Cushing® U.S. Energy Infrastructure Equity Fund

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The Cushing U.S. Energy Infrastructure Equity Fund, (the "Fund") is a sub-fund of Heptagon Fund Plc which is an open-ended umbrella type investment company authorised pursuant to UCITS regulations. Heptagon Capital Limited ("Heptagon") is the Investment Manager and Cushing® Asset Management, LP ("Cushing") is the Sub-Investment Manager meaning Cushing exercises discretionary investment authority over the Fund.

The Fund was launched on December 22, 2015 and had AUM of USD 6m as of March 31, 2018. For the first quarter of 2018 the performance of the Fund (C share class) was negative, with a total return of -11.6% net for the period. On a relative basis for the period, the Fund's performance was relatively in line with performance of the Alerian MLP Index's ("AMZ") negative total return of -11.1%.

TOTAL RETURNS

As of March 29, 2018 net of fees

	Q1 2018	YTD	2017	2016
Cushing U.S. Energy Infrastructure Equity Fund	-11.6%	-11.6%	-9.9%	22.4%
Alerian MLP Index	*-11.1%*	*-11.1%*	*-6.5%*	*18.3%*

Cushing® Asset Management – Sub advisor Q1 2018 Commentary

The Strategy's positive performance in January was overwhelmed by negative Strategy performance for February and March. The violent performance swing during the period was fueled by heightened broader market volatility, continued energy sector weakness, as well as negative master limited partnership ("MLP") sentiment (and consequently sector product fund flows) related to structural developments/uncertainties and the surprising, negative mid-March Federal Energy Regulatory Commission ("FERC") income tax allowance ("ITA") announcement. We elaborate on all of this and more in the attached **"2018 First Quarter Midstream Energy Market Review"** and the **"MLP Market Update: FERC Ruling".**

As you know from our prior letter in January 2018, we were quite optimistic at the start of the year: *"we are optimistic on outlook for 2018 given our view that valuations remain depressed… [and] fundamentals have continued to improve for both the midstream space and the energy macro…"* While that assessment of the environment still seems valid to us, first quarter performance was obviously disappointing.

We also expected "bumps in the road" as MLPs continue to make significant progress with evolving investor preferences (e.g. regarding simplification and better corporate governance, the "right" valuation methodologies, healthier balance sheets and thicker distribution coverage, plus more focus on returns on invested capital, per share/unit metrics, and investor returns). However, the poorly viewed simplification-related announcements, including by NuStar Energy LP (NYSE: NS), during the period and the FERC policy change were apparently too unsettling for midstream investors.

Even though the new FERC ITA policy fundamentally only, materially/directly, affects a small subset of MLPs (generally pure-play natural gas transportation MLPs), it nonetheless upended a fundamental decades-long policy and also raised several large questions – including, how to handle tariffs for pipelines jointly owned by corporations and MLPs?, does it make sense to have the related assets in an MLP structure?, and how will the tariff calculation change for liquids pipeline contracts tied to indexation?

Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise.

Cushing® U.S. Energy Infrastructure Equity Fund

Consequently, while the “business” of midstream is doing very well in our view, we believe sentiment could continue to face near-term headwinds as investors potentially wait to see how additional simplifications are executed and until there is more clarity on this FERC issue (which could take months). The ultimate question for both the broader energy space and midstream MLPs has been “Why doesn’t performance of the equities reflect the positive fundamentals?” At this point, with large cap MLP forward EV/EBITDA and P/DCF valuations at over 10 year lows, we still think it’s a matter of “when”, not “if”.

The bar chart below illustrates the performance for the various MLP subsectors during the period. Commodity sensitive MLPs in the Upstream MLP and Oilfield Services MLP subsectors appeared to benefit from higher crude oil prices during the period, but the remaining subsectors were negative for the period. In the following Attribution section, we discuss a number of the weak performers in the Crude Oil & Refined Products subsector. Of course, given the FERC policy change, Natural Gas Transportation & Storage MLPs were hit hardest during the period. Some of these companies are listed and discussed below. In our “2017 Fourth Quarter Midstream Energy Market Review and 2018 Outlook” published in January, we cautioned about this regulatory risk: “There is increasing pressure for the industry to lower certain regulated cost-of-service pipeline tariffs which are calculated with a tax allowance. It is a complicated issue, and how and when the FERC addresses it remains uncertain. However, we do not expect a significant impact on the space given that a lower regulated max tariff would not impact negotiated rates or those already earning below the max rate. Nevertheless, this could weigh on the Natural Gas Transportation & Storage subsector.” While we, and the industry, generally expected lower cost of service tariffs, it is safe to say the industry did not expect a complete elimination of the tax allowance and many key unanswered questions. Again, we do not believe the financial impact on the overall midstream space will be significant, but it nonetheless, it has impacted investor sentiment.

