

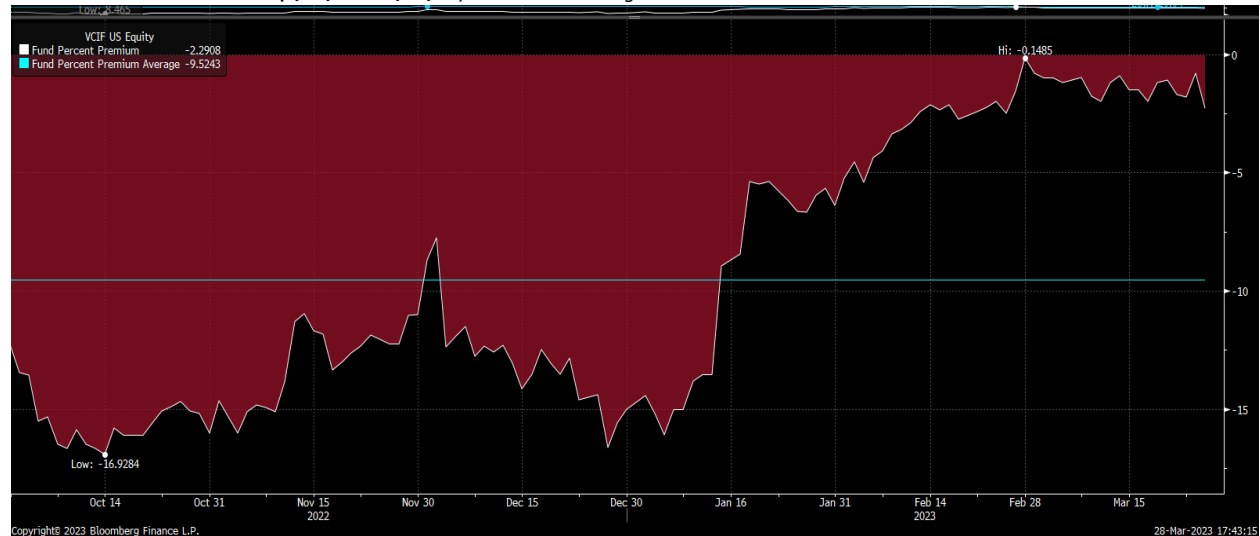
Bulldog CEF Update- Exploiting Visible Alpha Opportunities

March 30, 2023- The Bulldog Closed-End Fund (“CEF”) separately-managed account (“SMA”) Composite returned -5.64% for 2022 vs. a decline of -18.11% for the S&P 500 Index. Since strategy inception on 7/1/2021 the composite has declined less than a percent vs. a decline of almost 6% for the S&P 500 Index (see attached table)*. Good performance so far. The performance carried over into the 1st couple of months of 2023 -- driven not only by resurgent markets, but also pushed by solid results from our shareholder activism efforts.

Brief summary of activist outcomes in Q1:

VCIF (Vertical Capital Income Fund)- VCIF’s Board has approved the appointment of Carlyle as VCIF’s new investment advisor, and shareholders will soon vote on the transaction; Change of mandate to invest in equity and debt tranches of collateralized loan obligations; \$0.96 per share cash injection; \$50mm equity commitment via a tender offer and private share purchases. Discount has narrowed to par from over 16% in Q4 2022 (see Chart 1).

Chart 1. VCIF Discount to NAV (9/30/22 to 3/27/23)-Source: Bloomberg



DEX (Delaware Enhanced Global Dividend & Income Fund) – Announced a cash tender offer for 30% of shares at a 2% discount to NAV, after Bulldog blocked a merger with another CEF. 75% of Bulldog shares were accepted in the tender offer as most retail shareholders did not tender.

GIM (Templeton Global Income Fund) - sold our shares to Saba Capital Management in exchange for votes at \$4.92 per share, current share price \$4.29.

