The 1WS Credit Income Fund (the "Fund") is a closed-end interval fund launched in March 2019. As of January 29, 2020, the Fund has gross assets under management of approximately $135 million (approximately $95 million net assets). The Fund is a non-diversified, closed-end investment management company with an investment objective seeking attractive risk-adjusted total returns through generating income and capital appreciation by investing primarily in a wide array of predominantly structured credit and securitized debt instruments.

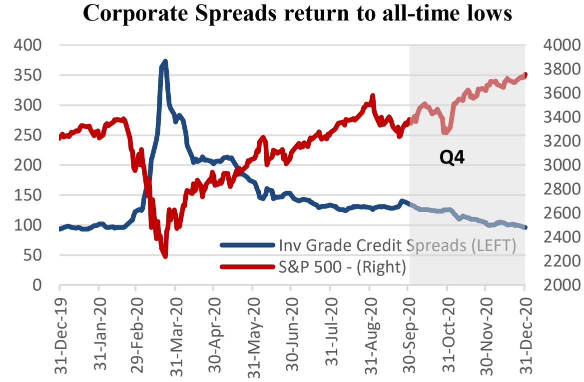
Overview

As we transition from a uniquely challenging 2020, we believe the outlook for 2021 offers optimism. Covid-19 factors along with fiscal and monetary response will likely continue to drive the near term economic narrative. Rapid advances in vaccines and therapeutics have brought optimism that containment of the pandemic is within sight. This along with reassurances from the Federal Reserve that interest rates and other monetary policy measures will remain accommodative for the foreseeable future, have combined to paint a positive fundamental backdrop as we begin the new year.

Real U.S. GDP is not expected to return to pre-pandemic levels until sometime in the later half of 2021 or early 2022, and many sectors will continue to struggle in the aftermath. U.S. unemployment, while down sharply from the peak in 2020, will likely be slow to regain pre-pandemic levels. Hardest hit segments of consumer and business sectors will likely continue to be challenged by elevated unemployment and a weak operating environment, particularly if targeted government stimulus programs fail to materialize.

The S&P 500 finished 2020 at an all-time record high (Exhibit 1), with fourth quarter returns of 12.15% extending the full year gain to 18.40%. A remarkable gain in a year which experienced the largest quarterly decline of gross domestic product (GDP) in history, as well as the largest quarterly increase in unemployment. Credit spreads also rallied into year end with the majority of investment grade (IG) sectors finishing the year at or near their all-time tights (Exhibit 2).

Exhibit 1:
Equity Benchmarks Setting New Highs and IG Corporate Spreads return to all-time lows



Source: S&P Global, Bloomberg/Barclays (BB) Indices, OWS

The sharp decline in Treasury yields was a boon for many fixed income investors in 2020 as the Federal Reserve "Fed" and other global central banks slashed interest rates to shore up market liquidity and lower borrowing costs. However, we believe it is a growing risk in the future as the economy continues to recover. While the Federal Reserve has reiterated its commitment to low rates for the foreseeable future, markets are forward looking. At some point, the Covid-19 pandemic will move into the rear view mirror and the economy will regain sustainable upward momentum. We believe investors will begin to price the eventual end of these historically accommodative monetary policies, not dissimilar to the so-called "taper tantrum" in the summer of 2013. Given current low base case yields and credit spreads, there is little cushion to insulate fixed income returns from rising Treasury yields or wider

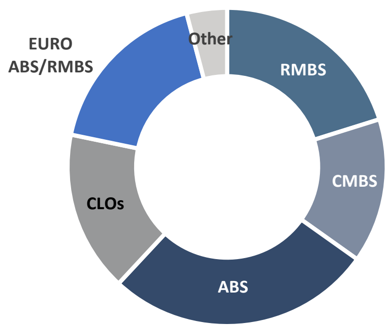
Net Return Performance as of 1/29/21	MTD	YTD	ITD (3/4/19)
OWSCX (Commencement of Operations 3/4/2019)	2.38%	2.38%	14.55%
Bloomberg Barclays U.S. Aggregate Bond Index[1]	-0.72%	-0.72%	12.72%
ICE BofAML U.S. High Yield Index[2]	0.38%	0.38%	13.53%

** OWSCX returns are presented net of all fees and expenses, benchmark returns are gross.*

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling (833) 834-4923 or visiting www.1wscapital.com. Investors cannot invest directly in an index.