Dispersion of Stock Performance By and Within MLP Subsector (1st Quarter 2018)

Note: Represents price performance from December 31, 2017 through March 31, 2018 for the entire universe of publicly traded MLPs. Depicts average return, highest return and lowest return of constituents of each subsector. For subsector constituents public for less than one year, represents price performance from the IPO offering price. Represents price performance only, does not include effect of distributions.
Source: Bloomberg.

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Contribution

In the context of there being essentially "nowhere to hide" on a subsector basis, the Fund's performance was relatively in line with the AMZ for the period. Relative to the AMZ, subsector holdings with the most relative underperformance included holdings within the MLP General Partner subsector (which is not in the AMZ) and Natural Gas Gatherers & Processor subsector.

On an absolute basis, holdings within the Natural Gas Transportation & Storage subsector represented the largest detractors from performance for the Fund, which was in line with the AMZ subsector performance for period. As mentioned above, Natural Gas Transportation & Storage MLPs were hardest hit during the period given the FERC policy change. Although one holding in this subsector was the Fund's largest detractor for the period (discussed in the following section), the Fund was underweight the overall subsector during the period.

On a positive note, the Fund's Crude Oil & Refined Products holdings outperformed relative to the AMZ due in part to the Fund avoiding losses from the subsector's (and some of the AMZ's) weakest performers during the period: NuStar Energy LP (NYSE: NS), Enbridge Energy Partners LP (NYSE: EEP) and Buckeye Partners LP (NYSE: BPL). For the period, NS was down 32% on a price performance basis due to the simplification transaction, distribution cut, and guidance announcements. Among other factors, EEP price performance suffered (down 30%) due to the FERC policy change and the expected impact on its cost of service contracts. BPL was down 25% for the period as distribution cut fears came to the fore.

Contribution For the Quarter Ending 3/31/18

Top Contributors	Contribution	Avg. Weight	Top Detractors	Contribution	Avg. Weight
1) OKE	0.30%	4.91%	1) DM	-1.27%	2.58%
2) PAA	0.28%	4.30%	2) SEMG	-0.92%	2.81%
3) PAGP	-0.04%	4.15%	3) SHLX	-0.82%	2.67%
4) ENBL	-0.04%	3.16%	4) ETE	-0.80%	4.75%
5) DCP	-0.07%	3.45%	5) WPZ	-0.75%	6.67%

Commentary on the Top Contributors to the Fund's Performance for Q1 2018:

- **ONEOK Inc. (NYSE: OKE)** issued a series of new project announcements totaling $3.7 billion, the largest of which is a greenfield natural gas liquids (NGL) pipeline out of the Bakken (Elk Creek) for $1.4 billion at attractive returns. The company fully funded the expected equity portion and does not expect further issuance "well into 2019". Subsequently, the company announced an additional $2.3 billion of NGL and natural gas infrastructure through 2020 and provided a constructive earnings update.
- **Plains All American Pipeline, LP (NYSE: PAA) and Plains GP Holdings, LP (NYSE: PAGP)** benefited from the continued rapid rise of Permian crude oil production and widening Permian crude oil differentials, which led to the announcement of the $1.1 billion Cactus II pipeline expansion. Additionally, Plains continued to show improving balance sheet and coverage metrics.
- **Enable Midstream Partners, LP (NYSE: ENBL)** units had relatively subdued price performance during the quarter but outperformed the broader sector as the company issued a solid fourth quarter 2017 earnings update. Along with earnings, the company announced new gas gathering and firm transportation contracts in addition to an open season for additional capacity.

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Cushing® U.S. Energy Infrastructure Equity Fund

Commentary on the Top Contributors to the Fund's Performance for Q1 2018 cont.:

- **DCP Midstream LP (NYSE: DCP)** unit prices were flat for the quarter but outperformed the broader sector as the company unveiled its "DCP 2.0 initiative" which will use technology to reduce costs and improve profitability. The company hosted an investor event in Denver and quantified some of the anticipated benefits of the program.

