

Comparison of Fund Structures Covered by CEFData								
Feature	Passive ETFs	Active ETFs	U.S. CEFs	Listed BDCs	Non-Traded / Private BDCs	Interval Funds	Tender Offer Funds	London CEFs (Investment Trusts)
Year Introduced	1993 (SPDR S&P 500 ETF)	March 2008 (Bear Stearns Current Yield Fund)	1893 (Boston Personal Property Trust)	1980 (BDCs created under Small Business Investment Incentive Act)	Mid-2000s (first wave), growth accelerated 2010s	April 1993 (Rule 23c-3)	August 1988 ad-hoc (Rule 13e-4) codified 1993 (Rule 23c-3)	1868 (Foreign & Colonial Investment Trust, London)
Structure	Open-end fund, exchange-listed	Open-end fund, exchange-listed, active mgmt	Closed-ended management companies under 1940 Act	Closed-ended management companies under 1940 Act & SBI Incentive Act (1980)	Closed-ended management companies under 1940 Act (continuous or private offering)	Closed-ended management companies under 1940 Act	Closed-ended management companies under 1940 Act	Public limited company under UK law
Liquidity	Daily exchange trading, may trade at discount/premium	Daily exchange trading, may trade at discount/premium	Daily exchange trading, may trade at discount/premium	Daily exchange trading, may trade at discount/premium	Limited – periodic repurchase plans, or none until liquidity event (IPO, wind-down, merger)	Periodic (quarterly/semi-annual) repurchase offers at NAV	Periodic discretionary tender offers at NAV (Fund Board's Discretion)	Daily exchange trading, may trade at discount/premium
NAV Pricing	Market price closely tracks NAV	Market price closely tracks NAV	Market price may often diverge from NAV (discount/premium)	Market price may often diverge from NAV (discount/premium)	Sold at NAV continuous (NT) or via Private Placement (Pvt)	Generally a daily NAV	Generally monthly or quarterly NAV	Market price may diverge from NAV (discount/premium)
U.S. Investor Access	Broad retail & institutional	Broad retail & institutional	Broad retail & institutional	Broad retail & institutional	Accredited or retail (depends on type; non-traded often distributed through brokers)	Retail & institutional	Typically institutional & HNW, some retail access	Retail & institutional (more complex for U.S. investors)
Regulation	SEC (1940 Act; ETF exemptive relief)	SEC (1940 Act; ETF exemptive relief)	SEC (1940 Act)	SEC (1940 Act + BDC rules)	SEC (1940 Act + BDC rules), plus state Blue Sky for non-traded	SEC (1940 Act)	SEC (1940 Act)	FCA (UK), UK company law
Tax Reporting	U.S. 1099	U.S. 1099	U.S. 1099	U.S. 1099	U.S. 1099 (if registered) or K-1 (private)	U.S. 1099	U.S. 1099	PFIC risk for U.S. investors; Form 8621
Leverage	Limited use (derivatives, 33% max under 1940 Act)	Limited use (derivatives, 33% max under 1940 Act)	≤33% debt, ≤50% preferreds; derivatives capped by Rule 18f-4 VaR.	Baseline 200% asset coverage; opt-in 150%(2:1); SBIC excluded; derivatives limited by Rule 18f-4	Baseline 200% asset coverage; opt-in 150%(2:1); SBIC excluded; derivatives limited by Rule 18f-4	≤33% debt, ≤50% preferreds; derivatives capped by Rule 18f-4 VaR.	≤33% debt, ≤50% preferreds; derivatives capped by Rule 18f-4 VaR.	Lack fixed caps; boards/AIFMs set, max gearing; FCA oversight applies, policy-based
Primary Assets	Broad market indices	Any asset class, actively selected	Equities, credit, munis, hybrids	Private credit (loans/equity in U.S. companies)	Private credit (loans/equity in U.S. companies)	Public & private credit, alts, hedge-like strategies	Mostly private credit, hedge/private equity strategies, fund of funds	Global equities, PE, infra, property, alternatives
Distribution Requirements	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Must distribute 90% of income to maintain RIC status	Can retain up to 15% of income to smooth dividends
Typical Investors	Retail & advisors seeking intraday liquidity, transparent, low-cost market access.	Advisors & retail investors seeking efficient,transparent, low-cost tactical exposure.	Retail, income seekers, activists, institutions & advisors exploiting discounts & leverage	Income retail via brokers/RIAs; yield funds; family offices; HNW, activists, institutions; analysts	HNW via BDs/RIAs, wirehouses, alts platforms, family offices, insurance, pensions & OCIOs	Advisor-led retail via RIAs/BDs, wirehouses, alts platforms, family offices & OCIOs.	Advisor-led HNW & institutions via RIAs/BDs, alts platforms, wires, family offices & OCIOs.	Private & institutional investors, wealth managers, brokers, and charities/endowments.
Key Risks	Volatility; tracking error; liquidity & premium/discount index changes & counterparty	Underperformance; drift; liquidity/premium; tracking, counterparty & volatility	Discount/premium volatility; leverage; liquidity; distribution risk; fees; execution; activism.	Credit, leverage, rate & liquidity risks; non-accruals; fees; conflicts; regulation	Illiquidity; valuation & credit risk; leverage; fees/conflicts; repurchase timing; distribution sustainability.	23c-3 repurchases; 5–25% min; 2% fee cap; proration; liquidity & leverage strain; FMV risk.	Discretionary tenders;no cap; variable timing/size; proration; illiquidity; leverage; FMV risk.	Discount/premium volatility; gearing; liquidity; currency; fees; execution; activism.

Notes on the “Year Introduced”:

- **London CEFs (Investment Trusts)** are the oldest (1868).
- **U.S. CEFs** followed in 1893, well before the 1940 Act codified them.
- **Tender Offer Funds** and **Interval Funds** were given formal SEC frameworks in the 1990's.
- **BDCs** were created by legislation in 1980.
- **ETFs** are the newest: Passive (1993), Active (2008).

Disclosure

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