[1] Bloomberg Barclays US Aggregate Bond Index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Investors cannot invest directly in an index.
[2] ICE BofAML US High Yield Master II TR Index value, which tracks the performance of US dollar denominated below investment grade rated corporate debt publically issued in the US domestic market. Investors cannot invest directly in an index

Portfolio Composition[1] and Gross Return Attribution[2]



Asset Type	Portfolio Composition 1/29/2021	Gross Return Attribution YTD
Asset-Backed Securities (ABS)	27.1%	0.93%
Collateralized Loan Obligations (CLOs)	16.4%	0.64%
Commercial Mortgage-Backed Securities (CMBS)	14.7%	0.47%
European ABS & RMBS	17.7%	0.15%
Residential Mortgage-Backed Securities (RMBS)	20.2%	0.21%
Cash & Other	4.1%	0.04%
Interest Rate Hedges	-	0.12%
Total	**100.0%**	**2.56%**

[1] *The Portfolio composition as of 1/29/21 differs from the portfolio composition for any point prior to such date and is subject to change at any time.*
[2] *Returns by asset type are calculated by taking the specific asset type's contribution to the Fund's gross return for the period 2021 YTD through 1/29/21 and multiplying it by the gross return of the Fund over the same period. The Fund's gross return and returns by asset type are comprised of total investment income and realized and unrealized gain/loss on investments before taking into consideration fees and operating expenses.*

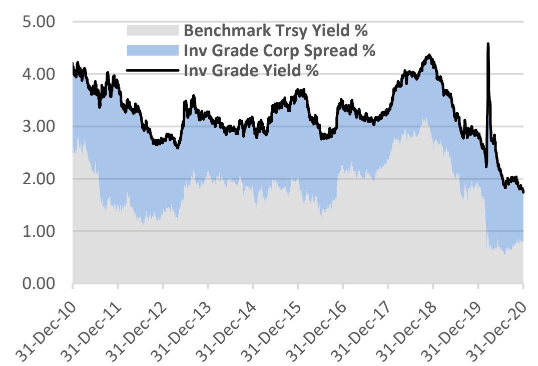
credit spreads. This is particularly true, in our opinion, for many long-only fixed income managers who may lack flexibility in managing risk exposures. With a current yield of only 1.12% on the Bloomberg/Barclays U.S. aggregate bond index, a predominant benchmark for long-only investment grade managers, and a current duration of 6.2 years, yields need only increase 20 bps over the year before duration losses would offset the yield earned resulting in negative total returns. Our investment mandate provides the flexibility to use select leverage and derivatives to manage risk exposures and optimize risk-adjusted return opportunities.

While corporate defaults rose sharply in 2020, the fundamental outlook has changed dramatically over the last few months. Vaccine optimism combined with Fed liquidity measures, historically low nominal rates and expectations of significant fiscal stimulus coming out of a new administration has improved the fundamental outlook for 2021. Corporate borrowers including many speculative grade companies have benefitted from the unprecedented monetary policy support which has lowered interest rates and supported open and liquid capital markets. This has allowed many corporate borrowers to raise cash to bridge liquidity concerns as well as refinance and term out existing debt. As a result, corporate debt issuance for both investment grade and non-investment grade companies set all-time records in 2020. This increased already high levels of debt and leverage at a time when aggregate revenues and earnings remain challenged for many companies and industries.

Exhibit 2:

Investment Grade Corporate Spread/Yield

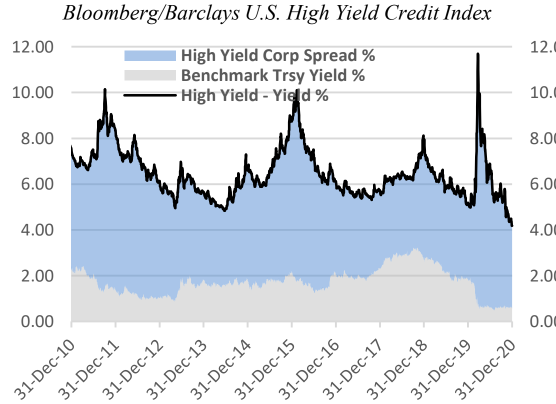
Bloomberg/Barclays U.S. Investment Grade Credit Index



Source: Bloomberg/Barclays (BB) Indices, OWS

High Yield Corporate Spread/Yield

Bloomberg/Barclays U.S. High Yield Credit Index



Source: Bloomberg/Barclays (BB) Indices, OWS

The U.S. high yield default rate including distressed exchanges ended 2020 at 6.8%, up from 2.9% in 2019 and a long term average of 3.4%, according to JPMorgan. For 2021, many banks are expecting the default rate to moderate towards the long term average by the end of the year. And yet risks and uncertainty remain with respect to this fundamental outlook. For instance, in their 2021 global credit outlook, S&P Global Ratings sees the potential for the speculative grade corporate default rate declining to 3.5% in their optimistic scenario. However, in their base case forecast they expect high yield defaults to continue rising into 2021, reaching 9% by September. They acknowledge optimism over recent vaccine developments and expect very low funding costs to remain through 2021. However, they point to high corporate leverage and a large share of vulnerable companies as reasons supporting their base case assumption of higher defaults.