Commentary on the Top Detractors from the Fund's Performance for Q1 2018:

- **Dominion Energy Midstream Partners, LP (NYSE: DM) and Williams Partners, LP (NYSE: WPZ)** suffered from the surprise decision by the FERC to remove the ITA for regulated gas pipelines held in MLPs. While the overall financial impact is expected to be limited, the change raises concern over the viability of the drop-down growth strategy.
- **SemGroup Corp. (NYSE: SEMG)** shares were negatively impacted by investor fears over its residual fuel oil and customer exposure at its HFOTCO business segment after a contract loss at a competitor's facility. Additionally, SEMG announced full year 2018 guidance that was below expectations, stoking concerns over its leverage ratios.
- **Shell Midstream Partners, LP (NYSE: SHLX)** unit prices were negatively impacted by a sizable $1B overnight equity offering in February intended to cover equity needs for the remainder of the year. Operationally, SHLX guided to a weak first quarter with coverage less than 1.0x related to significant integrity and repair work underway on the Zydeco pipeline. Management maintained top tier distribution growth guidance and announced that it expects full year coverage greater than 1.0x despite the short term integrity work impact.
- **Energy Transfer Equity, LP (NYSE: ETE)** reported results for the fourth quarter which were slightly below consensus expectations. As the general partner of Energy Transfer Partners, LP (NYSE: ETP), ETE unit price performance has typically been related to ETP results and announcements. ETP significantly exceeded expectations as most segments demonstrated strong organic growth. Since reporting results, ETP has been repeatedly plagued by regulatory and environmental delays on major projects.

In conclusion, it is worth repeating that while we acknowledge sentiment was extremely weak during the period, we believe valuations have overshot to the downside, and we expect that ultimately the equities will "catch up" to the positive fundamentals.

Please read the following attached "2018 First Quarter Midstream Energy Market Review" for a more detailed analysis of current industry conditions. As always, we appreciate your support. Thank you for your continued confidence. Please call us with any questions or comments.

Sincerely,

Heptagon Capital and Cushing® Asset Management

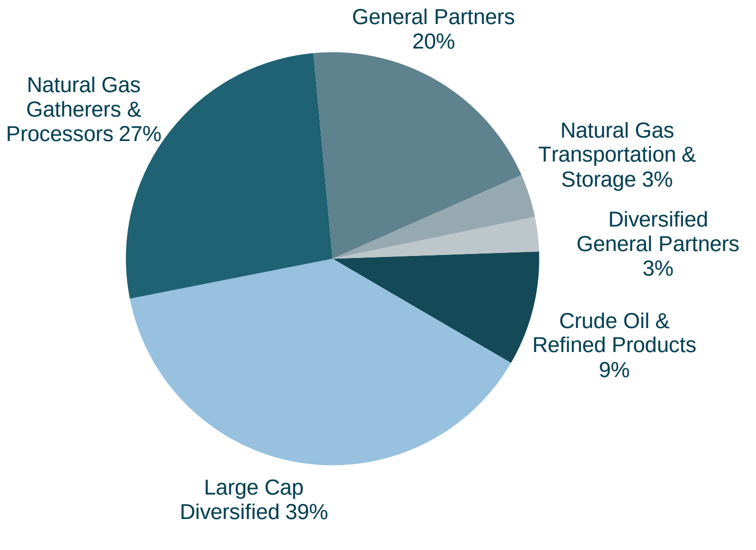
Cushing® U.S. Energy Infrastructure Equity Fund

Cushing® U.S. Energy Infrastructure Equity UCITS Fund Positioning

Top Ten Positions as of 31st March 2018

Name	%	Corp. Debt Rating	Current Yield
Enterprise Products Partners LP	7.2%	BBB+	6.9%
Energy Transfer Partners LP	6.7%	BBB-	13.9%
Williams Partners LP	6.6%	BBB	7.0%
MPLX LP	6.3%	BBB	7.4%
Targa Resources Corp	6.2%	BB-	8.3%
ONEOK Partners LP	5.5%	BBB	5.4%
Energy Transfer Equity LP	4.6%	BB-	8.6%
Kinder Morgan Inc	4.6%	BBB-	3.3%
Western Gas Partners LP	4.4%	BBB-	8.6%
Plains All American Pipeline LP	4.3%	BBB-	5.4%
Total of Top 10 Positions	**56.5%**		

