



NOT ALL MLPs ARE CREATED EQUAL

Investors often view Master Limited Partnerships (“MLPs”) as one uniform investment class, treating each one the same as the next. Sell-side research^A is organized in “MLP” verticals^B, asset managers are labeled as “MLP” asset managers, and asset allocation models often treat “MLPs” as one nonspecific category. We certainly understand the tendency to oversimplify—it is a niche asset class that is often misunderstood, in large part because of its perceived complexity. We often get asked, “How are MLPs doing?” To us, this is the same as asking “How are c-corporations (“C-Corps”) doing?” or “How is the technology industry?” C-Corps are found in every industry under the sun, and just like how the technology industry covers a variety of activities, so do MLPs.

To be an “MLP” simply means that you are structured as a specific type of business organization—an organization that combines the potential tax benefits of a limited partnership with the liquidity of publicly traded securities. Although mostly centered around

“natural resources” because of the scope of “qualifying income” in Section 7704 of the Internal Revenue Code, the business fundamentals behind each MLP must be examined independently (like any other publicly-traded security). Like every other company, there are some good ones, some bad ones and some that fall somewhere in between. Separating the good from the bad takes work and detailed analysis of myriad factors: asset type and quality; contract length and stability; counterparty health and support; competitive strength and positioning; exposure to key supply or demand areas; financial strength and flexibility; access to capital; cost of capital; management intentions and capabilities; etc. Over the long-term, we believe the high-quality MLPs are those that historically have produced stable and growing cash flow throughout various commodity and economic cycles. Center Coast’s focus on high-quality midstream (Midstream refers to the treatment, gathering, processing, transportation, among other activities of natural gas, NGLs, crude oil, refined products or

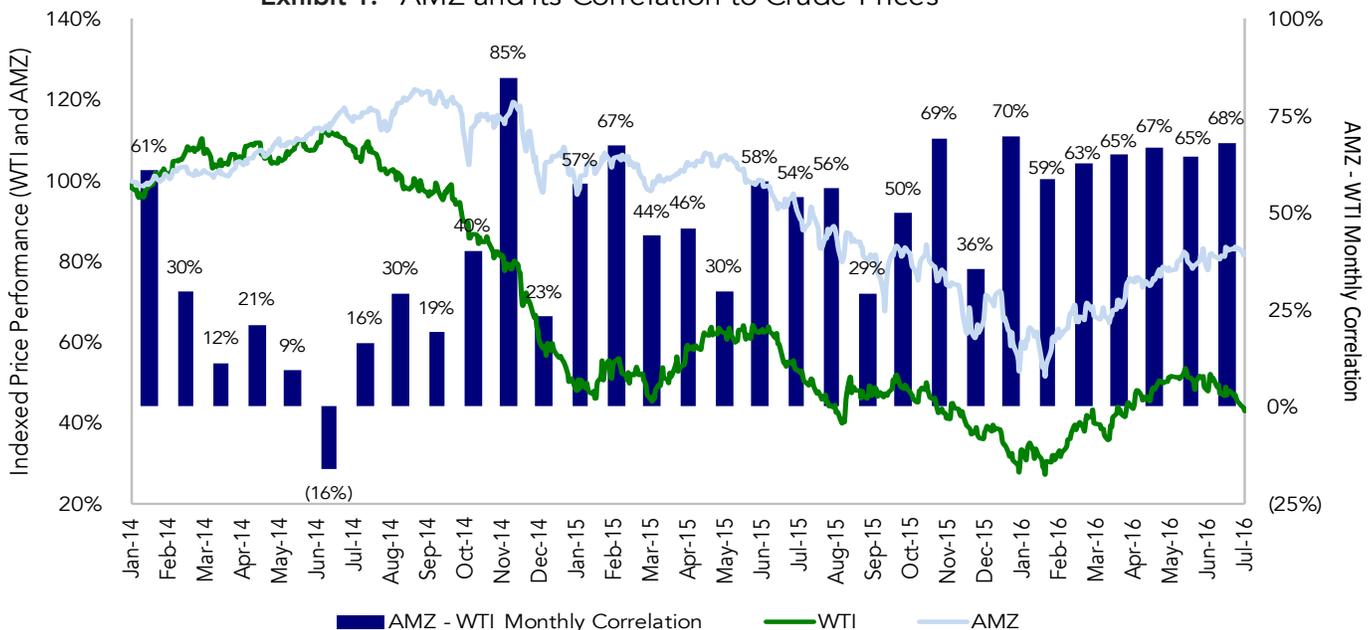
coal) assets and management teams is designed around this core philosophy; a philosophy that has provided our investors competitive risk-adjusted returns as compared to the Alerian MLP Index (“AMZ”)^C over a very tumultuous two-year time period.