Unprecedented stimulus dollars were assigned to people who did not lose their jobs and were otherwise not any financially worse off than pre-pandemic. At the same time, personal consumption levels collapsed as the economy essentially shut down. As a result, personal savings rates spiked in 2020, from 7.2% at the end of 2019, to a high of 33.7% in April following the first round of stimulus. In our opinion, the post-pandemic recovery will be increasingly bifurcated between the haves and have-nots. With millions of individuals still unemployed, the stimulus has temporarily supplemented their loss of income. However, if unemployment remains stubbornly high and government stimulus programs evaporate, there will be increasing consumer loan distress, particularly among the weakest borrowers.

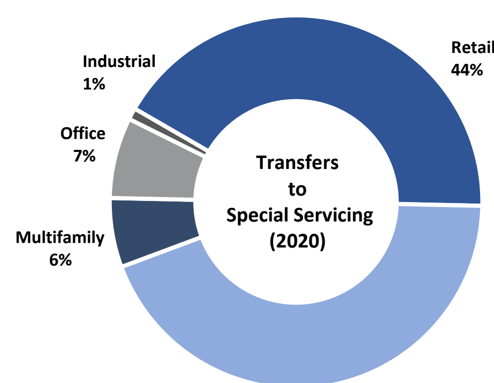
This backdrop has led to a dramatic change in how we perceive the current investment landscape. For example, we currently see dramatic differences in investors' fundamental performance expectations across many sectors within structured credit. Higher unemployment, government mandated business shutdowns, stay-at-home/work from home policies and the effectiveness of a variety of stimulus programs have all increased fundamental uncertainty for many sectors backing structured credit. We are seeing far less consensus around loss adjusted expected returns for individual securities and asset classes. We believe these differing fundamental expectations can have a meaningful impact on the expected return performance of fulcrum and first loss exposures within the securitization markets. Not unlike the investment environment following the 2008/2009 global financial crisis (GFC), we believe having an informed and differentiated fundamental view along with a deep understanding of securitization structures can lead to attractive outperformance. We expect this opportunity to persist as many of the hardest hit borrowers and sectors will likely continue to struggle well into a post-Covid-19 economy. We consider ourselves well positioned to capitalize on these emerging opportunities given our experience, underwriting expertise, resources and scale.

SECTOR / STRATEGY REVIEWS

Commercial Real Estate and CMBS

We believe commercial real estate (CRE) debt and CMBS sectors represent among the most attractive longer term distressed opportunities developing within credit markets. Asset types within CRE, including retail and hospitality, have been particularly hard hit by government mandated business closures and stay-at-home orders. Near term uncertainty continues to resonate within these hard hit sectors. In many cases, Covid-19 related shutdowns and travel restrictions continue to pressure sponsors ability to meet debt service and operating expenses given a sharp reduction in top line revenues.

Exhibit 3
Transfers to Special Servicing
By asset Type



Source: Trepp

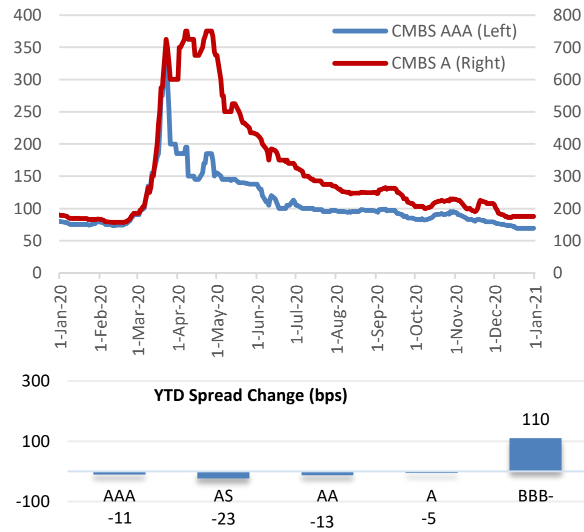
Looking to the CMBS market for insight into broader CRE performance trends, the overall delinquency rate in November 2020 was 8.2%, down from the June 2020 peak of 10.3% but still elevated relative to low single-digits pre-Covid-19. Hospitality (19.7%) and retail (14.2%) represent the majority of current delinquencies while multifamily, office and industrial asset classes have all remained below 3.5%. A similar pattern can be seen by looking at loans transferred to special servicers in 2020. Overall, \$53.6 billion of conduit loans transferred to special servicing in 2020, representing approximately 10% of all loans backing CMBS transactions with retail and hospitality accounting for approximately 86% (Exhibit 3).