Portfolio Subsector Allocation as of 31st March 2018



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Cushing® U.S. Energy Infrastructure Equity Fund

Risk Warning

The Fund is subject to special risk considerations including geographic concentration risk, portfolio concentration risk and operational risk. The investment return and principal value of an investment will fluctuate so that the investor's shares, when redeemed, may be worth more or less than their original cost. Any investor should consider the investment objectives, risks and charges and expenses of the fund carefully before investing. Where an investment is denominated in a currency other than the investor's currency, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from the investment.

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The information contained herein is provided for informational purposes only, is not complete, and does not contain certain material information about the funds, including important disclosures and risk factors associated with an investment in the funds. Before making an investment in any fund, prospective investors are advised to thoroughly and carefully review the fund's private placement memorandum with their financial, legal and tax advisors to determine whether an investment is suitable for them. An investment in these funds is not suitable for all investors.

Glossary

Alerian MLP Index TR	The Alerian MLP Index TR (AMZX) is the leading gauge of large- and mid-cap energy Master Limited Partnerships (MLPs). The float-adjusted, capitalization-weighted index is calculated on a total-return basis, includes 50 prominent companies and captures approximately 75% of available market capitalization.
Attribution	An analysis used to explain a portfolio's performance by looking at the performance of each of its investments.
Assets under management (AUM)	The total market value of all assets a financial institution or fund manages on behalf of its clients.
Benchmark	A point of reference against which investment performances can be measured.
Beta	A measure of a security's or portfolio's sensitivity to movements in the market as a whole. Bull Beta is a measure of the volatility to positive changes in the market. Bear Beta is a measure of the volatility to negative changes in the market.
Composite	A combination of all investments managed by an investment manager to measure an overall performance over time.
Correlation	A measurement of the degree to which two securities values change in relation to each other. The value will range between -1 and 1. A value of 1 indicates a perfect positive correlation and -1 indicates a perfect negative correlation. A value of 0 means that the variables are completely independent from one another.
Debt Rating	A rating attached to a bond that indicates the quality of the entity seeking to borrow money.
Equity Security	A security that represents ownership in an entity and that may pay income as dividends.
Fundamental Analysis	The evaluation of a company by investigating its intrinsic value, where intrinsic value is measured without reference to the security's market value.
Large Cap	A company with market capitalization of more than $10 billion.
Leverage	The amount of debt that is utilized to increase the potential return on an investment.
Open-ended fund	A collective investment scheme that is able to issue or redeem shares at any point in time.
Private Equity	Investments made in companies that are not publicly traded.
Small Cap	A company with market cap of between $300 million to $5 billion.
Total Return	The actual rate of return for an investment that includes all capital gains, dividends and distributions over the investment time period.
UCITS	Undertakings for Collective Investment in Transferable Securities. It is a regulatory framework in the European Union.
Valuation	The process of determining how much a company or an asset is currently worth at a particular point in time.
Volatility	A statistical measure to show the degree of movement of asset prices over a set period of time.
Yield	The income that is generated from an investment.

April 16, 2018

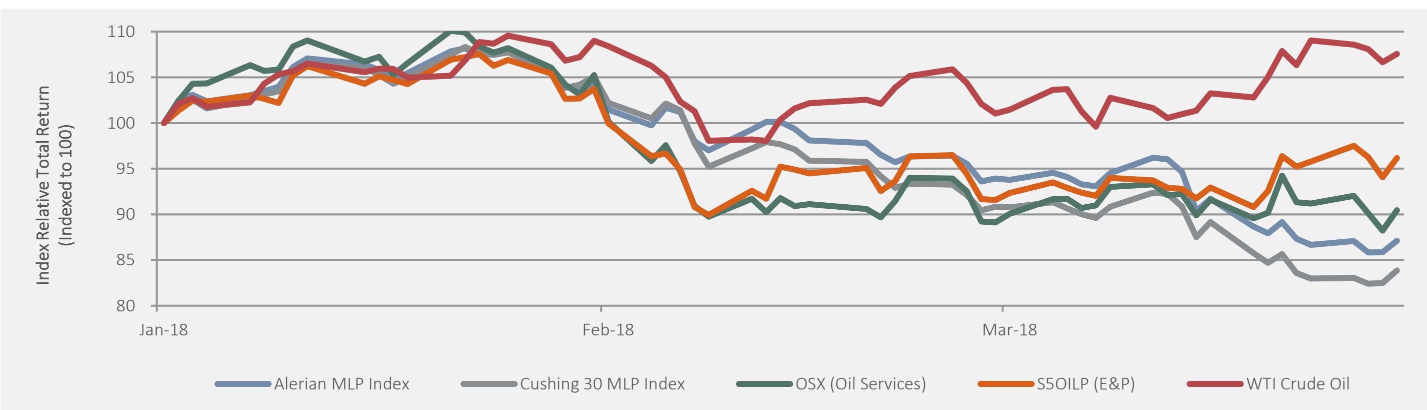
2018 First Quarter Midstream Energy Market Review