FDEU (First Trust Dynamic Europe Equity Income Fund) - Bulldog forced conversion to an exchange-traded fund (“ETF”) - the Fund’s charter requires a vote on open-ending in 2023. Since the discount to

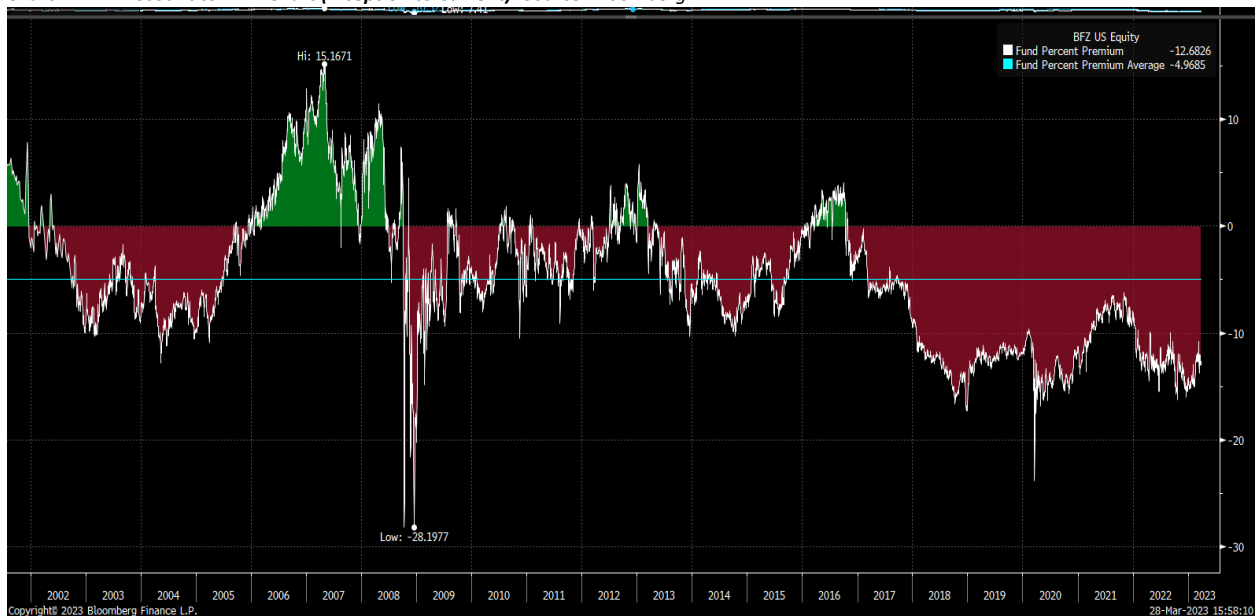
NAV had expanded to double digits (trading as low as a 14.5% discount in December), Bulldog reached out to the Board and suggested it recommend the open-ending. The Board was non-committal and Bulldog nominated two individuals to serve as Directors. On March 22, 2023, the Board announced the conversion to an ETF, and the discount closed to 6%. Once the conversion is complete, the discount will decline to zero.

Current front burner activist targets:

JSD (Nuveen Short Duration Credit Opportunities Fund) - Announced a merger with three other CEFs. The discount has widened out to 13% with recent market turmoil. Taking a page from the DEX playbook outlined above, Bulldog plans to send out a “Just Vote No” letter to block the merger unless the Trustees commit to a substantial tender offer.

BFZ (BlackRock California Municipal Income Trust) - the largest shareholder, with a > 10% position, has nominated three individuals to the Board. The shareholder will also present a proposal to merge BFZ with an open-end fund. If successful, the discount will be eliminated. At a current 13% market price discount to NAV (vs. an average discount of 4.9% since inception) and with the Federal Reserve close to the end of its tightening cycle, we think this is a compelling opportunity for both capital appreciation as well as alpha generation. Since BFZ’s inception in 2001, the discount has been wider only on a few occasions (see Chart 2).