The prospect of widely available vaccines and the potential reduction of social distancing mandates at some point in 2021 has improved the outlook for many of the hardest hit sectors and valuations across CRE have improved. However, we expect the effects of the coronavirus recession to linger on well into 2021 and beyond.

Some sectors within retail, particularly malls, were already struggling in the pre-Covid-19 environment and will likely continue to struggle. Grocery store anchored strip centers and big box centers should remain strong. We expect that hotels, which have faced the largest disruption in net cashflow due to coronavirus lockdowns, will begin to recover as social distancing and stay-at-home mandates are lifted. The recovery, however, will likely be slow and fragmented with business travel expected to be slow to recover. Sectors such as multifamily have fared relatively well, benefiting from the CARES Act stimulus which has supported rent rolls and standardized Agency forbearance plans which has provided relief to sponsors and tenants alike. Low levels of inventory and declining affordability among single-family housing will likely help support multifamily demand. The industrial sector has been solid throughout the pandemic and will likely remain strong as secular changes, in particular growth in e-commerce will likely continue. The office sector has held-up well throughout the pandemic, although we believe longer term secular changes such as the work from home model may begin to influence the level and location of future office demand.

Exhibit 4:

Indicative New Issue Conduit CMBS Spreads



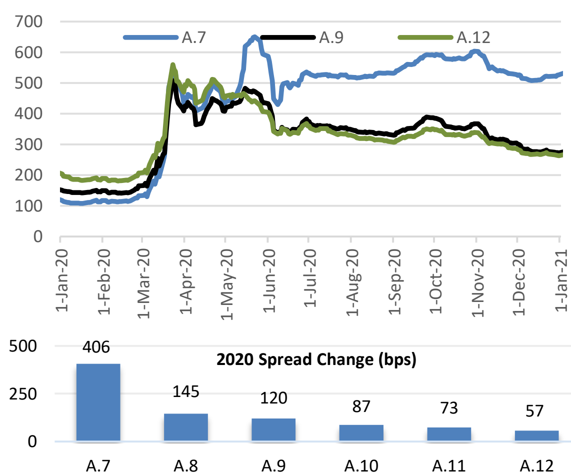
Source: J.P. Morgan, OWS

It is increasingly difficult to make generalizations about the overall performance of CMBS given the disparate nature of individual properties, property types, geographies and seasoning. This is particularly true for conduit CMBS given the large diversified pools of mixed property types and loan characteristics across deals and vintages. Looking at generic new issue conduit spreads, it would seem that CMBS spreads, in particular single A and higher rated, have largely recovered to pre-Covid-19 levels (Exhibit 4). This may be true for new issue deals. However, the collateral composition of post-Covid-19 conduit deals are largely devoid of the most impacted property types such as retail and hospitality. This makes spread comparison to pre-Covid-19 deals less relevant in our view. Looking at spreads of single-A rated tranches on seasoned CMBS deals represented by synthetic CMBX indices shows much less spread compression for a given vintage and much greater variance across vintages (Exhibit 5).

In our opinion, CMBS had significantly lagged the initial recovery in other spread sectors - particularly corporate credit. At the time, we targeted primarily above fulcrum, investment grade profiles whereby we believed investor demand would return. We focused on identifying securities which we believed had 200-500 bps of loss adjusted credit enhancement under our revised delinquency and default assumptions. We believed these relatively long duration investment profiles offered significant return potential should spreads converge with other investment grade credit sectors. We largely sold down these exposures late last year as investment grade spreads, including CMBS meaningfully compressed.

Exhibit 5:

Single A CMBX Spreads Across Vintage



Source: J.P. Morgan, OWS

Our current focus within the securitized CMBS market is in subordinate exposures backed by single asset or single borrower (SASB) loan portfolios. It is here along with private lending where we believe we can leverage our underwriting expertise to identify mispriced opportunities. We can fully re-underwrite the asset(s) risk exposure and fundamental outlook as well as underwrite the property sponsors' equity exposure and commitment to the property. Oftentimes the differentiating factor is the strength and commitment of the property sponsors. We continue to expect a meaningful pipeline of future opportunities given what we believe will be ongoing distress within the commercial real estate.