Dear Investors,

Investor angst was present in the first quarter of 2018 ("the period"), as the performance of the midstream energy sector experienced elevated volatility and negative total returns. For the period, the market cap-weighted Alerian MLP Index ("AMZ") produced a –11.12% total return, while the equal-weighted Cushing® 30 MLP Index ("MLPX") produced a –14.35% total return.

The negative performance is admittedly difficult to reconcile with the continued strength in production volumes as well as in the price of crude oil, which was up +7.48% for the period, as measured by the price of West Texas Intermediate crude oil. Despite the positive move in the price of crude oil, the more commodity sensitive components of the energy sector also experienced negative returns for the period, with the S&P 500 Oil & Gas Exploration and Production Index ("S5OILP") producing a –5.17% total return, and the Philadelphia Oil Service Sector Index ("OSX") producing a –9.27% total return.

First Quarter 2018 Performance for Select Indices



Note: Represents relative total return performance from December 31, 2017 through March 31, 2018. Indexed to 100.
Source: Bloomberg. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

January started the year on a positive note, with the reporting of very strong 4th quarter 2017 earnings results and constructive 2018 forward guidance and management commentary. As such, January performance was nicely positive with a +5.76% AMZ total return and +6.41% MLPX total return for the month.

Unfortunately, broader market volatility, which had been subdued for quite some time, returned in early February. Purportedly a result of a strong jobs report and fear of wage inflation and rising interest rates, performance of the CBOE Volatility Index ("VIX") jumped +116% on Monday, February 5th, the highest daily increase ever recorded. In line with the increased volatility, the S&P 500 Index closed down –3.69% for the month, the largest decline since August 2011, which coincided with the European debt crisis and S&P downgrade of U.S. sovereign debt.

Midstream companies, despite their good earnings results and forward guidance, were not immune to broader market volatility in February. The performance of the AMZ was down –9.69% for the month, while the equal weighted MLPX declined –13.17% for the same period. Further adding to midstream performance in February, in our opinion, were two transactions that served as reminders of corporate governance and conflict of interest issues that can exist in the LP/GP structure of a master limited partnership ("MLP") (we'll discuss these two transactions in detail below).

Finally, and perhaps the most significant event of the period, the midstream sector dealt with the surprise announcement by the Federal Energy Regulatory Commission ("FERC") to eliminate the income tax allowance in determining pipeline tariffs under a cost of service mechanism. The FERC's decision on the morning of March 15th caught investors off guard and fueled widespread selling of the sector with natural gas transportation and storage companies (those most exposed) taking the brunt of losses. March's results were almost equal to February's, with total return performance of the AMZ down –6.94% and the MLPX down –7.30% for the month. *We discussed this issue at length in our commentary entitled "MLP Market Update: FERC Ruling" (please contact us if you would like a copy).* While we understand the negative impact to sentiment, we also believe the market reaction for the sector as a whole was overblown.

Positive Sector Fundamentals

In addition to company-specific concerns and the negative FERC announcement, general energy market weakness led to a tough investment backdrop during the period. However, growing production and widening basis (location) differentials continued to drive positive midstream sector company fundamentals.

