



Item 1 – Cover Page

**RiverNorth Capital Management, LLC
Form ADV, Part 2A Brochure
March 31, 2015**

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This brochure provides information about the qualifications and business practices of RiverNorth Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (800) 646-0148 or info@rivernorth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with the Securities and Exchange Commission does not imply any particular level of skill or training.

Additional information about RiverNorth Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This annual update to RiverNorth Capital Management, LLC's ("RiverNorth" or the "Firm") brochure has been prepared to reflect important information related to changes in our business since the date of the last brochure update dated March 31, 2014. Although there may be other minor changes made to this document, the following are the material changes made since the last amendment:

In Item 4, regarding Advisory Business, has been changed to reflect the Firm's new corporate/ownership structure. Additionally, changes were made to reflect the fact the Firm started offering non-discretionary model portfolio manager and options overlay services.

In Item 7, regarding Types of Clients, has been changed to reflect the fact the Firm started offering non-discretionary model portfolio manager and options overlay services.

In Item 8, regarding Methods of Analysis, Investment Strategies and Risk of Loss, references to RiverNorth Trading Partners (RNTP) were deleted as RNTP was closed on December 31, 2014. Additionally, changes were made to reflect the fact the Firm started offering non-discretionary model portfolio manager and options overlay services.

In Item 10, regarding Other Financial Industry Activities and Affiliations, references to RNTP were deleted as the fund was closed on December 31, 2014.

In Item 13, regarding Review of Accounts, references to sending transaction confirmations and account statements were deleted as those activities related to the individual accounts previously managed by the Firm.

In Item 14, regarding Client Referrals and Other Compensation, disclosure has been added regarding the use of third-party marketing firms to promote the products managed by the Firm, but not the Firm's investment services directly.

In Item 17, regarding Voting Client Securities, the disclosure has been revised to remove references to individual accounts, include disclosure about voting non-discretionary accounts and the requirement of the Firm to proportionally vote securities held in certain investment funds.

Item 3 – Table of Contents

ITEM 2 - MATERIAL CHANGES	2
ITEM 4 - ADVISORY BUSINESS	4
ITEM 5 - FEES AND COMPENSATION	4
ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	5
ITEM 7 - TYPES OF CLIENTS	6
ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	6
ITEM 9 - DISCIPLINARY INFORMATION	16
ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	16
ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	16
ITEM 12 - BROKERAGE PRACTICES	17
ITEM 13 - REVIEW OF ACCOUNTS	18
ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION	18
ITEM 15 - CUSTODY	19
ITEM 16 - INVESTMENT DISCRETION	19
ITEM 17 - VOTING CLIENT SECURITIES	19
ITEM 18 - FINANCIAL INFORMATION	20

Item 4 - Advisory Business

RiverNorth Capital Management, LLC (“RiverNorth” or the “Firm”) is a Delaware limited liability company that provides discretionary and non-discretionary investment management services primarily to registered investment companies, private investment companies and institutional clients. RiverNorth was founded in 2000.

RiverNorth Financial Holdings, LLC owns a majority of RiverNorth. RiverNorth Financial Holdings, LLC, in turn, is majority owned by RiverNorth Holding Co.. Brian H. Schmucker, President and a manager of RiverNorth, and Patrick W. Galley, Chief Investment Officer and a manager of RiverNorth, each own, directly or indirectly, more than 25% of the voting securities of RiverNorth Holding Co. and, therefore, control the Firm. As of February 28, 2015, the Firm manages approximately \$3.0 billion in assets. This amount is the net assets managed by RiverNorth and differs from the “regulatory assets under management” which is required to be reported in Part I of the Form ADV.

The Firm provides discretionary advisory services to private investment companies (“private funds”) consistent with each private fund’s partnership agreement and private placement memorandum. The Firm also provides discretionary advisory services to registered investment companies (“mutual funds”) consistent with each mutual fund’s organizational documents and registration statements. The Firm primarily allocates advised assets among exchange-traded funds, individual debt and equity securities, open-end mutual funds, closed-end funds and options on these and other securities in accordance with the investment objectives of the client or fund.

The Firm also provides non-discretionary advisory services by acting as a model portfolio manager. In the model portfolio manager arrangements, the Firm provides a client with a list of suggested securities for a portfolio, but does not execute any of the suggestions.

For purposes of this Form ADV the mutual funds, private funds and model portfolios may also be referred to periodically as “clients”.

Item 5 - Fees and Compensation

The Firm charges an annual fee based upon a percentage of the market value of the assets being managed or overseen by the Firm. For institutional accounts, the Firm’s annual fee is generally prorated and charged quarterly, in arrears, based upon the ending market value of the assets on the last day of that advisory fee period. The Firm calculates its fee for partial quarters in accordance with the terms of the advisory agreement, but often on a pro rata basis. The Firm typically deducts its fee from client accounts, either directly or indirectly through the client’s custodian.

The Firm’s annual fee may, depending on negotiated terms with the client, be exclusive of or inclusive of brokerage commissions, transaction fees and other related costs and expenses which may be incurred by the client or the Firm. Clients may incur certain charges imposed by their financial institution and other third parties, such as custodial fees, charges imposed directly by a mutual fund or exchange-traded fund in the account (which are disclosed in the fund’s prospectus), short-term trading fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. These charges, fees and commissions are exclusive of and in addition to the Firm’s fee. For more information on RiverNorth’s brokerage practices, see “Brokerage Practices” below.

The Firm's fee schedule for institutional investors may vary depending on assets, but is generally between 0.40% and 1.00%.

