



Panel #4 – The Evolution Of Access: What’s Next For Closed-End And Interval Funds

Wednesday, November 19, 2025

CHUCK JAFFE: This is “The Evolution of Access: What’s Next for Closed-End Funds and Interval Funds”, and my name’s Chuck Jaffe. Here at AICA Events, I’m largely identified as the host of *The NAVigator* podcast, you may or may not know that we also use *The NAVigator* as a segment on my show *Money Life*. So I do a one-hour weekday podcast that talks about everything money, and that started in 2012, so I’ve been doing it for a long time, and I have a very dedicated audience, and when we started working with AICA, which was in 2019, a lot of my regulars sent me notes saying something like, “Chuck, I understand that you’ve got to make money, but you do five shows a week, you do 15 to 20 interviews in a week, and you’re now going to give one of those interview spots every week to closed-end funds? Just not seeing it.” But it didn’t take long for those individual investors to be exposed to closed-end funds to start to understand their benefits, and now what I hear from those same people is, “Can we get more on closed-end funds?” Which is a really interesting evolution, they start looking at closed-end funds and they tell me at some point, “Yeah, I’m considering it,” and then they dip their toes in and then pretty soon they’re swimming completely. So what I know from them is that there is an appetite for more closed-end fund information, and also for more closed-end funds, the question I therefore have for the industry is what’s ahead? What’s coming down the pike, and what will investors be looking at as the closed-end fund space expands its reach? And today I get to ask that question with three great panelists, I’m not going to spend a lot of time on introductions because you can find it on the AICA website and in your programs, so I will spare you those details and simply say that my guests here are from the left, Chris Acito, who’s chief executive at Gapstow Capital Partners, Ken Burdon

is a partner at Simpson Thacher & Bartlett, and Kim Flynn is the president at XA Investments. Kim, I'm going to start with you because we're ending a third straight strongly positive year for the stock market, you're deeply involved in seemingly every facet of the business right now, I kind of see you everywhere and everything, so I'm hoping you can kind of give us a little top-down perspective on what we've come to and what you see as the most immediate issues that the industry's going to be tackling as we move forward.

KIM FLYNN: Sure. By way of background, I'm a huge fan of listed closed-end funds, I spent the first 12 years of my career at Nuveen Investments building about 45 listed closed-end funds, so I'm a true believer in the structure and my remarks today are largely going to be on the interval fund market, which is as you know, a type of closed-end fund. I don't think most people know that because it's sort of a misnomer because they're open-ended and continuously offered, but the interval fund and the tender-offer fund are the new kid on the closed-end fund block, it's very popular among fund sponsors, growing in use by advisors. I think end investors still probably don't know much about interval funds because these products are being sold by wealth managers as a value proposition for the growth of their own advisory practices, but we're seeing some interesting movement, some crossover between the listed closed-end fund market. I've been on Chuck's podcast a few times, and Chuck's probably one of the best podcasters because he actually understands the markets, so we've talked about some of this. Today we have some friends from BlueRock, they are one of the top five leading interval fund sponsors and they're crossing over into the listed closed-end fund space, so we have to welcome BlueRock to the club. The interval fund market is growing very quickly, there's now over 300 interval and tender-offer funds, pretty evenly split between interval and tender-offer funds, and as you know, just like the listed closed-end fund market, you can have any asset class, but within interval funds, it's primarily private market exposure that advisors are looking for. So the largest category, just like the listed closed-end fund space, is alternative credit, including direct lending, which is the largest category in the interval fund space. After private credit, we've seen a tremendous amount of growth in private equity, after that it's real estate and infrastructure, which comprise a very popular real asset category. In 2026 we're going to see continued entrants from both traditional managers, many of which are listed closed-end fund sponsors, firms like PIMCO and BlackRock, which have had interval funds for a number of years, but there's more

traditional managers coming, and as you can imagine it's probably largely due to margin compression from ETFs which have radically changed the mutual fund space. So there's going to be more product on offer, which means that industry groups like AICA are really important for advisor and investor education. If you're an RIA that's onboarding a new interval fund, it's hard to evaluate 10 funds, let alone 300, and the pace is accelerating, there were about 50 funds at launch last year, we're expecting 70 in 2025. The demand side has been keeping up with the launches, the supply side, but as we go as a marketplace further down market into the average client, the negativity and the voices are getting louder, so I think there's concerns about making private equity, as an example, available for the average investor, so a lot of really interesting growth and potential risks coming out of the interval fund side of the market, but you're going to continue to hear much about it in 2026.