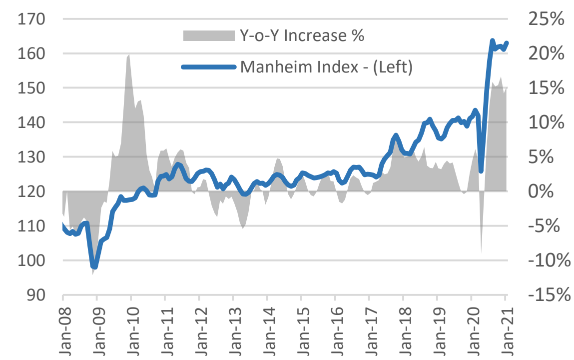
Structured ABS and Other Idiosyncratic Opportunities

Across consumer ABS, we see collateral performance continuing to improve. This has helped to allay many investors' early concerns regarding the degree of potential credit deterioration in many consumer backed sectors as a result of the pandemic. Entering 2020, consumer fundamentals were strong, in our opinion, supported by tight labor markets and meaningful consumer deleveraging over the past decade. The severe economic dislocation and rise in unemployment as a result of Covid-19 combined with unprecedented fiscal and monetary stimulus has effected the structured credit markets in different ways. Consumers have greatly benefited from direct government stimulus and payment relief programs. Delinquencies and losses have remained well below early pandemic investor concerns.

Uncertainty remains elevated, however. In addition to direct government assistance, we believe consumers have used readily available mortgage forbearance relief to redirect funds to pay other forms of consumer borrowing like auto loans, credit cards and unsecured borrowing. In our opinion, these and other unknowns are likely to continue clouding the fundamental outlook across broad sectors of consumer credit.

True to their intent, ABS structures within the subprime auto and unsecured consumer sectors, the two largest consumer sectors, have largely held-up, i.e., quickly de-leveraging and building credit enhancement levels which provides increasing protection from potential future shocks to fundamental performance. We believe these securities can generally support financial leverage given their short duration profile and rapid deleveraging. As credit enhancement builds, these securities effectively roll-up the credit curve creating excess return opportunities. The subprime auto sector has also been supported by strength in the used car market. According to the Manheim U.S. used vehicle index, prices have increased 14.2% for the full year 2020 (Exhibit 6). Higher used vehicle prices reduces the potential loss severity on defaulted loans.

Exhibit 6:
Used Vehicle Prices Have Increased Sharply



Source: Manheim Auctions, Bloomberg

The fundamental outlook received a large boost following the announcement of highly effective vaccines. By and large, investment grade spreads across ABS sectors have recovered to pre-Covid-19 levels. We have rotated out of many of these exposures within our portfolios. Further down the capital structure however, in fulcrum and below exposures, the credit curve remains much steeper and risk premia more attractive in our opinion. These primarily subordinate exposures are where we believe our fundamental credit underwriting can uncover differentiated opportunities for excess return. There is growing dispersion in asset performance particularly across originators and vintages, which requires more comprehensive deal level underwriting.

We also remain active within the private student loan sector. Our focus is within legacy (pre-GFC) deals and our investment thesis is predicated on identifying deals/structures whereby we believe future recoveries on delinquent and defaulted loans will likely exceed market expectations. In a broad sense, this is not dissimilar from our legacy RMBS investment portfolios. One primary difference is that student loans, unlike most other types of consumer debt, are generally non-dischargeable in bankruptcy. Meaning, student loan borrowers who have defaulted on their loans will carry that default and balance due on their credit history even if they have filed bankruptcy. What we are observing is that recoveries of past defaults are increasing even in cases where the default occurred 5, 10 and even 15 years ago. As defaulted borrowers careers and incomes improve, an increasing number are repaying previously defaulted student loans in order to clear their credit histories and improve their future borrowing ability. We believe this is increasing expected recoveries. Given discount prices, a higher recovery can have a significant impact on realized security performance.

Non-Dollar ABS

We continue to find attractive investment opportunities within the broader U.K. and European RMBS and ABS sectors. Recent approval of a post-Brexit trade deal between Britain and the European Union ends a contentious multi-year negotiation that should mitigate the tail risk of a hard-Brexit outcome.

European capital markets have largely mirrored those in the U.S. and investment grade credit spreads have largely recovered to their pre-Covid-19 levels. However, non-investment grade securities have lagged. We have long been attracted to investment opportunities within the U.K. and Europe, due in part to a generally steeper credit curve, in our opinion. We attribute much of this to more restrictive investment mandates in Europe, which constrain many investment managers to investment grade credits only. This is even more pronounced in the current market environment with respect to any securities which have potential, real or implied Covid-19 related impairment associated with them. As a result, we believe the current risk premium for moving down in credit, particularly within the consumer backed structured finance sectors including RMBS and ABS, is currently quite attractive. Not only on an outright basis, but relative to pre-Covid-19 and relative to the U.S. As a result, we have been adding European ABS & RMBS exposures to our portfolios over the past several months. Similar to within the U.S. we have been selling down many of our investment grade exposures as spreads tightened into year end.