Production levels in the U.S. continued to hit new highs, with the U.S. Energy Information Administration ("EIA") estimating that U.S. crude oil production averaged 10.4mmbbls/d in March 2018. Additionally, the EIA projects that U.S. crude oil production will average 10.7mmbbls/d in 2018, which would eclipse the previous annual record of 9.6mmbbls/d set in 1970.[1]

From a global perspective, the International Energy Agency ("IEA") proclaimed during the quarter that they expect U.S. crude oil production to reach a record 12.1mmbbls/d in 2023, overtaking Russia as the world's largest oil producer.[2]

Global crude oil inventories continued to fall towards 5-year average levels, helping to provide support and increase/stabilize crude prices. Basis (location) differentials widened in select domestic areas, reflecting the need for additional infrastructure in several key basins as production growth overwhelmed pipeline and gathering capacity.

Several large new projects were announced during the quarter, notably:

- ONEOK, Inc. (NYSE: OKE) announced $3.7 billion in new infrastructure projects (pipelines, processing and fractionation) at 4-6x multiples with no additional equity issuance planned for the remainder of 2018 and "well into 2019."
- Plains All American Pipelines Partners, LP (NYSE: PAA) announced it is moving forward with the Cactus II pipeline (initial capacity of 585,000 b/d, estimated cost of $1.1 billion) with significant, long-term, third-party take-or-pay commitments.
- Enterprise Products Partners, LP (NYSE: EPD) announced a 1 million tons per year ethylene export project with Navigator Holdings Ltd. (NYSE: NVGS).
- Cheniere Energy, Inc. (NYSE: LNG) signed two sale and purchase agreements with China National Petroleum Corp. ("CNPC") for a total of 1.2 million tons per year of liquefied natural gas ("LNG").
- Energy Transfer Partners, LP (NYSE: ETP) and Satellite Petrochemical USA Corp. ("Satellite") entered into a joint venture to construct a new ethane export terminal and additional pipelines, refrigeration, etc. in the U.S. Gulf Coast for ultimate ethane export to Satellite's ethane cracking facilities in China.

Structural Challenges

Needless to say, solid fundamental developments and continued financial progress did not translate to stock performance, with crude oil prices ending the period near 2-year highs and MLP indexes near 2-year lows.

We believe the sector continued to struggle from structural complications and uncertainties. We believe corporate governance remains a key impediment for some investors, and during the quarter, investors had more reminders of the structural conflict that can exist between limited and general partners.

As an example:

- NuStar Energy L.P. ("NS") and its general partner NuStar GP Holdings, LLC ("NSH") announced a poorly structured "simplification" of NS and NSH,

[1] *Short-Term Energy Outlook (STEO).* U.S. Energy Information Administration. April 2018.
[2] Kent, Sarah and Puko, Timothy. "U.S. Will Be the World's Largest Oil Producer by 2023, Says IEA." Wall Street Journal. March 5, 2018.

whereby NS (the LP) acquired NSH (the GP) at a small premium, and then cut the LP's distribution rate. This is an instance where the GP won "on the way up" and "on the way down."

- Additionally, despite previous expectations that the remaining membership interest in Rockies Express Pipeline, LLC ("REX") would be acquired by Tallgrass Energy Partners LP ("TEP", the LP), the remaining interests were instead acquired by Tallgrass Energy GP, LP ("TEGP", the GP). Rationale for the change in plan, according to President and CEO David Dehaemers, was that "the TEGP equity consideration utilizes our most effective cost of equity at this time."[3] Concurrent with the transaction, TEGP announced a 33% increase in its distribution rate. TEP's stock price declined by 11.0% the following day (February 8, 2018).

In accordance with investor frustration on the structural uncertainties of the MLP space, we also had the first instance (to the best of our knowledge) of a broad-based reduction in price targets by a sell side analyst based solely on the LP/GP structure and incentive distribution rights ("IDRs"), instead of the fundamental merits of the company. Quoting from the note, "*Simplification risks are compressing the valuation of LP-GP duos. We reduce our price targets accordingly… Blanket haircuts of 20% to LP and 10% to GP price targets.*"[4]

Yet, the inevitable push for "simplification" continued. Several more companies announced their intent to simplify, or "collapse," their entity structure and eliminate their IDRs during the period, including Archrock Partners, LP (NYSE: APLP), Alliance Resource Partners, LP (NYSE: ARLP) and Tallgrass Energy Partners, LP (NYSE: TEP). Additionally, several more announced that they are currently "evaluating" structural alternatives, including Antero Midstream Partners, LP (NYSE: AM) and EQT Midstream Partners, LP (NYSE: EQM). Lastly, given the FERC development, we may see one or more of the natural gas transportation MLPs be taken back in by its C-Corp parent.