Chart 2. BFZ Discount to NAV Chart (Inception to Current)- Source: Bloomberg

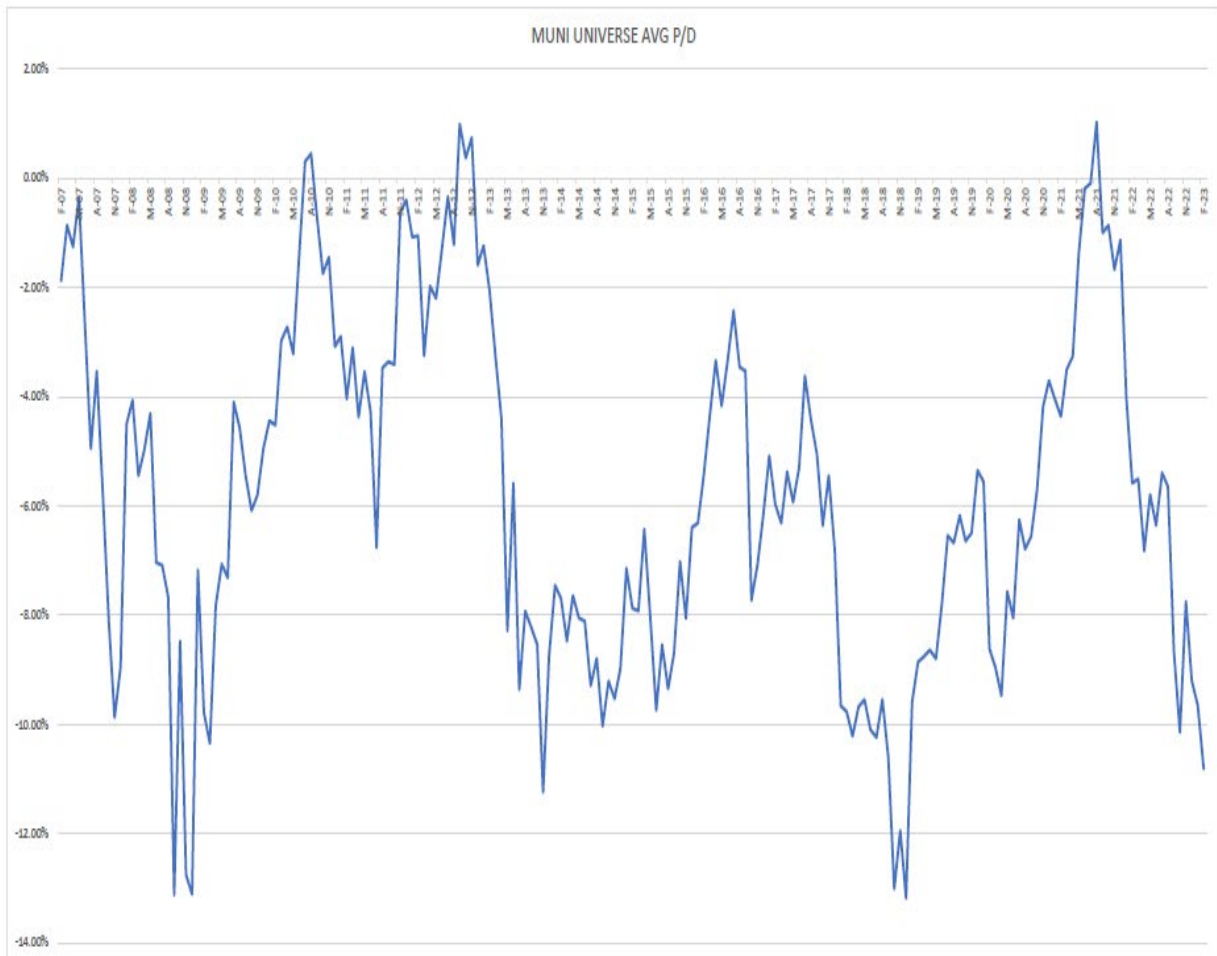


There are several actionable opportunities in the Muni CEF space and the current is as attractive an entry point as I have seen:

- Super wide discounts;
- Beaten down NAVS;

- Disgruntled shareholders;
- Macro environment slowly turning in the muni buyers' favor; and
- Activist investors with plenty of dry powder.