CHUCK JAFFE: Thank you, Kim. Chris, next I'm turning to you. You write and talk a lot about credit and credit markets, and 2025 at least to this point has been a banner year, that's created a lot of interest. So perhaps you can talk just a bit about what we've seen, and maybe expand on what Kim was talking about as we were getting into the private credit and those kinds of things in terms of what's coming next.

CHRIS ACITO: Happy to do so, Chuck. So Chris Acito, I'm CEO and founder of Gapstow Capital Partners, which since 2009 has been a registered investment advisor focused exclusively on the alternative credit market. Our primary business over the years has been running fund of funds within the alternative credit space, that includes both private fund of funds as well as fund of funds that invest in listed products for example. We sub-advise WisdomTree's alternative credit and income fund, where we're picking business-development companies, credit-centered closed-end funds, mortgage REITs, to be part of the ETF going after the alternative credit markets. We also have tracked and produced a number of indices covering both the private and public spaces within alternative credit. And so you'll forgive me that I'll probably have a bend towards talking about credit, I'll try to make my comments a little bit more universal, but as Kim has explained already, credit is probably the big dog in the room in terms of asset class attracting the most attention. Maybe not so in tender offer, but certainly in interval funds, and by the time you throw in the listed and non-listed BDC space, it's pretty significant. I can't disagree with anything that Kim has said, I think my natural instinct is to, as a former management consultant, chart out potential growth going forward,

and it's hard to paint a bleak picture. There are so many segments that are looking for alternative asset exposures, and the penetration in those segments is still pretty small, and so it doesn't take much of a spreadsheet to say, "Hey, a lot more money's coming into this area." Maybe because that's perhaps just such an important and obvious statement, just a couple of things to maybe paint 2026 as maybe a more challenging year than I think past years have been, maybe that's a blip on the way to continued growth, maybe we're going to see some alteration in the growth path here. I think there are at least three or four components to that, I'll outline them briefly, we can come back to them. First is performance, we're going to see a year in which performance has been pretty meh, tracking lower than public markets, again in credit for sure, and a little disappointing. Along with that, yield is coming down, and it's pretty astounding actually how quickly some of the distributable yields, again speaking broadly across interval funds, is happening, and we know that it's a big, big buying property for people in the interval fund space. In some subsegments you're seeing 100, even 200 basis point reported yield decreases since peak a couple of years ago, so I think we're going to see whether or not this one year of performance is going to take a little to bloom off the rose in that regard. Second thing in performance, and this is a little bit more BDC-oriented, I don't know if you guys have been following it, despite the equity market rallies, BDCs have been trading off pretty substantially, listed BDCs, now down 15-20% off of book, why am I going to put money into an interval fund or a non-traded BDC when in fact we're off 20% in the same manager names, Mr. or Mrs. Investment Advisor you told me about and know I should love? But I'm looking at their public vehicle, and I can get in for a big discount. Now I know what the arguments are for why you may not want to do that, but I think people are going to, in this market, it's one thing when all the equity markets sell off and BDCs go to a discount, but how about this market, where everything's been great and now we're selling off? Maybe people are going to start looking at listed as opposed to interval funds and non-listed. I think performance is going to be challenged in 2026 also, I shouldn't say challenged, scrutinized, because people like Kim, people like Gapstow, people like [CASE 0:11:15], people like Morningstar are now coming out with indices, it's becoming easier to actually ask the question, whether it's my non-traded BDC or it's my interval funds, how well have I been doing? I would argue that's not been a particularly well-developed exercise to date, and RIAs are coming through it. You put all of those things together, you

also get a product proliferation, which is making the need to build an arms race, get into an arms race with people on the distribution side. I think we're going to see some closures or some mergers of some smaller funds in 2026, and that's even before we get to cockroaches and market blips which are coming along. So again, I'm an industry cheerleader, rah, rah, but I also think 2026 is going to be a pretty interesting turning point. Again, hopefully in just the trajectory of what's going on, but heretofore the last three or four years have just been almost a little unbelievably good.

