver and/or expenses were incurred, even if the repayment occurs after the termination of the limitation period, provided that the Advisor remains the investment adviser to the Fund and that the Operating Expenses have fallen to a level below the Annual Limit and the reimbursement amount does not raise the level of Operating Expenses in the month the repayment is being made to a level that exceeds the Annual Limit.

4. Term. This Agreement shall become effective on the date specified herein and shall remain in effect at least through the date listed in Appendix A, unless sooner terminated as provided in Paragraph 5 of this Agreement.

5. Termination. This Agreement may be terminated at any time, and without payment of any penalty, by the Board of Trustees of the Trust, on behalf of the Fund, upon sixty (60) days' written notice to the Advisor. This Agreement may not be terminated by the Advisor without the consent of the Board of Trustees of the Trust. This Agreement will automatically terminate, with respect to the Fund listed in Appendix A if the Interim Investment Advisory Agreement for the Fund is terminated, if the Investment Advisory Agreement is not approved by shareholders, or Investment Advisory Agreement for the Fund is terminated, with such termination effective upon the effective date of the Interim Investment Advisory Agreement's or Investment Advisory Agreement's termination for the Fund.

6. Assignment. This Agreement and all rights and obligations hereunder may not be assigned without the written consent of the other party.

7. Severability. If any provision of this Agreement shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of this Agreement shall not be affected thereby.

8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to the conflict of laws principles thereof; provided that nothing herein shall be construed to preempt, or to be inconsistent with, any federal law, regulation or rule, including the Investment Company Act of 1940 and the Investment Advisers Act of 1940 and any rules and regulations promulgated thereunder.

----------*signature page follows*---------

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and attested by their duly authorized officers, all on the day and year first above written.

VERTICAL CAPITAL INCOME FUND

By: /s/
Name: A. Bayard Closser
Title: President

BEHRINGER ADVISORS, LLC

By: /s/
Name: R. Franklin Muller
Title: President

Appendix A

Fund	Operating Expense Limit	Minimum Duration
Vertical Capital Income Fund	1.85%	January 31, 2017