A chart of the Muni CEF Universe going back 15 years, shows discounts wider on only 3 occasions, including the 2008 financial crisis and the onset of the Covid pandemic (see below):



SOURCE: Bloomberg, WallachBeth Capital LLC

MLP and Commodity Funds

Crude prices have declined to December 2020 levels pushed lower not by supply/demand fundamentals but by the economic fears gripping Wall Street (See "Oil Volatility Supercharged by Options Hedging"- WSJ March 26, 2023, attached). The expectation is that "similar dynamics could add momentum to any rebound if the economic outlook improves." We have exposure to several discounted MLP names where we expect discount narrowing on the backs of activist pressure.

CEN (Center Coast Brookfield MLP & Energy Infrastructure Fund) - The Fund currently trades around a 15% discount. In August, 2022, Brookfield Public Securities Group, CEN's investment advisor, announced

that it was evaluating various strategic options for CEN, seeking to advance and maximize shareholder value. These options include Fund reorganizations and a potential sale of CEN's holding in KKR Eagle, a position that represents 40% of the Fund's assets. The advisor and the Board expected to be in a position to present an option for shareholder action by the end of Q1 2023. We are hopeful that an announcement is imminent.

NDP (Tortoise Energy Independence) - NDP also trades around the 15% discount level. A large shareholder has submitted a proposal to the issuer, for submission at the annual meeting, to take all necessary steps to declassify the board.

Visible Alpha Opportunities abound in Term Trusts:

BGB (Blackstone Strategic Credit), FTHY (First Trust High Yield)- These are CEFs with terminal dates. Discounts have widened out to double digits – they typically trade in the single digit range. In 2027 when the CEF comes to end of life, discount will go to zero.

Other term trusts we own include **NBXG (Neuberger Berman Next Generation Connectivity Fund Inc.)**, 20% Discount, Term- 2033, and **ECAT (BlackRock ESG Capital Allocation Trust)**, 14% Discount, Term- 2033.

All in all, a very exciting opportunity set, with discounts wide across all sectors and asset classes. This allows investors to build out a diversified portfolio of discounted names, enabling alpha generation via shareholder activism while managing risk in a prudent manner.

If you would like color on any of these names or more information on the strategy, please reach out.

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** Performance information presented herein is composite performance information for all SMAs participating in Bulldog Investors' CEF SMA Strategy. The following factors were taken into account when calculating such performance:*

- *Performance is presented net of all fees (including a model annual management fee of 1%) and expenses.*
- *Each participating SMA is included in the composite at the beginning of the quarter following the date the SMA is opened.*
- *SMAs that are closed are removed from the composite on the last day of the full quarter during which the SMA was open. The performance history of such SMAs remains in the composite performance.*
- *Performance is asset-weighted.*
- *SMAs maintained on behalf of personnel of Bulldog Investors are not included in the composite. As a result of personal trading restrictions imposed by Bulldog Investors on its personnel, such SMAs do not resemble the portfolios of other SMAs in the composite.*
- *Cash flows into, and out of, each SMA in the composite are accounted for.*

This performance information has been calculated by SS&C Technologies. It is not intended to suggest that the performance of every SMA in Bulldog Investors' CEF Strategy will achieve the same or similar results. Different types of investments involve varying degrees of risk, including the loss of money invested. Therefore, it should not be assumed that the performance of any specific investment or investment strategy will be profitable or be suitable for your account and may, in fact, result in a loss. Results for SMAs managed by Bulldog Investors are varied and will vary in the future.