The Firm provides investment management services to business entities, including limited partnerships for which the Firm acts as the General Partner ("Limited Partnerships"), and to other "qualified clients" for a performance-based fee. For those clients, the Firm charges its fees based upon a percentage of the market value of the assets being managed by the Firm ("base fee") in addition to a fee based on the performance of the account ("performance fee"). The Firm charges a performance fee up to 20% of the net performance, subject to a high-water mark. The Firm also charges a 0.75% – 1.50% base fee unless otherwise negotiated. The Firm may invest client accounts in the Limited Partnerships. For assets placed in Limited Partnerships, clients are not charged the annual advisory fee for that portion of their portfolio.

The Firm currently has five affiliated Funds ("Affiliated Funds") which are effective with the Securities and Exchange Commission. All five Affiliated Funds are series of RiverNorth Funds, an Ohio business trust. The Affiliated Funds and their respective management fees are:

Series of RiverNorth Funds	Percent of the Series' average annual daily net assets
RiverNorth Core Opportunity Fund	1.00%
RiverNorth/DoubleLine Strategic Income Fund	0.75%
RiverNorth Equity Income Fund	1.00%
RiverNorth Managed Volatility Fund	1.00%
RiverNorth/Oaktree High Income Fund	1.00%

In addition to the schedule of fees set forth above, there may be fee schedules with some clients that differ from above.

Item 6 - Performance-Based Fees and Side-by-Side Management

As described under "Fees and Compensation" above, RiverNorth may receive a performance-based fee from "qualified clients," including those who are limited partners in the Limited Partnerships for which the Firm acts as General Partner. RiverNorth manages accounts that are charged a performance-based fee and other accounts that are charged an asset-based fee. RiverNorth and its advisory personnel who have ownership in RiverNorth or its parent holding companies face a potential conflict of interest in managing accounts that are charged a performance-based fee and accounts that are charged asset-based fee at the same time, including the possible incentive to favor accounts which pay a performance-based fee. As a manager for the Affiliated Funds, Limited Partnerships and separate accounts, the Firm's policy is to treat all clients equitably over time and avoid conflicts of interest.

Item 7 - Types of Clients

RiverNorth provides discretionary investment management services primarily to registered investment companies, private investment companies and non-discretionary investment management services to institutional clients, primarily through model portfolios.

The Firm generally imposes a minimum portfolio value for its discretionary investment management services. The Firm, in its sole discretion, may negotiate or waive its stated account minimum or charge a lesser management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.). The minimum account size in aggregate per client is \$250,000. Account minimums for the Affiliated Funds are generally \$5,000 for the Affiliated Funds' class R shares and \$100,000 for the Affiliated Funds' class I shares, except for the RiverNorth Core Opportunity Fund which has an initial investment minimum of 4% million for the class I shares.

These stated minimums are negotiable on a discretionary basis by the Firm. The Firm may also aggregate the portfolios/accounts of family members to meet the minimum portfolio size. In addition to the stated account minimums set forth above, there are accounts that are below the stated minimum.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

The Firm offers the following investment strategies for both its discretionary and non-discretionary clients:

Closed-end Fund Trading Strategies

The Firm currently manages various investment strategies that invest predominately in and trade closed-end funds. Additionally each strategy may utilize exchange-traded funds and other investments in implementing the strategies.

- Opportunistic investing in closed-end funds is primarily determined by attractiveness of discount in addition to thorough analysis of target closed-end fundamentals.
- Exchange Traded Funds ("ETFs") are typically utilized to acquire asset class exposure.

Idea Generation

- The Firm attempts to identify and anticipate themes in closed-end funds.
- The security selection process begins with a quantitative screen of the closed-end fund universe (approximately 600 funds).
- The Firm actively monitors SEC filings, news releases and sell-side research for each closed-end fund.
- The Firm also conducts proprietary research – speaking with closed-end fund sponsors, underwriters, sell-side brokers and investors (institutional and advisors).

Fundamental Analysis

- Identify probable catalysts for mean reversion and/or discount elimination.
- Rigorous analysis of each fund's investment strategy and portfolio holdings.
- Investment manager/sponsor due diligence.
- Historical financial statement analysis (e.g. leverage, dividend coverage and fund performance).
- Thorough review of each fund's registration statements and organizational documents.
- Gauge the fund's susceptibility to dissident shareholder activity.

Decision Making

- Compare risk/reward versus existing positions.
- Analyze impact on portfolio construction and constraints.
- Investment weightings are based on expected risk-adjusted returns.

Selling Discipline

- Achieves valuation objective, change in fundamentals or more attractive investment ideas are developed.

Volatility Trading Strategies

The Firm also manages various investment strategies that invest in options and securities based on their volatility. These strategies may also utilize exchange-traded funds and other investments in implementing the strategies.

Idea Generation – Options Modeling

- Attempt to identify and anticipate themes in the universe of U.S. exchange-listed options and their corresponding volatilities
- Select options by utilizing quantitative and qualitative screens of the listed equity options universe
- Rigorous analysis of each option's implied volatility

Fundamental Analysis

- Identify probable catalysts that could affect an underlying security's volatility
- Analyze historical financial statements (e.g. leverage, dividend payout, free cash flow)

- Review changes in management's actions that could affect volatility (e.g. stock buybacks, secondary offerings, spin-offs, mergers and acquisitions)
- Monitor SEC filings, news releases and sell-side research that could alter the volatility of each option

Decision Making

- Compare risk/reward versus existing positions
- Analyze impact on portfolio construction and constraints
- Weight trades based on expected risk-adjusted returns
- All trades must conform to quantitative models and pass required screenings; however, a subjective test is performed by the portfolio manager before every trade

Selling Discipline

- Options may expire unexercised
- Alpha from volatility or profit realized before expiration
- Changes in volatility surface results in more attractive investment ideas
- Changes in the fundamentals of the underlying securities

Registered Investment Companies (Mutual Funds)