OVERSIMPLIFIED FOCUS ON CRUDE OIL SENDS THE MLP ASSET CLASS REELING

The oversimplification of the MLP asset class was perhaps best on display during the recent crude oil sell-off. In November 2014, OPEC decided to maintain its production quota to protect its market share. This action, or inaction, resulted in a prolonged and painful sell-off in crude oil prices, as measured by WTI*—over 64% from November 2014 to the lows of February 2016, and MLPs and midstream c-corps followed suit. The AMZ dropped over 60% during that same timeframe, and demonstrated an increasing correlation to crude oil prices the lower those prices went (Exhibit 1).

*Full definition can be found in disclosures

Exhibit 1: AMZ and its Correlation to Crude Prices



Source: FactSet Past performance is not indicative of future results.

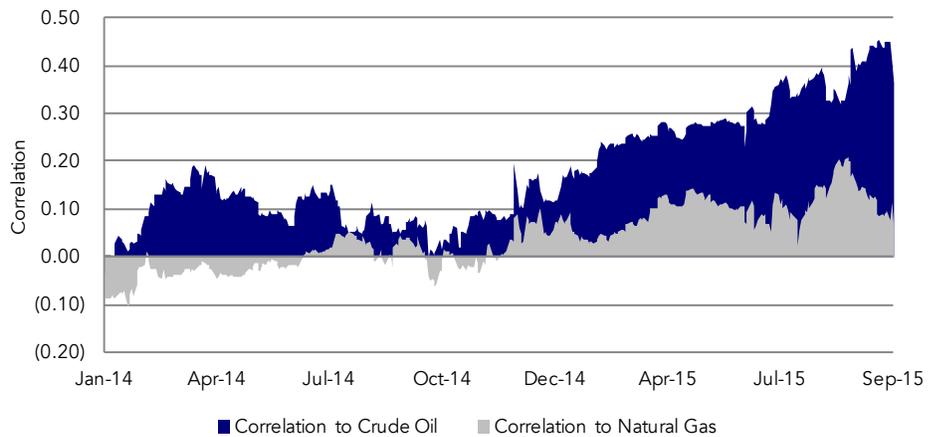


Although some MLPs and midstream c-corps are directly, or indirectly, impacted by falling crude oil prices, many have very little to do with crude oil and some even stand to benefit from low crude oil prices. So why the correlation? Fundamentally, there is no justification. But perhaps the best explanation starts with the oversimplification discussed above. Once crude oil prices fell to a level that reversed industry activity and impaired upstream producers, the entire “energy” complex (including “MLPs” broadly) came under pressure—fund flows dried up and even reversed, short positions were added, leverage to the sector was reduced, and the good was pulled down with the bad in an overgeneralized energy market sell-off. In past commentary, we pointed out some of the more comical examples:

- StoneMor Partners LP, an MLP which owns and operates cemeteries and funeral homes in 28 states, posted a 13% drop in the first two weeks of August, as oil fell 9.8%
- Natural gas transportation & storage MLPs, many of which are regulated by the Federal Energy Regulatory Commission (“FERC”) and as such generate a regulated return for transporting and storing Natural Gas, not crude oil, dropped 25% in the third quarter of 2015 as crude oil prices dropped ~20%, as natural gas prices remained flat. The underlying data shows near all-time high correlation of Natural Gas MLPs to crude oil prices and a statistically insignificant correlation to the commodity they actually touch, natural gas (Exhibit 2)

After hitting \$26.21 per barrel in mid-February 2016, crude oil prices have rallied over 50% and ,for now, have settled in a \$40-\$50 per barrel range. While almost every midstream company has benefitted with the improved investor sentiment, the majority of “riskier” and more volatile MLPs and midstream c-corps have outperformed since the February 2016 lows in a crude-focused rebound trade. Shortly after many investors sold MLPs en masse with crude oil prices, investors appear to be heading back

Exhibit 2: Nat Gas MLPs¹ Correlation to Crude Oil and Natural Gas



Source: FactSet
 Note:1 – Nat Gas MLPs include Boardwalk Pipeline Partners LP (“BWP”), Columbia Pipeline Partners LP (“CPPL”), Dominion Midstream Partners LP (“DM”), EOT Midstream Partners LP (“EOM”), Spectra Energy Partners LP (“SEP”), TC Pipelines LP (“TCP”), Tallgrass Energy Partners LP (“TEP”).

in with a focus on those MLPs most impaired during the prolonged downturn.

