Exhibit (h)(i)  
 FORM OF DISTRIBUTION AGREEMENT  
 THIS AGREEMENT is made and entered into as of this [DATE], by and between Octagon XAI CLO Income Fund, a Delaware statutory trust (the “Fund”) and Paralel Distributors LLC, a Delaware limited liability company (the “Distributor”).  
 WHEREAS, the Fund is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a non-diversified closed-end management investment company operating as an interval fund under Rule 23c-3 of the 1940 Act, and is authorized to issue shares of beneficial interest (“Shares”) in the Fund;  
 WHEREAS, the Fund desires to retain the Distributor as its principal underwriter in connection with the offering of the Shares of the Fund;  
 WHEREAS, the Distributor is registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the “1934 Act”), and is a member of the Financial Industry Regulatory Authority (“FINRA”);  
 WHEREAS, this Agreement has been approved by a vote of the Fund’s Board of Trustees (the “Board”), including a majority of the trustees who are not interested persons, as such term is defined in the 1940 Act, in conformity with Section 15(c) of the 1940 Act;  
 WHEREAS, the Fund may submit or has submitted an application for an exemptive order to the Securities and Exchange Commission (“SEC”) to permit the Fund to offer multiple classes of Shares (the “Exemptive Order”), and in which the Fund has agreed as a condition of the requested exemptive relief that it will comply with Rule 12b-1 under the 1940 Act as if that rule applies to a closed-end management investment company. If the requested exemptive order is granted, the Fund may offer multiple classes of Shares, and beginning with the date that the Fund first begins to rely on the Exemptive Order, the Fund will be required to comply with Rule 12b-1; and