The Firm acts as the investment adviser to five registered investment companies, commonly referred to as mutual funds. In some instances the Firm manages the mutual fund exclusively and in other instances the Firm manages the fund utilizing its closed-end fund strategy and the strategy or strategies of a sub-adviser. The following section includes a summary of the investment objectives, principal investment strategies, and material risks associated with each series of the RiverNorth Funds. The summaries of the investment objectives, principal investment strategies, and material risks provided below are necessarily limited and are presented for general informational purposes in accordance with regulatory requirements. Consequently, these summaries are in all instances qualified and superseded by the prospectuses and statements of additional information of the RiverNorth Funds. Additional information about the investment objectives, investment strategies, risks, and other terms of each series of the RiverNorth Funds is contained in the prospectus and statement of additional information for these funds, which can be obtained free of charge by contacting RiverNorth Funds at 1-888-848-7569, or by visiting www.rivernorth.com.

RiverNorth Core Opportunity Fund

Investment Objective: The Fund's investment objective is long-term capital appreciation and income.

Principal Investment Strategies: The Fund's investments will be allocated among equities, fixed income securities, and cash and cash equivalents. The adviser may allocate to the various asset classes either through the purchase of closed-end investment companies and exchange traded funds ("ETFs" and

collectively, “Underlying Funds”) or through direct investment in the various securities. The adviser considers a number of factors when making these allocations, including fundamental and technical analysis to assess the relative risk and reward potential throughout the financial markets. As a result, the percentages allocated to equities, fixed income securities and cash and cash equivalents will vary. However, the adviser expects that, under normal circumstances, approximately 40%-80% of the Fund’s assets will be allocated to equity related securities, without regard to market capitalization, style and sector. Fixed income related securities of any maturity and credit quality are expected to comprise, under normal circumstances, approximately 20%-60% of the Fund’s investment portfolio, which may include investments in debt securities rated below investment grade.

Risks: Convertible Security Risk – the market value of convertible securities adjust with interest rates and the value of the underlying stock. Exchange Traded Note Risk – exchange traded notes represent unsecured debt of the issuer and may be influenced by interest rates, credit ratings of the issuer or changes in value of the reference index. Fixed Income Risk – the market value of fixed income securities adjust with interest rates and are subject to issuer default. Foreign/Emerging Market Risk – foreign securities may be subject to inefficient or volatile markets, different regulatory regimes or different tax policies. These risks may be enhanced in emerging markets. Management Risk – there is no guarantee that the adviser’s investment decisions will produce the desired results. Market Risk – economic conditions, interest rates and political events may affect the securities markets. Portfolio Turnover Risk – increased portfolio turnover results in higher brokerage expenses and may impact the tax status of distributions. REIT Risk – the value of REITs changes with the value of the underlying properties and changes in interest rates and are subject to additional fees. Short Sale Risk – short positions are speculative, are subject to transaction costs and are riskier than long positions in securities. Small-Cap Risk – small-cap companies are more susceptible to failure, are often thinly traded and have more volatile stock prices. Structured Notes Risk – because of the imbedded derivative feature, structured notes are subject to more risk than investing in a simple note or bond. Swap Risk – swap agreements are subject to counterparty default risk and may not perform as intended. Underlying Fund Risk – underlying funds have additional fees, may utilize leverage, may not correlate to an intended index and may trade at a discount to their net asset values.

RiverNorth/DoubleLine Strategic Income Fund

Investment Objective: The Fund’s investment objective is current income and overall total return.

Principal Investment Strategies: RiverNorth, after consultation with the DoubleLine Capital, allocates the Fund’s assets among three principal strategies: Tactical Closed-end Fund Income strategy, Core Fixed Income strategy, and Opportunistic Income strategy. The amount allocated to each of the principal strategies may change depending on the adviser’s assessment of market risk, security valuations, market volatility, and the prospects for earning income and total return. RiverNorth determines which portions of the Fund’s assets are allocated to each strategy based on market conditions, although there is no set minimum for any strategy. Therefore, the amount allocated to any individual strategy may be between 0% and 100%. However, RiverNorth anticipates it will, under normal circumstances, allocate some portion of the Fund’s assets to each of the three strategies at any given time. RiverNorth manages the Tactical Closed-end Fund Income strategy. DoubleLine Capital manages the Core Fixed Income and Opportunistic Income strategies.

Risks: Asset-Backed Security Risk - The risk that the value of the underlying assets will impair the value of the security. Borrowing Risk - Borrowings increase fund expenses and are subject to repayment, possibly at inopportune times. Convertible Security Risk - The market value of convertible securities adjusts with interest rates and the value of the underlying stock. Defaulted Securities Risk - Defaulted securities carry the risk of uncertainty of repayment. Derivatives Risk - Derivatives are subject to

counterparty risk. Exchange Traded Note Risk - Exchange traded notes represent unsecured debt of the issuer and may be influenced by interest rates, credit ratings of the issuer or changes in value of the reference index. Fixed Income Risk - The market value of fixed income securities adjusts with interest rates and is subject to issuer default. Foreign/Emerging Market Risk - Foreign securities may be subject to inefficient or volatile markets, different regulatory regimes or different tax policies. These risks may be enhanced in emerging markets. Liquidity Risk - Illiquid investments may be difficult or impossible to sell. Management Risk - There is no guarantee that the adviser's or sub-adviser's investment decisions will produce the desired results. Market Risk - Economic conditions, interest rates and political events may affect the securities markets. Mortgage-Backed Security Risk - Mortgage backed securities are subject to credit risk, pre-payment risk and devaluation of the underlying collateral. Portfolio Turnover Risk - Increased portfolio turnover results in higher brokerage expenses and may impact the tax status of distributions. Rating Agency Risk - Rating agencies may change their ratings or ratings may not accurately reflect a debt issuer's creditworthiness. REIT Risk - The value of REITs changes with the value of the underlying properties and changes in interest rates and are subject to additional fees. Structured Notes Risk - Because of the imbedded derivative feature, structured notes are subject to more risk than investing in a simple note or bond. Swap Risk - Swap agreements are subject to counterparty default risk and may not perform as intended. Underlying Fund Risk - Underlying funds have additional fees, may utilize leverage, may not correlate to an intended index and may trade at a discount to their net asset values.