The overall correlation to crude oil prices remains high, but there appear to be signs that this relationship could break down once oil gets to a level that incentivizes an increase in domestic upstream activity. Starting the last week of May 2016 through June 23rd, 2016 the U.S. oil and gas industry added ~60 rigs, an 18% increase from where the rig count bottomed out. Crude oil prices were nearing \$50 per barrel at that time and were incentivizing an increase in activity levels by producers. From May 27th, 2016 to June 23rd—when crude oil last traded at or above \$50 per barrel—the correlation went back to historical levels

(0.45 to be exact;). Exhibit 3 shows the historical correlations between MLPs and other asset classes. Looking at the difference between 2015 and 2016 correlations, the price of oil hit its low in 2016 and the correlation between the AMZ and crude oil was quite a bit higher than what it was the previous year. True to form, as concerns over oversupply increased yet again and prices moved back towards \$40, the correlation picked back up. From June 23rd 2016 to the July 31st, 2016 the correlation went back to 0.74. When crude oil prices dip below the “activity threshold,” correlation picks up and gains momentum all the way down. When crude oil prices are above the “activity threshold,” they revert to statistical norms.

Exhibit 3

AMZ Correlation with Other Asset Classes							
	S&P 500	WTI Crude	Henry Hub Natural Gas	Utilities	REITs	U.S. 10-Year Yield	High Yield Bonds
2006	0.41	0.38	0.18	0.42	0.34	(0.04)	0.26
2007	0.42	0.27	0.02	0.36	0.35	0.16	0.37
2008	0.66	0.49	0.10	0.60	0.42	0.29	0.34
2009	0.72	0.44	0.06	0.57	0.51	0.28	0.22
2010	0.65	0.55	0.10	0.59	0.57	0.29	0.41
2011	0.67	0.43	0.09	0.54	0.66	0.35	0.33
2012	0.58	0.42	0.01	0.38	0.51	0.37	0.40
2013	0.59	0.27	(0.01)	0.47	0.53	0.11	0.38
2014	0.44	0.37	0.01	0.18	0.27	0.14	0.28
2015	0.46	0.43	(0.07)	0.28	0.23	0.17	0.34
2016	0.64	0.66	0.01	0.19	0.46	0.40	0.58
Average (excluding 2016)							
Last 3 Yrs.	0.50	0.36	(0.02)	0.31	0.34	0.14	0.33
Last 5 Yrs.	0.55	0.38	0.01	0.37	0.44	0.23	0.34
Last 10 Yrs.	0.56	0.40	0.05	0.44	0.44	0.21	0.33

Source: FactSet
 2016 Data as of 7/29/2016

1. Utilities represented by the PHLX Utility Sector Index
2. Real estate investment trusts (“REITs”) represented by the MSCI US REIT Index
3. High Yield Bonds represented by the Barclays US Corporate High Yield Index

Exhibit 4 shows the WTI-AMZ rolling 30 – day correlation for a variety of price points. A rolling 30 day correlation is simply a correlation over 30 day intervals. The data clearly shows that as the price of oil falls below the “activity threshold” (~\$50 oil) that the correlation between the AMZ and WTI will pick up.

Exhibit 4

WTI - AMZ Rolling 30-Day Correlation	
Avg. Crude Price	Avg. Correlation
Between \$20 - \$30	60.0%
Between \$30 - \$40	61.6%
Between \$40 - \$50	52.0%
Between \$50 - \$60	49.4%
Activity Threshold	
Between \$60 - \$70	47.3%
Between \$70 - \$80	45.8%
Between \$80 - \$90	46.5%
Between \$90 - \$100	25.4%
Between \$100 - \$110	13.4%

Source: FactSet
Data from 1/2/2014 – 7/29/2016

We tend to believe that the eventual rebalancing of crude oil supply and demand will create a more stable

outlook for the oil and gas industry and, in turn, take the focus off of daily crude oil price movements and back onto company specific fundamentals.