CHUCK JAFFE: Well, you know, if you have an industry cheerleader and you want to calm them down, the next thing you do is you introduce them to the lawyer. So Ken, we're coming to you. Not that I'm expecting you to dampen everybody's enthusiasm here, but there is a question about what can realistically be accomplished, and what are the obstacles and roadblocks that might slow things down? So let's start there for you.

KEN BURDON: Well, I mean, I think that for interval funds, we've seen obviously the explosion in interval funds that I think we're talking about here, and that explosion has kind of turned them from, so the structure's been around since the early nineties, and historically was largely used for things that aren't liquid enough to be mutual funds, but still had a significant amount of liquidity. You could count on making sure that you could meet your, at least 5% quarter redemptions or repurchases, and so that got you into the senior loan funds for example, right? Now what we see is all kinds of private market strategies in interval funds, and just go through some of them, there's direct lending, which we've been talking about, there's infrastructure, there's PE secondaries, and all of that is benefitting from some innovation that is given more comfort in things like daily valuations so that we can have point-and-click access, and the liquidity risk management around those, very much more illiquid strategies than you've historically seen in interval funds. So we see innovation in delivering the structure, and in delivering the structure you're seeing more historically private market firms like Blackstones, Carlyles, what have you, teaming up with the more traditional public market firms that have more of the 40 Act knowhow or the distribution infrastructure, they're going to have these partnerships and deliver these very sophisticated private markets, retail access vehicles, in an interval fund wrapper, and I think you're going to see a lot of that now. There's challenges, right? There's certainly challenges around that, and to me it's largely about getting the valuations right, and it's like managing the liquidity

profile, and also managing the liquidity profile in a way that works under the interval fund rule, which I'm not going to bore this audience with. The other challenge I think is going to be on fees, and I think that's related to the burgeoning and coalescing interest around getting private markets vehicles into 401(k) options, so getting an interval fund as an allocation in some target-date fund. It's a great concept, it's a great idea, there's a lot of work to be done around that, and a lot of that work has to go around, 1) how do we structure it, and 2) how do we get the fees in a place that the plan fiduciaries for the 401(k) plan are going to be okay with?

CHUCK JAFFE: Well, Ken, you kind of jumped to where I'm going to next. This next question can be answered by any of you, but one of the biggest stories in 2025 that's gotten kind of wrong-headed media attention has been what the impact on the industry could be from the fact that we're now opening 401(k) plans to make it that, "Hey, your retirement plan can have things like crypto currency, like private equity and all those other things," you were talking about how they would fit into target-date funds. The mainstream media, and I'm a member of it, but my brethren in the mainstream media mostly responded to this with shock and horror as if people were going to go, "Okay, I'm going to get rid of what I have and go whole hog into a crypto fund," or what have you, and that's not really where they're going to get their exposure. As you said, Ken, they're going to get it through some sort of a target-date fund that now is going to have an allocation to crypto or is now going to have an allocation to private credit. But, A) will they get that access and how quickly is that coming? And B) how much does the timing of this just happen to be, we had a great market for those things, but now that we're finally letting the general populous in on this, well, the market has a way of punishing that, the market has a way of going, "Oh, everybody should have this asset," like say, private credit, and around the time they get that access, that's when the market kind of corrects itself. So if we let everybody in and we have a correction, is that access going to stay or is that going to be beaten out of the public pretty quickly?

KEN BURDON: Well, I think the way that folks are starting to design that access for much, much more retail, which is the 401(k), is designing it in a diversified way that isn't going to have just a one-off blow-up that's going to create that level of concern that's going to create pushback. So as we said, nobody's saying, "Take away your target-date fund, now go," like you said, "Whole hog into this interval fund or whole hog into this BDC," or whatever it is,

instead what we're talking about doing is having a target-date fund, which is going to allocate, they're like CITs, and so they're going to be like another CIT which then is going to be a feeder into an interval fund or is going to have a concentrated portfolio of a couple interval funds, or maybe an interval fund and a private fund or something like that. That CIT is going to be able to keep the fees at a level that the 401(k) investors are going to be okay with, and how much of the target-date fund is that going to be, ten percent, maybe not even that, right? So the retail investor continues to be diversified, that private credit or private equity allocation helps to balance out the rest of the portfolio that's in that target-date fund, and hopefully that's how we can continue to grow our retirement savings.

CHRIS ACITO: I think unfortunately though, that also sets up what I think is going to be another interesting story of 2026, which is blowback from institutional LPs.

