Form **8937** (December 2017)

Department of the Treasury Internal Revenue Service

## Report of Organizational Actions Affecting Basis of Securities

➤ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer		<u> </u>
1 Issuer's name		2 Issuer's employer identification number (EIN)
HIGHLAND/iBOXX SENIOR LOAD  3 Name of contact for additional information	46-0691501 <b>5</b> Email address of contact	
3 Name of contact for additional information	5 Email address of contact	
HIGHLAND FUNDS		
6 Number and street (or P.O. box if mail is	not delivered to street address) of contact	7 City, town, or post office, state, and ZIP code of contact
ONE FREEDOM VALLEY DRIVE		OAKS, PA 19456
8 Date of action		
SEE ATTACHED STATEMENT TAX YEAR ENDED JUNE 30, 2	018 RETURN OF CAPITAL	
10 CUSIP number 11 Serial		13 Account number(s)
430101774	SNLN	
	ch additional statements if needed. See	e back of form for additional questions.
14 Describe the organizational action and	if applicable, the date of the action or the o	date against which shareholders' ownership is measured for
the action  SEE ATTACHED ST	FATEMENT	
15 Describe the quantitative effect of the	organizational action on the basis of the se	curity in the hands of a U.S. taxpayer as an adjustment per FURN OF CAPITAL DISTRIBUTION IN THE
		REHOLDERS' TAX BASIS ON SHARES
HELD.		
16 Describe the calculation of the change	e in basis and the data that supports the c	alculation, such as the market values of securities and the
valuation dates ► SEE LINE 15	ABOVE	anothern, such as the market values of securities and the

Form 893	7 (Rev	v. 12-2017)									Page <b>2</b>
Part II			onal Action (conti	nued)							<u>-</u> -
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Here		, , A	Signed Copy	is Main	tained by	Issuer	D ( )	10/01/2	018		
	Sig	Signature Date						Treasurer, Principal Financi			
	Prin	nt vour name	FRANK WATERH	IOUSE						cipal Act	
	FIII	Print/Type pre			er's signature		Date	311100	Check if		<u> </u>
Paid									self-employed		
Prepai		Firm's name	<b></b>	1			1		Firm's EIN		
Use O	ıııy										

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

JSA
7W9505 2.000

Phone no.

Firm's name Firm's address

## Highland/iBoxx Senior Loan ETF

Supplemental Attachment to Form 8937

Cusip 430101774 Ticker SNLN

Part II, Question 14

Detail of the distributions paid during the fiscal year ending June 30, 2018 is described below:

EIN: 46-0691501

Ex-Date	Record Date	Payable Date	Amount	% Taxable		Taxable	% Return of	Return of	
				Distribution		Dividend	dend Capital Capital		
					Amount		Distribution	Amount	
01/12/2018	01/16/2018	01/31/2018	\$0.065076	98.59%	\$	0.064158	1.41%	\$ 0.000918	
02/15/2018	02/16/2018	02/28/2018	\$0.066631	98.59%	\$	0.065691	1.41%	\$ 0.000940	
03/15/2018	03/16/2018	03/29/2018	\$0.070257	98.59%	\$	0.069266	1.41%	\$ 0.000991	
04/13/2018	04/16/2018	04/30/2018	\$0.069948	98.59%	\$	0.068962	1.41%	\$ 0.000986	
05/15/2018	05/16/2018	05/31/2018	\$0.075341	98.59%	\$	0.074279	1.41%	\$ 0.001062	
06/15/2018	06/18/2018	06/29/2018	\$0.077834	98.59%	\$	0.076736	1.41%	\$ 0.001098	