RiverNorth Equity Income Fund

Investment Objective: The Fund's investment objective is overall total return consisting of long-term capital appreciation and income.

Principal Investment Strategy: Under normal circumstances, the Fund will invest at least 80% of its net assets plus any borrowings for investment purposes in dividend paying securities, including common stocks, preferred stock, shares of closed-end funds, shares of exchange-traded funds and shares of other investment companies.

Risks: Convertible Security Risk - The market value of convertible securities adjusts with interest rates and the value of the underlying stock. Currency Risk - Foreign currencies will rise or decline relative to the U.S. dollar. Equity Risk - The value of equity securities change frequently. Fixed Income Risk - The market value of fixed income securities adjust with interest rates and are subject to issuer default. Foreign/Emerging Market Risk - Foreign securities may be subject to inefficient or volatile markets, different regulatory regimes or different tax policies. These risks may be enhanced in emerging markets. Investment Style Risk - Investment strategies may come in and out of favor with investors and may underperform or outperform at times. Mid-Cap Risk - Mid-cap companies may be more susceptible to adverse business or economic events than large-cap companies. Management Risk - There is no guarantee that the adviser's investment decisions will produce the desired results. Market Risk - Economic conditions, interest rates and political events may affect the securities markets. Portfolio Turnover Risk - Increased portfolio turnover results in higher brokerage expenses and may impact the tax status of distributions. Preferred Stock Risk - Preferred stocks generally pay dividends, but may be less liquid than common stocks, have less priority than debt instruments and may be subject to redemption by the issuer. Small-Cap Risk - Small-cap companies are more susceptible to failure, are often thinly traded and have more volatile stock prices. Swap Risk - Swap agreements are subject to counterparty default risk and may not perform as intended. Underlying Fund Risk - Underlying funds have additional fees, may utilize leverage, may not correlate to an intended index and may trade at a discount to their net asset values.

RiverNorth Managed Volatility Fund

Investment Objective: The Fund's investment objective is total return with lower volatility than the Standard and Poor's 500 Index.

Principal Investment Strategies: Under normal market conditions, the Fund in a portfolio of common stocks, preferred stocks and options (primarily covered calls, cash covered put options and long puts) on those common and preferred stocks. The option writing aspect of this strategy is also commonly referred to as a "covered call" or a "cash-covered put-write" strategy. The adviser may from time to time buy put options to hedge specific securities or portfolio-level market risk.

Risks: Exchange Traded Fund Risk - Exchange traded funds may not correlate to designated indices and have additional fees and expenses, including the duplication of management fees. Focused Security Risk - The value of the Fund may decrease in response to the activities and financial prospects of individual securities in the Fund's portfolio. Foreign Investing/ADR Risk - Foreign securities may be subject to inefficient or volatile markets, different regulatory regimes or different tax policies. Large Company Risk - The Fund may have fewer investment opportunities than funds that invest in companies of all capitalization ranges. Management Risk - There is no guarantee that the adviser's investment decisions will produce the desired results. Market Risk - Economic conditions, interest rates and political events may affect the securities markets. Non-Diversified Risk - Changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund. Options Risk - Using options involves the exercise of skill and judgment. Options may expire worthless or not perform as expected. Portfolio Turnover Risk - Increased portfolio turnover results in higher brokerage expenses and may impact the tax status of distributions. Tax Risk - Gains distributed will be categorized as short-term capital gains, which are subject to higher tax rates than long-term capital gains. Current tax laws are subject to change. Transaction Cost Risk - The expected high rate of portfolio turnover will likely cause the Fund to incur higher brokerage charges than those associated with an average equity mutual fund.

RiverNorth/Oaktree High Income Fund

Investment Objective: The Fund's investment objective is overall total return consisting of long-term capital appreciation and income.

Principal Investment Strategies: The Fund's assets are allocated among three principal strategies: a Tactical Closed-End Fund strategy, a High Yield strategy and a Senior Loan strategy. The amount allocated to each of the principal strategies may change depending on the adviser's assessment of market risk, security valuations, market volatility, and the prospects for earning income and total return. The adviser determines which portions of the Fund's assets are allocated to each strategy, although there is no set minimum for any strategy. Therefore, the amount allocated to any individual strategy may be between 0% and 100%. However, the adviser anticipates it will, under normal circumstances, allocate some portion of the Fund's assets to each of the three strategies at any given time. RiverNorth manages the Tactical Closed-End Fund strategy. Oaktree Capital manages the High Yield and Senior Loan strategies. Under normal circumstances, the Fund will invest at least 80% of its assets in income-producing securities and instruments including, but not limited to, corporate bonds (including high-yield, below investment grade bonds, which are sometimes referred to as "junk bonds"), government-issued bonds, convertible bonds, preferred stocks, senior loans (which the Fund defines as a type of security for purposes of this prospectus), and shares of closed-end funds, exchange-traded funds (ETFs) and other investment companies that invest principally in fixed income securities. The Fund may also invest in unregistered (Rule 144A) securities to the extent permitted by the Investment Company Act of 1940, as amended (the "Investment Company Act").