KEN BURDON: The allocation issue, right?

CHRIS ACITO: What's that?

KEN BURDON: Allocations, right?

CHRIS ACITO: Well, I was going to get there, I was going to start with your point about fees, which is they're going to know pretty much what that inferred fee is on the private, let's stick with private credit, but it could be private equity, within that target date fund. How close is that to what I'm getting? And if I'm going to force you to charge what you're charging me on private equity and private credit, those allocations ain't going to be particularly big or anything is going to move the needle. People have gotten sued for a couple basis points on fees, and so it's going to be very interesting to watch what happens. I think the other part of that, apart from fees this year, 2026, is going to be the allocation issue, which is just how much money are you raising in your retail funds relative to what you've promised me? I'm going to be slow and patient with my drawdown structure because that's the best way to invest, and yet you just took in a billion dollars last quarters, and you have to put that out right away because it's an interval fund or it's a non-traded BDC. This is becoming a top-lying question for operational due diligence for many, many institutional investors, and I think it's something that will come to a head within this next year. A small anecdote which I think this illustrates this, I have a friend who's one of the head people who runs distribution for one of the big four or five mega firms, and he said, "A strange thing happened last year, for the first 30 years of the firm, year-end planning, the investment people would come to management

committee meetings and tell everyone how much capital we have to raise, 'Because here's what we want to put out.' For the first year, the distribution people are coming to the meeting saying, 'Here's how much money we're going to raise, you guys better be ready to put it to work,' wholesale change. In some ways that's helpful for everyone's business, and it will be a process that has to be managed, but I think the days of the retail products we've been talking about just being a peripheral business are, again, for next year, just to make it provocative, is really going to come to a head.

KIM FLYNN: I was going to say, for all those reasons, I think it's going to be a slow sort of measured process. I think the immediate negative reaction that you were talking about was largely due to the fact that it was a Trump executive order, so at least half the population doesn't like the idea of it, for that reason alone. But if you talk with people who focus on retirement, they would point to that Trump can order the SEC to take a look at it, but it's not going to change long-standing Department of Labor practices. And as Chris referred to, the litigious sort of environment around ERISA plans and DOL, and so I think because people are fearful, the status quo is going to prevail when it comes to 401(k)s. We know that Blackstone is lobbying heavily for private equity to be part of, a small part, of a 401(k) plan, so presumably the lobbyists will continue pushing, but I think it's going to be pretty slow. I think most of the growth in the interval fund market is still going to come from the wealth channel for financial advisors running money for wealthy clients, which is too bad though, because most Americans are retiring with a gap between what they need to retire, whether or not private equity and private credit can help, I think it could help close the gap. And hopefully the folks that are professionals and focused on retirement planning can assess whether or not that's going to benefit the average retiree, because we haven't really done right by the average retiree. And having mutual funds as the main instrument in an environment now where the market has shifted to ETFs, that's also not good for 401(k) investors because the ETF has proven to be the more fee-efficient, tax-efficient vehicle, but yet the industry, the chassis for the 401(k) is the mutual fund, so there's a lot of things that need to change even to make public market investments more efficient for the average retiree. So maybe pushing on the private market side will help bring about change, because as we know, there's a lot of investment in technology and operations, and just processes that would be required to actually make this shift over time.

KEN BURDON: Right, and that's very true. I mean, this is the shiny new object that we like to talk about, but in terms of timeline, people should be thinking a year, right? We're not talking months, and a lot of that has to do with the regulatory structure. The SEC and the DOL were directed to put out guidance, study it, do whatever it is that they're going to do, people are waiting for that, and that's something to think about in terms of planning and whatnot.

CHUCK JAFFE: But in an audience of people who run closed-end funds and interval funds, et cetera, with this panel, what a great question to ask, because I've got Chris who is subadvisor for WisdomTree, I've got Kim who's helping folks come out with interval funds and getting them out, and I've got you, who's kind of making sure all the regulatory stuff goes together. Well, aside from BlackRock, the largest purveyors of target-date funds, Fidelity, Vanguard, T. Rowe, you know what they don't have? All the things we're talking about. So the question becomes, is it going to be folks like this, or maybe like Chris being hired as subadvisors to do this? Or are those monsters about to decide, "Yeah, you know, if this is going to be a regular part, we can hire experts"?