SO WHICH MLPs ARE ACTUALLY IMPACTED BY FALLING CRUDE OIL PRICES?

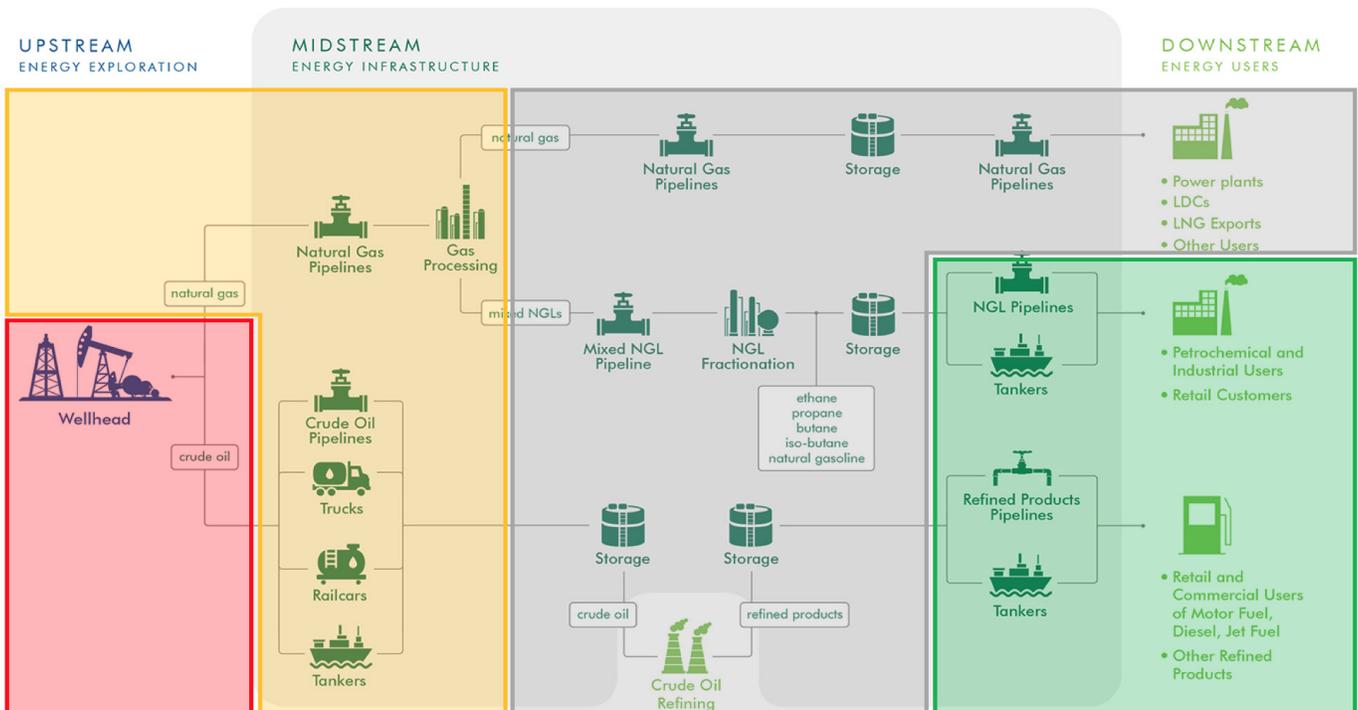
Some MLPs are directly impacted by lower crude oil prices. Upstream MLPs, (see Exhibit 5) like their C-Corp counterparts, are directly impacted by the price of crude oil since they generally produce cash flows by selling crude oil at prevailing market prices. Oilfield service MLPs, also like their corporate counterparts, are directly impacted by reduced activity levels and service cost reductions (a product of low barriers to entry and high competition). Within the midstream segment, where Center Coast invests 100% of the time, the impact of lower crude oil prices varies. Commodity-based midstream assets are directly impacted while supply-oriented midstream assets or growth projects are indirectly impacted through weaker than expected production.

Not all midstream assets, however, are impacted by lower crude oil prices. Each asset requires its own

analysis, but to the extent an asset is fee-based and not reliant on new production from an oil basin to generate or maintain cash flow, there should be little variability. In addition to some obvious assets discussed previously, like FERC-regulated natural gas and refined product pipelines, “demand-oriented assets”—which are those linked to end markets, export facilities, refineries, petrochemical plants, natural gas utilities, local distribution companies, etc.—can actually do better in a low commodity price environment since low prices tend to stimulate demand.