Risks: Borrowing Risk – borrowings increase fund expenses and are subject to repayment, possibly at inopportune times. Closed-End Fund Risk – closed-end funds are exchange traded, may trade at a discount to their net asset values and may deploy leverage. Convertible Security Risk – the market value of convertible securities adjust with interest rates and the value of the underlying stock. Credit Derivatives Risk – the use of credit derivatives is highly specialized, involves default, counterparty and liquidity risks and may not perfectly correlate to the underlying asset or liability being hedged. Currency Risk – foreign currencies will rise or decline relative to the U.S. dollar. Distressed and Defaulted Securities Risk – defaulted securities carry the risk of uncertainty of repayment. Equity Risk – equity securities may experience volatility and the value of equity securities may move in opposite directions from each other and from other equity markets generally. Fixed Income Risk – the market value of fixed income securities adjusts with interest rates and is subject to issuer default. Foreign/Emerging Market Risk – foreign securities may be subject to inefficient or volatile markets, is regulatory regimes or different tax policies. These risks may be enhanced in emerging markets. Floating Interest Rate Risk – loans pay interest based on the London Interbank Offered Rate (LIBOR) and a decline in LIBOR could negatively impact the Fund’s return. Investment Style Risk – investment strategies may come in and out of favor with investors and may underperform or outperform at times. Loans Risk – loans may be unrated or rated below investment grade and the pledged collateral may lose value. Secondary trading in loans is not fully-developed and may result in illiquidity. Management Risk – there is no guarantee that the adviser’s sub-adviser’s investment decisions will produce the desired results. Market Risk – economic conditions, interest rates and political events may affect the securities markets. New Fund Risk – there can be no assurance that the Fund will grow to, or maintain an economically viable size. Portfolio Turnover Risk – increased portfolio turnover results in higher brokerage expenses and may impact the tax status of distributions. Preferred Stock Risk – preferred stocks generally pay dividends, but may be less liquid than common stocks, have less priority than debt instruments and may be subject to redemption by the issuer. Security Risk – value of the Fund may increase or decrease in response to the prospectus of the issuers of securities and loans held in the Fund. Swap Risk - swap agreements are subject to counterparty default risk and may not perform as intended. Underlying Fund Risk – underlying funds have additional fees, may utilize leverage, may not correlate to an intended index and may trade at a discount to their net asset values. Valuation Risk – Loans and fixed-income securities are traded “over the counter” and because there is no centralized information regarding trading, the valuation of loans and fixed-income securities may vary.

Private Investment Companies (Private Funds)

The Firm acts as the investment adviser to four private investment companies, commonly referred to as private funds or hedge funds. Each of the private funds is organized as a limited partnership and the Firm serves as the general partner for each of the private funds. Potential investors in the private funds must meet certain eligibility requirements to invest in the private funds. The Firm may restrict or limit investments in any of the private funds at any time. The following section includes a summary of the investment objectives, principal investment strategies, and material risks associated with private fund. The summaries of the investment objectives, principal investment strategies, and material risks provided below are necessarily limited and are presented for general informational purposes in accordance with regulatory requirements. Consequently, these summaries are in all instances qualified and superseded by the private placement memorandum for each of the private funds.

RiverNorth Capital Partners, L.P.

Investment Objective: The Fund’s objective is to achieve higher than average rates of return, relative to the level of risk assumed.

Principal Investment Strategies: The Fund is a long/short strategy that invests in and seeks to exploit inefficiencies in the secondary market of closed-end funds. Using a combination of active trading strategies such as statistical arbitrage, corporate actions and shareholder activism, the Fund seeks to derive value from the discount and premium spreads associated with closed-end funds. The Fund uses proprietary quantitative models to identify pricing aberrations on a real-time basis. The Fund may also engage in other trading strategies, at the discretion of the General Partner.

Risks: The investment program of the Fund is speculative and involves a significant risk of loss. The risks associated with the Firm's trading approach and methodology, including the use of short selling and possibly leverage, may increase the risks normally associated with investing in securities. Moreover, the 20% Special Allocation payable to the Firm, as described in the private placement memorandum, may create an incentive for the Firm to cause the Fund to make investments that are riskier than it might otherwise make. An investment in the Fund provides limited liquidity, since the interests are not freely transferable and investors have limited redemption rights.

RiverNorth Institutional Partners, L.P.

Investment Objective: The Fund's objective is to achieve higher than average rates of return, relative to the level of risk assumed.

Principal Investment Strategies: The Fund's objective is to achieve higher than average rates of return, relative to the level of risk assumed. The Fund is a long/short strategy that invests in and seeks to exploit inefficiencies in the secondary market of closed-end funds. Using a combination of active trading strategies such as statistical arbitrage, corporate actions and shareholder activism, the Fund seeks to derive value from the discount and premium spreads associated with closed-end funds. The Fund uses proprietary quantitative models to identify pricing aberrations on a real-time basis. The Fund may also engage in other trading strategies, at the discretion of the General Partner.

Risks: The investment program of the Fund is speculative and involves a significant risk of loss. The risks associated with the General Partner's trading approach and methodology, including the use of short selling and possibly leverage, may increase the risks normally associated with investing in securities. Moreover, the 20% Special Allocation payable to the General Partner, as described herein, may create an incentive for the General Partner to cause the Fund to make investments that are riskier than it might otherwise make. An investment in the Fund provides limited liquidity, since the Interests are not freely transferable and investors have limited redemption rights.

RiverNorth Municipal Partners, L.P.

Investment Objective: The Fund's objective is to capitalize on the inefficiencies within the municipal bond closed-end fund sector while generating tax-efficient income by seeking current income exempt from regular federal income taxes.