KIM FLYNN: Well, they're all working on it, and I think the sort of build-buy-rent decision, they're all going through that from a strategic perspective. Do they partner? It's fastest just to hire a subadvisor, like you've got KKR partnered now with Capital Group on three funds, two credit, one private equity, that's an exclusive partnership, but it's the first. Now KKR calls it a second-wave, and I was like, well, how can you call it a second wave when there's only three funds? But that's what they're calling it, because we do anticipate the leaders in the retirement planning space to also either make acquisitions or to partner, and those firms are now a little bit behind I think as they come to market. There's 300 funds ahead of them, firms like Cliffwater, StepStone, these are not well-known names five years ago, but now they're leading the interval fund market, so I think some of the traditional firms that lead with retirement, you've seen a few announcements. We saw T. Rowe announced a partnership with Goldman, and you can understand what's in it for Goldman given the reach of T. Rowe's system. T. Rowe also bought Oak Hill a few years ago, and they have a BDC and they have an interval fund, so some of these firms are placing a number of different bets, sometimes it's acquisitions, sometimes it's a partnership. So I think 2026 is going to be a banner year for these partnerships, which advisors should be questioning, how are these teams, are they

actually separately managed, is there any integrated thinking? So a lot of questions around those partnerships.

CHRIS ACITO: Yeah, I agree with Kim, they're having their cake and eat it too. We're going to do our own funds, we're going to do partnerships, and in many cases we're going to do multiple partnerships to sort this all out. I think that makes for an interesting set of activities in 2026 as people begin to figure out what the right business model is, although I think that's going to take many, many years to figure out fully, but it's certainly not for lack of trying. I've got a list of at least 15 partnerships that were announced in the last year between big firms and private firms, and I'm sure I've missed a few just in the wealth space. One announced the other day, and they're going to keep coming along, so I think potentially all of these will be put in place in 2026.

CHUCK JAFFE: I want to take a moment here, if you guys have questions, we'd like to turn to them now. Not that I don't have more, but I don't want to run out of time before we get to yours, so if you have questions, please raise your hand. And if we keep going but you get to a question, let me know and get my attention, we'll come to you. Let's go right here, and do everybody a favor, please identify yourself.

AUDIENCE QUESTION: Ryan Palor, Herzfeld Advisors. Just wanted to ask, with all the creation in interval funds over the last couple of years, I was on a panel last year that discussed, "Where do you foresee interval funds and closed-end funds going?" This year we've seen one fund convert from an interval fund to a closed-end fund, there's been a couple over the years but there's another one that's following suit in December. Do you foresee, with the significant number of interval funds that are coming to market trying to raise capital, do you foresee some of them struggling to meet that, maybe some of the smaller managers? And if so, do you foresee them doing what we've seen recently, where we've seen the interval fund structure convert to a closed-end fund structure just because obviously trying to meet redemptions, if you're mostly private assets, at a certain point there's only going to be private assets there, you're going to have to take significant markdowns?

KIM FLYNN: I think we will see more interval or tender conversions to listed, it can be done from a place of weakness, it could be done from a place of strength, but I think the real question about the timing of that decision, because in my view, even though I'm a huge proponent of interval funds, I actually think that the listed closed-end fund structure is a

superior structure for liquidity, for transparency, and for trading. We do a semi-annual listed report, and there hasn't been much news to report besides direct listings that we've seen in the last couple years because the IPO market has been shut, but I do think we're going to start to see more headlines. So I think the real question is, what is your ambition in terms of how much capital you want to raise? In a listed closed-end fund IPO, people would be ecstatic if they raised \$500 or a billion, that's a great deal, so the question for an interval fund manager, it's a continuous offering, you've got to keep paying your sales team for every dollar, and if people are pulling money out, you still have to pay the sales team, so I think that these funds are not all going to be \$20 billion, \$30 billion AUM funds like the Cliffwater product. I think that some managers will be thoughtful about how much capacity do we have? How much do we want to raise? And then convert the fund from a point of strength in a moment in time when it makes sense to do that. The headline today was about Blue Owl, which is now not going to move ahead with the merger between their public BDC and the non-traded because of a 20% delta, so I think there's some negative headlines about some of these listed vehicles, so that might deter people from contemplating it. But if you're doing it, if you're raising capital and you make the decision to close it because it's better for shareholders and you're able to communicate that, you're also then improving liquidity down the road, so it hasn't been done from a place of strength. There's plenty of case studies in the REIT market or the BDC market where the listing event, because of the pent-up demand for liquidity, doesn't go well. So the interval fund sponsor though has the visibility on liquidity demand, and so they know if they're selling more if it, then people are redeeming, so I think they can pick that moment, but it has to be done with a lot of foresight. I think there's some managers who are going to contemplate it, mostly because an interval fund, it is a costly endeavor and it's all done with uncertainty, you have no idea how quickly you're going to get to \$200 million or \$500 million. We study failure rates in the interval fund market and it's a lot higher than people realize, and it's about 20%, and so it's failure to launch, there's a ton of funds that spend a million bucks in legal, they pay Ken and then they can't launch sadly, but usually it's an operational matter or sales matter, it's not a legal matter. And then there's the dead men walking where they struggle, they're out there for two or three years and they just fail to scale, and so that adds up. So I think because of that, you have to be eyes wide open in terms of launching one of these funds, there's probably some