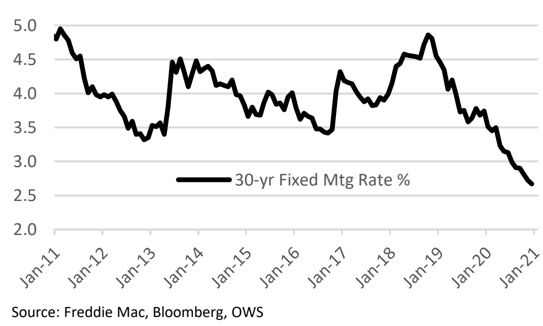
Our current focus is lower in the capital structure, whereby we can leverage our credit views and capture what we believe are attractive risk premiums. We also believe that these investments can often support select levels of financial leverage given the generally short duration investment profiles of many of these investments.

Residential Mortgage Credit Opportunities

While consumer fundamentals remain challenged, they are outperforming expectations given the macro backdrop. One exception would be the residential mortgage sector where problems at a headline level persist. Delinquent percentages within portfolios when taking into account forbearance programs, are well above pre-pandemic levels. Lack of modification transparency is also likely overstating performance in many cases. However, the rate of change in impairments has slowed markedly over the past few months and has returned closer to pre-pandemic levels. In addition, as previously noted, we suspect a meaningful percentage of existing impairments may be a function of the very generous forbearance programs that are available to borrowers. Many programs do not require any confirmation of hardship. Additionally, they often allow borrowers to defer mortgage payments at a significantly lower cost than they are currently carrying other consumer balances like credit card and auto loans. This recognition and improving performance has continued to support the recovery of many RMBS valuations. Benign profile spreads have largely recovered to pre-Covid-19 levels. However, in our view there remains significant distress within the sector.

Uncertainty remains elevated regarding the sustainability of recent performance trends, particularly if the government's substantial fiscal response begins to wind down. This has led to wider risk premiums in fulcrum exposures, including the legacy assets in which we primarily invest.

Exhibit 7:
US Mortgage Rates Have Declined to Historic Lows

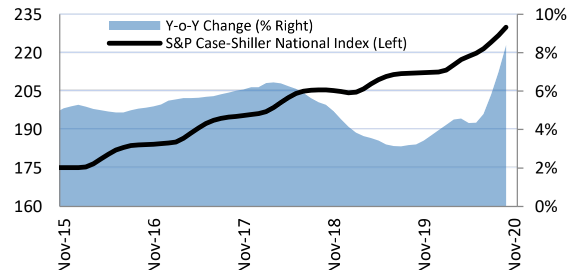


Direct payments to individuals, enhanced unemployment benefits, forbearance relief and foreclosure moratoriums have all worked to lessen the impact of Covid-19 induced hardships within the sector. The precise impact the government's substantial fiscal policies has had on the better than expected fundamental performance to date is challenging to measure, but we think it is substantial. Approximately 2.8 million residential mortgage loans remain in Covid-19 forbearance at the end of 2020 according to Black Knight. This represents approximately 5.3% of all active mortgage loans outstanding and roughly $550 billion in unpaid principal. While down approximately 40% from the peak in May, the rate of improvement has slowed considerably since the end of September and roughly 80% of remaining loans in forbearance have filed one or more extensions. While improvement is expected to continue as the economy recovers, there will likely be several hundred billion dollars worth of loans in which underlying borrowers are unable to make current on their payments when forbearance terms end. Some form of loan modification and/or face foreclosure will likely often be required. In our opinion, this stress will likely create a large and attractive investment opportunity.

Offsetting the rise in mortgage delinquencies as a result of forbearance, home prices have been buoyed by a surge in housing activity. Historically low mortgage rates (Exhibit 7) have limited supply and increased demand. Home prices have historically been highly correlated with both the level of mortgage delinquencies as well as the level of losses given default. A high level of homeowner equity provides options for homeowners, servicers and mortgage investors in helping to avoid downstream activity and default-related losses. In the latest reading for October, the S&P CoreLogic Case-Shiller U.S. National Home Price Index rose 8.41% on a year-over-year basis (Exhibit 8). New home sales, existing home sales and pending home sales have all surged over the past several months with each setting new highs not seen since prior to the Global Financial Crisis (GFC).

Exhibit 8:

US National Home Prices Have Surged in 2020



Source: S&P / Case-Shiller, Bloomberg, OWS

Our investment focus within the RMBS sector continues to be in seasoned legacy. Underlying pools are often twelve to fifteen years seasoned, have low current property loan-to-value (LTV) and borrowers and servicers have been through repeated loss mitigation programs. In addition, spreads remain meaningfully wider than pre-Covid-19 levels for fulcrum exposures even under more aggressive delinquency and loss assumptions. As a result, we believe these securities continue to represent attractive fundamental credit exposure for investors that can underwrite the many individual loan characteristics across the sector.