Exhibit 5 represents the energy value chain. On the left you have supply-oriented assets—producers of hydrocarbons—those that drill for oil and gas, and the midstream assets tied to that supply. On the right you have demand-oriented assets—consumers of hydrocarbons, who tend to benefit from low commodity prices, and the midstream assets tied to that demand. The shading represents the impact falling crude oil prices have on profitability and cash flow—red (directly negative), yellow (indirectly negative), gray (mostly indifferent), and green (directly positive). With six

Exhibit 5



quarters of reporting since the commodity price downturn, the distributable cash flow (“DCF”) per unit performance of these types of companies show the actual results of the underlying operations. (Exhibit 6)^D

- As expected, red did worse than yellow, which did worse than gray, which did worse than green.
- Columns B-D of Exhibit 6, shows us the market performance of these types of companies.
- Column B shows from peak oil prices (08/29/14) to the trough (02/11/16)
- Column C shows market performance from the trough (2/11/16) through Q2 2016 (6/30/2016)
- Column D shows market performance from the Peak of Oil Prices on 8/29/14 through Q2 2016 (6/30/2016)

Clearly, historical cash flow stability and growth do not always translate into market returns. As discussed above, we believe this is due to the oversimplification of the asset class as a whole and the technical factors associated with that approach. All is not lost, however, as we believe the market inefficiencies, as they general-

ly do, will correct themselves over the long-term.

The analysis in Exhibit 6 below is itself overly simplistic. Few companies fit neatly into the red, yellow, gray, or green buckets. Like all publicly-traded securities, a detailed analysis is required to fully understand the factors that drive cash flow generation and growth for each specific company. The descriptions below provide more detail as it relates to the way Center Coast organizes the MLP subsectors (Exhibit 5):

Upstream MLPs – produce oil, natural gas, and natural gas liquids and therefore are directly tied to commodity prices; some commodity price exposure can be avoided through the use of short-dated hedges, locking in a price on a short term basis, but ultimately the cash flow is a function of production and prices.

Oilfield service MLPs – provide goods and services used by upstream producers throughout the drilling and completion process and therefore are directly tied to the activity of the oil

and gas producers. Barriers to entry are very low, leading to aggressive pricing and minimal contractual protection.

Diversified Midstream – these are the “industry heavyweights” which have a diverse set of assets across geographic regions and revenue sources. Some of the cash flows have direct and indirect commodity exposure but given the scale of operations, these are usually balanced by the more traditional demand-oriented and fee-based assets, such as transportation and storage.

Petroleum Transportation & Storage – provide liquids transportation, storage, and logistics to upstream and downstream producers mostly under fee-based multi-year contracts which mitigate direct commodity price exposure.

Sponsored Transportation & Storage – provide same services as discussed above, but are supported by a large refiner / trading parent that provides further cash flow stability through minimum volume commit-

Exhibit 6

	8/29/2014 - 2/11/16	2/11/2016 - 8/10/16	8/29/2014 - 8/10/16	
Column Label	A	B	C	D
	Price Performance			
	2015 vs 2014 DCF / LP Unit	Peak - Trough	Trough - Current	Peak - Current
Average crude oil price		(72.7%)	59.5%	(56.5%)
Upstream MLPs ¹	(30.5%)	(95.9%)	(2.3%)	(95.6%)
Commodity-exposed G&P ²	5.5%	(80.4%)	105.9%	(64.8%)
Natural Gas Transportation & Storage ³	13.9%	(37.3%)	32.4%	(10.6%)
Sponsored Petroleum Transportation & Storage ⁴	27.2%	(36.0%)	15.9%	(25.1%)

Source: FactSet, Company Filings. Past performance is not indicative of future results.

Notes:

- 1 – Upstream MLPs includes Atlas Resource Partners, L.P. (“ARP”), Breitburn Energy Partners LP (“BBEP”), EV Energy Partners, L.P. (“EVEP”), Legacy Reserves LP (“LGCY”), LINN Energy LLC (“LINE”), Mid-Con Energy Partners LP (“MCEP”), Memorial Production Partners LP (“MEMP”), and Vanguard Natural Resources, LLC (“VNR”) as defined by the fund’s schedule of investments
- 2 – Commodity-exposed Gathering & Processing (“G&P”) includes American Midstream Partners LP (“AMID”), Azure Midstream Partners LP (“AZUR”), Crestwood Equity Partners LP (“CEQP”), DCP Midstream Partners LP (“DPM”), Enable Midstream Partners LP (“ENBL”), Midcoast Energy Partners LP (“MEP”), ONEOK Partners LP (“OKS”), Summit Midstream Partners LP (“SMLP”), and Southcross Energy Partners LP (“SXE”) as defined by the fund’s schedule of investments
- 3 – Natural Gas Transportation & Storage includes Boardwalk Pipeline Partners, LP (“BWP”), Columbia Pipeline Partners LP (“CP-PL”), Dominion Midstream Partners LP (“DM”), EQT Midstream Partners LP (“EQM”), Spectra Energy Partners LP (“SEP”), TC Pipelines LP (“TCP”), and Tallgrass Energy Partners LP (“TEP”) as defined by the fund’s schedule of investments
- 4 – Sponsored Petroleum Transportation & Storage includes Delek Logistics Partners LP (“DKL”), Holly Energy Partners (“HEP”), PBF Logistics LP (“PBFX”), Phillips 66 Partners LP (“PSXP”), Shell Midstream Partners LP (“SHLX”), Valero Energy Partners LP (“VLP”), VTTI Energy Partners LP (“VTTI”), and Western Refining Logistics LP (“WNRL”) as defined by the fund’s schedule of investments

ments across the asset base and additional assets that can be dropped down to the MLP, giving a more stable growth profile to the underlying MLP.

Gathering & Processing – provide crude oil, natural gas and natural gas liquids gathering and processing services through a variety of different contract structures; some can be directly tied to commodity prices, but most are fee-based. The companies usually are the sole operators in the areas hydrocarbons are produced leading to high barriers to entry and leverage in negotiations with the upstream producer.

Exploration and Production (“E&P”) – sponsored Gathering & Processing - provide crude oil, natural gas and natural gas liquids gathering and processing services through fixed-fee multi-year contracts backed by an E&P company that often holds a large equity interest in the underlying MLP.

Natural Gas Transportation & Storage – operate FERC-regulated natural gas pipelines that link the supply of natural gas to demand markets across the country usually through fixed-fee take-or-pay contracts. In a take-or-pay contract a customer is obligated to pay for capacity reserved regardless of whether the capacity is used. Cash flows are stable during the contract period and have no direct fundamental relationship to crude prices.

Fuel Distribution & Marketing – provide wholesale distribution of motor fuels (gasoline and diesel) that tend to benefit from lower crude oil prices given the increase in consumer demand

Propane – provide retail distribution of propane and therefore are directly linked to the price of propane; no fundamental relationship to crude oil prices

Coal – extract coal from mines and therefore directly tied to coal prices; no direct relationship to crude oil prices

Marine – provide seaborne transportation via tankers and carriers of crude oil, refined petroleum products, and liquefied natural gas tied to pricing differentials across the globe due to various economic factors

Other—Other activities in which very few partnerships are primarily engaged, including the liquefaction of natural gas, rail terminaling, ethylene production, and water treatment

General Partners (“GP”) – own an economic interest in the underlying Limited Partnership “LP” partnership and tend to trade in conjunction with its LP counterpart, but with greater leverage to projected distribution growth

historically stable and growing cash flow in bull and bear markets. This is achieved by investing in MLPs with fee-based business models with limited seasonality, high barriers to entry, and low demand elasticity. We seek to invest in high-quality midstream assets that are run by proven management teams; companies with healthy balance sheets, solid distribution coverage, healthy counterparties, and visible growth prospects / projects that have been identified to investors and have identified funding sources.

Below you have two tables that show the top and bottom 5 and 10 AMZ performers in the most recent bull market (Exhibit 7) and bear markets (Exhibit 8). Setting aside short-term market action like what we’re seeing in the current crude oil rebound trade, the data strongly indicates that the companies that performed best during both a bull and bear cycle were those with healthy distribution growth, manageable leverage, and adequate coverage to support those growing distributions. These factors reflect the general health of any MLP and usually represent a critical underlying franchise asset position, a prudent management team, and healthy counterparties. On the other hand, the data indicates that the companies that performed the worst either cut their distribution or have coverage much closer to 1.0x, have almost no distribution growth, on average, and have leverage over 50% higher, indicating sub-par investment quality. And while more defensive MLPs may lag in a rebound trade, the downside protection and stability creates a substantially greater geometric return over longer periods of time.