reluctance to close it, either because you think, okay, we've raised a billion, we're going to raise another billion. So I think that's why it's hard to do it from a place of strength, but I think we'll see more, it's just if those listings don't go well, it may set a bit of a bad precedent. There are really good bankers though, I'm not a banker, but who can help with that whole listing endeavor, and I think people have to be very proactive at that moment of listing to make sure the secondary market develops, because there's going to be a lot of turnover post-listing.

KEN BURDON: I think that in launching these products, it's obvious, you need to have a good distribution plan, and what also goes with that, it's not just getting the distribution to your retail investors, it's making sure that you have a good launch. You said failure to launch. One thing that people do and that you should be thinking about is, part of the entire launch process is getting some anchor investors in, right? And getting a good C portfolio, whether that's having somebody come in in-kind or whether that's just simply a cash infusion to put to work to get yourself quickly to a one, two, \$3 million dollar fund that you can start building a track record with and then continue to sell through the distribution arm. In terms of liquidity, this also goes into just product planning, the worst thing you can have is the death spiral, where everybody wants out, you're not raising money, and you don't have the liquidity to do it. So it's important to think about that cash flow modeling from your sales, it's important to think about credit facilities that can help you out, and it's important to think about, in the more illiquid private market funds, what does the liquidity sleeve look like and how are you going to manage that?

CHRIS ACITO: Ken, are you getting calls from people who say, "Look, I've got an \$800 million private fund, can I convert this?" Anecdotally?

KEN BURDON: Not \$800 million, but--

CHRIS ACITO: A million, yeah. Did I say billion?

KEN BURDON: No, I said, "Well, not \$800 million," but yes, certainly we get calls of, "I've got this private fund, it's not that big, maybe I've got a couple of 'em, why don't I put them together and register them?"

CHRIS ACITO: Right, and because especially if they're high-net-worth clients, they're going to go along with this and I can tout the virtues of it. That's probably a real thing.

KEN BURDON: Yeah.

CHRIS ACITO: It's maybe becoming more of a necessity, because if you're not going to launch with \$200 million, right?

KEN BURDON: Yeah.

CHUCK JAFFE: I'll keep going then. One of the things that was mentioned was that the direct IPO market is basically closed. I'm curious, when's it going to open, and what's that going to do? When it does open, what's the expectation?

KIM FLYNN: Well, according to John Cole Scott's data, I think that the closed-end fund market, the average discount is like 4.7%, you can correct me if I'm wrong, that's actually pretty tight. The historical average is closer to 5.5%, which does mean that there are categories that are trading pretty well, and that's usually a signal to the bankers or to the fund sponsors to do something. I'm sure my friends at Nuveen are thinking about, how do we re-open the IPO market? I'm sure they would love to do it, but the classic thing that would re-open the market would be something easy like a muni bond IPO, that's what's probably prevented the re-opening thus far, right? The things that we did in the past, it's not a great time for that. We've seen a ton of direct listings, Sound Point Meridian, Pearl Diver, those are both alternative credit funds with high yields, so I do think that the bankers need to take a page out of the interval fund book and look at private market exposures, probably things that are high yielding, or at least something like real estate debt or infrastructure debt that's got decent yield. Because after all, the listed closed-end fund market, I don't think it's going to change in that regard, meaning you still have to have products that generate income for it to be attractive in the secondary market, but I think we will start to see more of that.