We also believe that current stress within the residential mortgage market is likely to create a whole new set of distressed RMBS investment opportunities ("Legacy-19") that will persist well into the future. In many ways, similar to the existing legacy distressed opportunities borne out of the global financial crisis (GFC), which continue to exist today.

Collateralized Loan Obligations

Mezzanine CLO tranches finished the year up strongly in the fourth quarter as equities and corporate credit generally rallied into year-end. Despite recent strength, we believe the sector is likely to continue to perform well early in the new year. Supply/demand technicals currently remain favorable, which should provide support over the near term. Growing expectations of declining corporate defaults in 2021 and demand for floating rate loans also support the outlook for an ongoing recovery. The sharp increase in corporate downgrades that initially overwhelmed the sector following the Covid-19 lockdowns slowed considerably into year-end.

Manager behavior has also diverged over the last few quarters with some managers selling weaker loan concentrations and taking losses. Others have "doubled down" and have been selling higher price loans to take advantage of what they feel are attractive discounts available in credits for which they have strong conviction. This has led to greater differences across transactions. Some deals appear to have dramatically underperformed due to higher risk loan concentrations. We believe these differences will likely continue to increase the variation in CLO portfolio performance going forward. We have been actively repositioning our portfolios into higher quality sectors and managers. We believe this has and will continue to benefit our portfolios going forward.

Summary Conclusion

We expect 2021 to be an especially challenging year for long-only fixed income investors. Particularly for those constrained to investment grade sectors and those lacking the flexibility to actively manage risk exposures and engineer attractive return profiles with select leverage and derivatives. While structured credit has recovered from March 2020 lows, a significant percentage of consumer credit, real estate debt and below investment grade corporate credit backing the vast majority of securitized products have not repriced to the same degree as other credit alternatives in our opinion. Continued uncertainties around the magnitude and duration of Covid-19 shutdowns, the level and persistence of high unemployment and the ultimate effectiveness of fiscal programs in support of consumers and hard hit sectors of our economy have made forecasting fundamentals more difficult. In turn, this has led to higher risk premiums as compensation for many sectors and securities within structured credit. This fundamental uncertainty has led to a slower recovery in many structured credit sectors, in our opinion, while increasing relative returns available as compared to corporate debt and other alternatives. We believe we are well positioned to capitalize on these opportunities and that our investment mandate provides the flexibility to use select leverage and derivatives to manage risk exposures and optimize risk-adjusted return opportunities.

Investing in the Fund may be considered speculative and involves a high degree of risk, including the risk of possible substantial loss of your investment.

Prior to investing, Investors should carefully consider the investment objectives, risks, charges and expenses of 1WS Credit Income Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling (833) 834-4923 or visiting www.1wscapital.com. The prospectus should be read carefully before investing.

1WS Credit Income Fund is distributed by ALPS Distributors, Inc. ALPS Distributors, Inc. is not affiliated with 1WS Capital Advisors, LLC or One William Street Capital Management, L.P.

RISK DISCLOSURES

Past performance is not a guarantee of future results. There is no assurance that the Fund will meet its investment objective.

Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the Fund's shares outstanding at net asset value. There is no guarantee that a shareholders will be able to sell all of the shares they desire to sell in a quarterly repurchase offer. The Fund is suitable only for investors who can bear the risks associated with the limited liquidity of the Fund and should be viewed as a long-term investment. The Fund's investments may be negatively affected by the broad investment environment in the real estate market, the debt market and/or the equity securities market. 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. The Fund is "non-diversified" under the Investment Company Act of 1940 and, thus, changes in the financial condition or market value of a single issuer may cause a greater fluctuation in the Fund's net asset value than in a "diversified" fund. Diversification does not eliminate the risk of experiencing investment losses. The Fund is not intended to be a complete investment program. The Fund expects most of its investments to be in securities that are rated below investment grade or would be rated below investment grade if they were rated. Below investment grade instruments or "junk securities" are particularly susceptible to economic downturns compared to higher rated investments. While the Fund may employ hedging techniques to seek to minimize interest rate risk, there can be no assurance that it will engage in such techniques at any given time or that such techniques would be successful. As such, the Fund is subject to interest rate risk and may decline in value as interest rates rise. The Fund may use leverage to achieve its investment objective, which involves risks, including the increased likelihood of net asset value volatility and the increased risk that fluctuations in interest rates on borrowings will reduce the return to investors. In addition to the normal risks associated with investing, investing in international and emerging markets involves risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles or from social, economic or political instability in other nations. The Fund may employ hedging techniques to seek to minimize foreign currency risk. There can be no assurance that it will engage in such techniques at any given time or that such techniques would be successful. The Fund may invest in derivatives, which, depending on market conditions and the type of derivative, are more volatile than other investments and could magnify the Fund's gains or losses. An investment in shares should be considered only by investors who can assess and bear the illiquidity and other risks associated with such an investment.