Principal Investment Strategies: To implement the Fund's strategy, the General Partner typically invests in municipal bond closed-end funds and their related securities (including auction rate securities and preferred securities issued by closed-end funds), exchange-traded funds and municipal bonds. Using a combination of active trading strategies such as statistical arbitrage, corporate actions and shareholder activism, the Fund seeks to exploit inefficiencies primarily in the secondary market of municipal bond closed-end funds. Using a combination of active trading strategies, the Fund seeks to derive value from the discount and premium spreads associated with municipal bond closed-end funds and related securities. In addition to fundamental valuation techniques and analysis, the Fund's General Partner uses proprietary quantitative models to identify pricing aberrations on a real-time basis. The Fund may also engage in other trading strategies, at the discretion of the General Partner.

Risks: The investment program of the Fund is speculative and involves a significant risk of loss. The risks associated with the General Partner's trading approach and methodology, including the use of short selling and possibly leverage, may increase the risks normally associated with investing in securities. Taxable income generated by the Fund's trading activities may exceed the amount of tax-exempt income generated by the Fund's investment portfolio. In addition, the Special Allocation payable to the General Partner, as described herein, may create an incentive for the General Partner to cause the Fund to make investments that are riskier than it might otherwise make. An investment in the Fund provides limited liquidity, since the Interests are not freely transferable and investors have limited redemption rights.

Model Portfolio Services and Overlay Programs

RiverNorth provides certain advisers and financial intermediaries with model portfolio services and options overlay services. RiverNorth provides these services on a non-discretionary basis. RiverNorth and the adviser and/or intermediaries negotiate the fees depending on the specific services provided. RiverNorth amends the model portfolios or updates the input for the overlay strategies from time to time. RiverNorth utilizes the same methodology implemented in its' Mutual Funds and Private Funds to create the model portfolios and options overlay products.

Firm Risks

The material risks of investing with the Firm include:

Auction Rate Securities Risks – The Firm may invest in auction rate securities (“ARS”) issued by closed-end funds. ARS are debt securities or shares of preferred stock that are sold through Dutch auctions. In recent times, many of these auctions have failed, thereby rendering certain issues of ARS illiquid or with a much lower yield than anticipated at the time of purchase.

Closed-End Fund and ETF Risks – Clients will incur higher and duplicative expenses when investing in closed-end funds and ETFs. There is also the risk of loss due to the investment practices of the underlying funds (such as the use of derivatives). In addition, one underlying fund may purchase a security that another underlying fund is selling. The ETFs in which the Firm invests may not be able to replicate exactly the performance of the indices they track due to transactions costs and other expenses of the ETFs. The shares of closed-end funds frequently trade at a discount to their net asset value and closed-end funds may not be able to outperform their benchmarks. There can be no assurance that the market discount on shares of any closed-end fund purchased by the Firm will ever decrease, and it is possible that the discount may increase.

Frequent Trading of Securities – Although not a primary strategy of the Firm, from time to time the Firm may engage in frequent trading of the portfolios of the Affiliated Funds and Limited Partnerships. Frequent Trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Key Personnel Risk – The effectiveness of the Firm's strategies is largely dependent upon the continued services of its portfolio managers. The Firm's portfolio managers, including Messrs. Galley, O'Neill and Metz, are ultimately responsible for all of the Firm's strategies. The loss of the services of any portfolio manager could have a material adverse effect on the Firm's ability to fully and effectively implement its strategies. To mitigate this risk, each of the Firm's portfolio managers and other key personnel are party to employment agreements which limit a portfolio manager's ability to manage a similar strategy in the event of his separation from the Firm.

Market Risk – Overall stock market risks may affect the value of a client’s account. Factors such as domestic and foreign economic growth and market conditions, interest rate levels and political events affect the securities markets.

Prime Broker Risk: Limited partnership positions may be held in accounts maintained for RiverNorth by its prime brokers. The prime brokers, as brokerage firms or commercial banks, are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of the prime brokers’ insolvency. However, the practical effect of these laws and their application to the limited partnerships’ securities positions are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker, it is impossible to generalize about the effect of a prime broker’s insolvency on the limited partnerships and their securities positions. The insolvency of any limited partnership’s prime broker could result in the loss of all or a substantial portion of the partnership’s securities positions held by such prime broker, or could result in substantial disruption of the limited partnership’s operations, including withdrawals by investors.

Recent Market Events – Recent events in the financial sector have resulted in an unusually high degree of volatility in the financial markets and the economy at large. Both domestic and international equity and fixed income markets have been experiencing heightened volatility and turmoil, with issuers that have exposure to the real estate, mortgage and credit markets particularly affected. It is uncertain how long these conditions will continue.

Regulatory Risk – Investment management and the securities industry generally are subject to a variety of government rules and regulations. It is possible that regulatory action could impose additional direct or indirect costs or encumbrances on the Firm’s management of its funds and products, could limit the strategies that the Firm may pursue or adversely impact the desirability of certain investments or the anticipated return on certain investments.

Short Sale Risks – Positions in shorted securities are speculative and more risky than long positions (purchases) in securities because the maximum sustainable loss on a security purchased is limited to the amount paid for the security plus the transaction costs, whereas there is no maximum attainable price of the shorted security. Therefore, in theory, securities sold short have unlimited risk. Short selling will also result in higher transaction costs (such as interest and dividends), and may result in higher taxes, which reduce a fund’s return.

Swaps and Derivatives Risk – RiverNorth may make use of swaps and other forms of derivative contracts. In general, a derivative contract (including options) typically involves leverage, i.e., it provides exposure to potential gain or loss from a change in the level of the market price of a security, currency or commodity (or a basket or index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative or swap contract. Consequently, an adverse change in the relevant price level can result in a loss of capital that is more exaggerated than would have resulted from an investment that did not involve the use of leverage inherent in the derivative contract. Derivative contracts may be privately negotiated in the over-the-counter market. These contracts also involve exposure to credit risk, since contract performance depends in part on the financial condition of the counterparty or the counterparty’s guarantor. These transactions may also involve significant transaction costs.