KEN BURDON: Yeah, the listed closed-end fund product still looks attractive, and you're raising money, just not through IPOs. I get John's data too and I see rights offerings pretty consistently, and in the hot sectors like infrastructure, you mentioned, there's an infrastructure listed closed-end fund that raised over \$350 million in a rights offering. So there's demand out there, I think there's a question of how much risk managers are willing to take in terms of the process and cost to launch a brand new fund when there's kind of a little bit of trepidation over it hasn't been open, and to be frank, there's usually a concern that they'll have to incur more costs down the road to defend themselves from people trying to take over that fund too.

CHRIS ACITO: Sorry, Kim made a good point, which I think we've lost, I'll include myself on this, which is we've been so fixated on interval fund, it may be worth revisiting as an industry the relative merits of listed closed-end fund versus interval fund. That's a very good discussion that I think we've not had, because, again, speaking for myself, it's been so long since you've talked about creating new closed-end funds, it's the interval fund button that everybody just keeps hitting over and over again. And maybe particularly, thinking of credit, a couple of sub-asset classes where that locked in capital may make an awful lot of sense relative to even a restrictive evergreen fund.

KIM FLYNN: Yeah. I think some of the muscle memory though is we're losing it as we get further away from the last IPO, and the bankers, those seats have turned over, so with the shift to manage money, it is very hard to get a loaded product, the type of distribution that we saw before, so it could take something innovative. Over the last 18 months, I've gotten five calls about Elon Musk ideas, so you've probably all taken a look at DXYZ, and so there's a lot of people looking to imitate DXYZ. Now that's a product without yield, and it's very small, trades at a massive premium, I don't love it for a number of reasons, but it's interesting that it's attracting some copycats. Now no underwriter is going to get behind that on an IPO, it would have to be a direct listing, so as Ken said, you've got to raise the capital somewhere else, but I think there'll be more innovative ways of bringing IPOs or bringing capital. Because if it is something that there's demand, let's say people want SpaceX or xAI, that fund will trade at a premium and you can put an at-the-market program in place. So I think that the access to something that's unique or differentiated has not really been a calling card for the listed closed-end fund market, but it will need to be going forward if we're going to see more closed-end funds come to market.

CHUCK JAFFE: I'm just going to give a plug to my show and to *The NAVigator* podcast, because if you listen tomorrow to my show, or go find the bonus that we're going to do with *The NAVigator*, I had an interview today with Phil Goldstein and we were talking about when are the activists are going to have more that they can get involved in? And he basically said, "Tell me when they're going to do the AI or Elon Musk fund and give me five years," so you can get more on that if you want it tomorrow. Last chance for you guys to ask questions or I will get to my last one, which is for all of you. Okay, so we're supposed to be looking forward here, and this is an event that AICA has done now for the seventh year in a row, so it's a pretty

good bet that there's going to be one of these next year. I know that's what John Cole Scott's planning on, I'm already planning to be here. I don't know if you'll be here, but if you are here again next year, what's going to be the story that we look back on and you go, "Well, that was the interesting development of 2026"? Chris, I'm starting with you and then working my way to me.

CHRIS ACITO: By far the slowest growth interval funds perhaps ever.

KIM FLYNN: Yeah.

CHRIS ACITO: Percentage basis.

KEN BURDON: I think we're going to be talking about more of these partnerships between the traditionally private firms and the traditionally public and registered fund firms to launch products, that I think we're going to see some of the first ones with allocations from target-date funds, and I think we're going to be talking about how much flow that those funds have gotten out of those arrangements and where we think that's going to be going.

KIM FLYNN: I'll go with an asset class-specific idea, which is I think everybody's going to back to real estate in a way that they've not been. Everybody's been off real estate since Covid, but I'm starting to hear more and more firms think about real estate equity again, they're already building real estate debt. Listen, financial advisors love real estate, it's tangible, they've put a ton of money to work in infrastructure, so I think that. It might be a little early, but I think that's what's going to start to come back next year, and we'll see.

CHUCK JAFFE: When I took this gig, I promised John Cole Scott that I would get us out on time, and we have just a little bit of time left, enough for you to applaud my panel. Chris Acito, Ken Burdon, Kim Flynn, thank you so much.

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