Market risk may affect a single issuer, sector of the economy, industry or the market as a whole. Mortgage-backed and asset-backed securities are affected by interest rates, financial health of issuers/originators, creditworthiness of entities providing credit enhancements and the value of underlying assets. Fixed-income securities present issuer default risk. Prepayment and extension risk exists because a loan, bond or other investment may be called, prepaid or redeemed before maturity and similar yielding investments may not be available for purchase. Structured finance securities may present risks similar to those of the other types of debt obligations in which the Fund may invest and, in fact, such risks may be of greater significance in the case of structured finance securities. Investing in structured finance securities may be affected by a variety of factors, including priority in the capital structure of the issuer thereof, the availability of any credit enhancement, and the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitized, among others. Market or other (e.g., interest rate) environments may adversely affect the liquidity of Fund investments, negatively impacting their price. Generally, the less liquid the market at the time the Fund sells a holding, the greater the risk of loss or decline of value to the Fund. See the Fund's prospectus for information on these and other risks.

There can be no assurance that the Fund will achieve its investment objective. Many of the Fund's investments may be considered speculative and subject to increased risk. Neither One William Street Capital Management, LP nor 1WS Capital Advisors, LLC has managed a 1940-Act registered product prior to managing the fund. 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. The ability of the Fund to achieve its investment objective depends, in part, on the ability of the Adviser to allocate effectively the assets of the Fund among the various securities and investments in which the Fund invests. There can be no assurance that the actual allocations or investment selections will be effective in achieving the Fund's investment objective or delivering positive returns.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice, so actual outcomes and results may differ significantly from the views expressed. These views are subject to change at any time based upon economic, market or other conditions and the portfolio manager disclaims any responsibility to update such views. The views expressed in this report reflect the current views of the portfolio manager as of March 31st, 2020.

DEFINITIONS

ABS: *Asset-Backed Securities are instruments secured by financial, physical, and/or intangible assets (e.g., receivables or pools of receivables), and investments in any assets/instruments underlying the foregoing structured/secured obligations.*

Basis Points (bps): *A basis point is a common unit of measurement for interest rates and credit spreads and is equal to one hundredth of one percent.*

Bloomberg/Barclays U.S. aggregate bond index: *The index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).*

Bloomberg/Barclays U.S. Investment Grade Credit Index: *The index measures the investment grade, fixed-rate, taxable corporate bond market*

Bloomberg/Barclays U.S. High Yield Credit index: *The index measures the USD-denominated, high yield, fixed-rate corporate bond market.*

Brexit: *Brexit is a contraction of "British exit" and is used to define the withdrawal of the United Kingdom (UK) from the European Union (EU) at the end of 31 January 2020.*

CLO: *Collateralized Loan Obligations are instruments that represent debt and equity tranches of collateralized loan obligations and collateralized debt obligations.*

CMBS: *Commercial Mortgage-Backed Securities are fixed income instruments that are secured by mortgage loans on commercial real property.*

CMBX: *CMBX indices are synthetic tradable indices referencing a basket of 25 commercial mortgage-backed securities (CMBS).*

HY CDX: *Markit CDX North America High Yield in composed of 100 non-investment grade, distributed among 2 sub-indices: B, BB. All entities are domiciled in North America. Market CDX indices roll every 6 months in March & September.*

Manheim U.S. Used Vehicle Value Index: *The used vehicle value index provides the financial community with a single measure that captures used vehicle pricing trends independent of underlying shifts in the characteristics of vehicles being sold.*

RMBS: *Residential Mortgage-Backed Securities are securities that may be secured by interests in a single residential mortgage loan or a pool of mortgagee loans secured by residential property.*

S&P 500: *The S&P 500 index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.*

S&P CoreLogic Case-Shiller U.S. National Home Price Index: *The index tracks the value of single-family housing within the United States.*

Taper Tantrum: *The phrase, taper tantrum, describes the 2013 surge in U.S. Treasury yields, resulting from the Federal Reserve's (Fed) announcement of future tapering of its policy of quantitative easing. The Fed announced that it would be reducing the pace of its purchases of Treasury bonds, to reduce the amount of money it was feeding into the economy. The ensuing rise in bond yields in reaction to the announcement was referred to as a taper tantrum in financial media.*