The motives for simplification remain the same: simplify the company structure, better align the interests and incentives of the managers (generally the GP) and the common equity holders, reduce the cost of capital and improve access to capital. When the structural issues are resolved, we believe the sector will be dominated by companies with more stable, simpler structures with better governance and alignment of interests. In our opinion, this could spur new interest on the part of some investors who are otherwise interested due to the attractive valuations of most companies in the sector.

One other notable mention during the period, Viper Energy Partners, LP (NYSE: VNOM), voluntarily elected to change its tax status from a "pass-through partnership" to a taxable C-Corp on March 29th. Upon the announcement, the price of its stock jumped by +10.29%; despite there being no other fundamental changes. Perhaps this represents a small, but blunt message about the current view of the "MLP" structure.

Negative Sentiment

With the uncertainties mentioned above, and in spite of the compelling fundamentals, fund flows were understandably weak (and negative) for the period.

We believe a good barometer of retail investor sentiment towards the midstream sector is trading volume of the Alerian MLP ETF (NYSEARCA: "AMLP"), which is the largest exchange traded fund ("ETF") in the midstream space. We've seen a more than doubling of volume in AMLP so far in 2018. On March 15th – the date of the FERC announcement – the AMLP traded 7x its normal daily volume. Total volume for March 2018 was almost 3x the total volume for March 2017. AMLP experienced the largest outflow in its history for the month of February, with a total of $571mm outflow for the month. AMLP short interest reached a record high in March, rising to 77.0mm shares, a 293% increase over the 19.6mm share short interest as of December 31, 2017.[5]

Including all midstream-focused products (mutual funds, ETFs and exchange-traded notes), February went down as the month with the largest outflows from the midstream space in history, with March following as the month with the fifth largest outflow in history.[6]

Concluding Thoughts on the Midstream Sector

While we don't know when sentiment will turn or when stock prices will catch up to the fundamentals, we do know that institutional investors are investigating the

[3] "Tallgrass Energy GP and Tallgrass Energy Partners Announce Acquisitions and the Evaluation of Tallgrass Energy Organizational Structure." Tallgrass Energy. February 7, 2018.
[4] Bellamy, Ethan. "Reducing ENLC/ENLK, ETE/ETP, TEGP/TEP Price Targets; Downgrading ENLK to Neutral." Baird Equity Research. February 27, 2018.

[5] Source: Cushing Asset Management and Bloomberg
[6] Source: Cushing Asset Management and Bloomberg.

opportunities in the space with renewed interest. Both we and our peers are winning new allocations and responding to a higher level of information requests. These investors have helped drive the new distribution policies and organizational simplifications mentioned above, and we think their new focus on a "total return" story is a very positive step for the midstream sector.

While we understand the frustration, we also want to point out the recent positive developments mentioned above. We acknowledge that investing in the sector has risks, but we continue to believe that the reward to risk ratio is strongly skewed to the upside over the long term.

Remember – in general, volumes for midstream companies are growing; financial leverage is dropping; distribution coverage is rising; the need to issue equity to fund growth is declining; and valuations screen very attractive on both an absolute and relative basis.

There's a lot of detail underlying our comments. Please let us know if you'd like to have an in-depth discussion of these topics.

As always, we appreciate your support. Thank you for your continued confidence in us.

Best regards,

Cushing Investment Team

<u>Important Disclosures</u>

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Investments in MLPs are subject to price changes in crude oil and natural gas, as well as regulatory and interest rate risks, among others.

Glossary of Indices: The Alerian MLP Index (AMZ) is a composite of the most prominent energy master limited partnerships. The Cushing® 30 MLP Index (MLPX) is an equal weighted index that tracks the performance of 30 publicly traded MLP securities that hold midstream energy infrastructure assets in North America. The S&P 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The S&P 500 Oil & Gas E&P Sub Industry Index (S5OILP) is a capitalization-weighted index. This is a GICS Level 4 Sub-Industry group. The Philadelphia Stock Exchange Oil Service Sector Index (OSX) is a price-weighted index composed of 15 companies that provide oil drilling and production services, oil field equipment, support services and geophysical/reservoir services. The S&P 500 Utilities Index is comprised of those companies included in the S&P 500 that are classified as members of the GICS utilities sector. TIndices are included for comparative purposes only.

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