Technology Risk – RiverNorth relies extensively on computer programs and systems to implement its strategies and to trade, clear and settle securities transactions, to monitor its investment portfolios, and to generate risk management and other reports that are critical to oversight of its activities. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by computer “worms,” viruses and power failures. Any defects, failures or interruptions could

have a material adverse effect on the Firm's activities. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect RiverNorth's ability to monitor its investment portfolios and its investment risks. The strategies used by RiverNorth also rely heavily on proprietary trading systems and databases and third party data sources. As a result, any errors in the underlying data entry, interruption in the data feeds from outside sources or the assumptions underlying the strategies may result in RiverNorth acquiring or selling investments based on incorrect or inaccurate information. Similarly, any hedging based on faulty information or data may prove to be unsuccessful. As a result, the portfolio could incur losses on such investments before the errors are identified and corrected.

Item 9 - Disciplinary Information

RiverNorth does not have any material legal or disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

The Firm serves as the investment adviser to the RiverNorth Core Opportunity Fund, RiverNorth/DoubleLine Strategic Income Fund, RiverNorth Equity Income Fund, RiverNorth Managed Volatility Fund and the RiverNorth/Oaktree High Income Fund, which are all series of the RiverNorth Funds. The Firm receives a management fee from the Affiliated Funds. Client accounts may be invested in Affiliated Funds as an integral part of the Firm's investment services if believed to be in the client's best interest. Clients have the right, at any time, to prohibit the Firm from investing any of their managed assets in Affiliated Funds. The Firm acts as the General Partner and adviser to RiverNorth Capital Partners, L.P. ("RNCP"), RiverNorth Institutional Partners, L.P. ("RNIP") and RiverNorth Municipal Partners, L.P. ("RNMP") which are all Delaware limited partnerships ("Limited Partnerships"). The Limited Partnerships utilize the proprietary trading strategies developed by the Firm by primarily actively trading and investing in closed-end funds, exchange-traded funds. The Firm may recommend to advisory clients participation in the Limited Partnerships. Employees, officers and shareholders of the Firm may also invest in the Limited Partnerships. Investors in RNCP and RNMP are recommended to be accredited investors and furthermore must be qualified clients in order to pay a performance-based fee. RNCP and RNMP may, in the Firm's discretion, accept up to 35 non-accredited investors. Investors in RNIP must be accredited investors and furthermore must be qualified purchasers. All investors must submit a subscription agreement and investor questionnaire to establish suitability of investment in the Limited Partnerships. The Firm charges each qualified investor in the Limited Partnerships up to a 20% performance fee (as applicable) subject to a high-water mark in addition to a 0.75% – 1.50% asset-based fee. The Firm may invest client accounts in the Limited Partnerships. As discussed in "Fees and Compensation" and "Performance-Based Fees and Side-by-Side Management" above, these performance-based fee arrangements create a material conflict of interest with RiverNorth's other clients who pay asset-based fees.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

The Firm has adopted a Code of Ethics that sets forth the standards of conduct expected of its covered persons and requires compliance with applicable securities laws. In accordance with Section 204A of the Advisers Act, the Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by the Firm or any of its covered persons. The Code of Ethics also requires that the Firm's personnel report their personal securities holdings and transactions and obtain pre-approval of certain investments, reports gifts and entertainment, pre-approve certain political

donations and disclose certain charitable contributions. Clients may contact the Firm at 1-800-646-0148 to request a copy of its Code of Ethics.

The Firm may recommend Affiliated Funds or investments to other clients. Clients are advised of the possible use of Affiliated Funds and may also participate in Limited Partnerships with their approval. For more information on these investments and related conflicts of interest, see “Other Financial Industry Activities and Affiliations” above.

The Firm and its employees may buy or sell securities identical to those recommended to our clients consistent with the Firm’s policies and procedures. RiverNorth and its employees face a conflict of interest when they buy or sell securities at or about the same time that RiverNorth buys or sells the same securities for client accounts, because RiverNorth or its employees could take advantage of the information regarding the client transactions and execute their trades prior to the clients (commonly called “front running”). However, the Firm’s Code of Ethics generally requires employees to pre-clear transactions in securities held or to be acquired by the Firm on behalf of clients.

Item 12 - Brokerage Practices

Subject only to a client’s direction to use a particular broker or dealer for the execution of transactions for that client’s account, factors which the Firm considers in using any broker-dealer include the broker’s financial strength, reputation, execution, pricing, and service.

The commissions paid by the Firm’s clients will comply with the Firm’s duty to seek “best execution”. However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Firm determines, in good faith, that the commission is reasonable in relation to the value of the brokerage services received. In seeking the best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including among others, execution capability, commission rates and responsiveness. Consistent with the foregoing, while the Firm will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

The Firm does not have formal soft dollar arrangements or “pay up” for research. However, the Firm may receive proprietary research in the form of email newsletters, proprietary research and market commentaries from the broker-dealers it trades with, including advice as to the value of securities; the advisability of investing in, purchasing or selling securities; the availability of securities or purchasers or sellers of securities; and analyses or reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts. Research services furnished by broker-dealers through whom the Firm effects securities transactions may be used by the Firm in servicing all its accounts. When a broker-dealer provides the Firm with research services, the Firm receives a benefit because it does not have to produce or pay for the research. The Firm may have an incentive to select a broker-dealer based on its interest in receiving research, rather than on its clients’ interest in receiving most favorable execution.

On occasions when the Firm deems the purchase and/or sale of a security to be in the best interest of more than one of its clients, the Firm may aggregate the securities to be sold or purchased for a client with those to be sold or purchased for such other clients in order to obtain best qualitative execution. In such event, allocation of the securities purchased or sold, as well as the expenses incurred in the transaction, will be made by the Firm in the manner considered to be most equitable and consistent with its fiduciary obligations to participating clients and in accordance with the client’s investment objectives and goals.

Due to use of different broker/dealers for trading activity, clients may experience different execution prices for the same securities traded on the same day.

However, the Firm advises many clients and may make investments in clients' accounts (including those which pay performance-based fees) which may be the same or different as other client accounts. Actions with respect to the same securities may be the same or different (i.e., purchase or sale) depending upon the advisory client and their investment strategies and goals.

From time to time, when it may be appropriate for one client to purchase/sell a security and for another client to sell/purchase the same security, the Firm may simultaneously place cross-trades with one or more broker/dealers in an attempt to seek the best execution for each client by obtaining reduced transaction or execution costs for each client. Since, in such transactions, the Firm will represent both client-seller and client-buyer, it may have a conflict of interest given the obligation to obtain the best price and most favorable execution. Clients, therefore, should consider the possible costs or disadvantages of this potential conflict versus the potential benefit of obtaining reduced transaction or execution costs that may be obtained from such cross-trades. The Firm will not place cross-trades for client accounts that are subject to the Employee Retirement Income Security Act and will do so for Affiliated Funds only in accordance with Rule 17a-7 under the Investment Company Act of 1940.

The Firm may receive from the Qualified Custodians or from broker-dealers with respect to the Limited Partnerships, without cost, computer software and related systems support, which allow the Firm to better monitor client accounts. With respect to the Qualified Custodians, the Firm may receive the software and related support without cost because the Firm renders investment management services to clients that, in the aggregate, maintain a certain level of assets with the Custodian.

Specifically, the Firm may receive the following benefits from the Qualified Custodians or from broker-dealers with respect to the Limited Partnerships: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services advisors; access to block trading which provides the ability to aggregate securities transaction and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Item 13 - Review of Accounts

The Firm monitors client portfolios as part of an ongoing. The Firm reviews an account for compliance with the client's risk tolerance and investment objective, and based on that review, determines whether to rebalance the account. Such reviews are supervised by one of the Firm's investment principals and are overseen by the Firm's Chief Investment Officer.

Item 14 - Client Referrals and Other Compensation

While we have no such arrangements currently, the Firm may enter into "Solicitor's Agreements" with other investment advisors, broker-dealers, accounting firms, banking or trust institutions, insurance companies or agencies, third party administrators, and individuals. These parties may receive cash compensation, often on an ongoing basis, from the Firm, contingent upon compliance with all applicable state and federal securities laws and guidelines, for direct client referrals. Clients and potential clients receive a solicitor's separate written disclosure statement when applicable.

The Firm may engage the services of a third-party to market the investment products for which it acts as the investment adviser. Fees for such services are paid by the adviser, not the products or investors.

Item 15 - Custody

RiverNorth is deemed to have custody of client assets for purposes of the Investment Advisers Act of 1940 when it deducts its advisory fee from client accounts. In its role as general partner, the Firm has legal access to the Limited Partnerships' securities or funds in a manner which may result in RiverNorth having "custody" of the Limited Partnerships' assets. To mitigate this risk, all Limited Partnerships are audited by an independent accountant annually and we send copies of these financial statements to the investors.

Item 16 - Investment Discretion

The Firm accepts discretionary authority to manage securities accounts on behalf of clients pursuant to an investment advisory agreement in which the client appoints the Firm as its agent and attorney-in-fact with full investment power and authority on behalf of the client's account. Clients may place limitations on this authority, including restricting purchases of certain issuers.

Item 17 - Voting Client Securities

The Firm votes proxies for the Affiliated Funds and Limited Partnerships. The Firm does not vote proxies for securities held in non-discretionary accounts. The Adviser has Proxy Voting Policies and Procedures that set forth the general principles used to determine how the Adviser votes proxies on securities in client accounts for which the Adviser has proxy voting authority. The Adviser's general policy is to vote proxies in the best interests of clients. In pursuing this policy, the Adviser votes in a manner that is intended to maximize the value of client assets. The Adviser's Proxy Voting Policies and Procedures describe how the Adviser usually votes proxies on various matters, such as proposals on corporate governance, changes to capital structure and routine matters, including the election of directors and ratification of the appointment of independent auditors. The Adviser's Proxy Voting Policies and Procedures describe how the Adviser addresses conflicts of interest between the Adviser and its clients with respect to proxy voting decisions. To resolve conflicts, the Adviser will abstain from making a voting decision and will forward all of the necessary proxy voting materials to the client to cast the votes or engage an independent proxy voting service.

In instances where the proxy relates to an underlying investment company owned by the Mutual Funds, pursuant to requirements of the Investment Company Act of 1940, the Firm must cast proxy votes in the same proportion as all other shareholders of the underlying fund. The same may be the case for underlying funds owned by the Private Funds if the Firm has entered into a Participation Agreement consistent with an exemptive order issued by the Securities and Exchange Commission allowing investment in excess of the normal limits imposed by Section 12d-1 of the Investment Company Act of 1940.

If you would like a copy of the Proxy Voting Policies and Procedures or information on how proxies were voted with respect to securities held in your account, please call 1-800-646-0148 or write to RiverNorth Capital Management, LLC, 325 North LaSalle St., Suite 645, Chicago, IL 60654. Clients may direct the Firm's vote on a particular solicitation by calling the Firm.

Item 18 - Financial Information

RiverNorth does not believe there is any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.