SO WHAT HAVE WE LEARNED AND WHAT’S NEXT?

If we could predict commodity prices with perfection, we would buy the gray and green MLPs in a bear commodity price market and rotate into the yellow MLPs in a bull commodity price market (see Exhibit 6 above). But we can’t predict commodity prices—and no one can with 100% accuracy. Over the long-term, however, we believe the best midstream and MLP investments are those that have produced

Exhibit 7

Bull Market (1/1/10 - 8/29/14)					
	Average	LTM	Dist.	Distribution	LTM
Top	Total Return	Coveragē	Cuts	CAGR	Debt / EBITDA
5	365.9%	1.39x	0	11.6%	3.40x
10	287.2%	1.24x	0	9.0%	3.55x
Bottom					
5	47.6%	1.08x	1	0.2%	4.16x
10	70.2%	0.97x	1	0.7%	4.24x

Source: Company press releases, filings and FactSet

Past Performance not indicative of future results

Exhibit 8

Bear Market (8/29/14 - 2/11/16)					
	Average	LTM	Dist.	Distribution	LTM
Top	Total Return	Coveragē	Cuts	CAGR	Debt / EBITDA
5	(22.2%)	1.18x	0	12.4%	3.84x
10	(30.1%)	1.23x	0	10.8%	4.14x
Bottom					
5	(89.2%)	0.98x	0	(29.5%)	5.26x
10	(81.2%)	1.06x	0	(14.8%)	5.19x

Source: Company press releases, filings and FactSet

Past Performance not indicative of future results

Exhibit 7:

- a. Excludes partnerships that cut distributions
- b. Last Twelve Months ("LTM") Coverage is the ratio of cash flow available to LP unitholders and the general partner to the cash paid to an MLP's LP unitholders and the general partner over the prior four quarters (i.e., available cash flow for the GP and LP divided by distributions paid to the GP and LP)
- c. Distribution Compound Annual Growth Rate ("CAGR") is the rate at which the distribution has grown over the past 3 years
- d. LTM Debt / EBITDA is the ratio of a company's debt to its LTM EBITDA

and is a measure of a company's ability to pay off its incurred debt
e. Average Total Return references the Average Cumulative Return, including distributions, of the respective holdings

Exhibit 8:

- a. Excludes partnerships that cut distributions
- b. Average Total Return references the Average Cumulative Return, including distributions, of the respective holdings

CONCLUSION

Not all MLPs are created equal. Some are good, some are bad, and some fall in between. Some should have never been formed as MLPs. Some have been directly, and severely, impacted by the recent fall in crude oil prices, such as the Upstream MLPs, and some have been largely insulated. Unfortunately, and particularly in

niche asset classes, there are periods of market dislocation where no one is spared. Nevertheless, high-quality midstream MLPs and C-corps have continued to demonstrate that their cash flow is resilient to the inevitable changes in commodity prices. Over the long-term, where short term market noise is irrelevant and correlations

are at their statistical norms, we believe the total return proposition of the high-quality MLP and midstream companies is attractive through a combination of cash distributions and growth generated from high quality assets and sustainable cash flows.

-
- A. Sell side research is the research published by major brokerage firms
 - B. A "vertical" refers to a specific area of the market to which goods and services (such as research) are tailored towards
 - C. A composite of approximately fifty energy MLPs calculated using a float-adjusted, capitalization weighted methodology
 - D. For illustrative purposes, we've used (DCF) per LP unit to take out any financing impacts and full year 2015 v. full year 2014 numbers to take out any quarterly seasonality. DCF per LP unit is the total cash available for distribution after subtracting interest expense, maintenance capital expenditures, and the General Partner's allocation.

Before investing you should carefully consider the Center Coast MLP Focus Fund's investment objectives, risks, charges and expenses. This and other information is in the [prospectus](#) and [summary prospectus](#), a copy of which may be obtained by calling 877-766-0066 or by visiting the Fund's website at www.libertystreetfunds.com. Please read the prospectus or summary prospectus carefully before investing.

As of 6/30/2016, the Fund's Top 5 Holdings were Plains All American Pipeline LP (PAA) 8.39%, Enterprise Product Partners LP (EPD) 8.34%, Targa Resources Corp (TRGP) 6.95%, ONEOK Partners LP (OKS) 6.95% and Tesoro Logistics LP (TLLP) 6.93%

RISK AND OTHER DISCLOSURES:

An investment in the Center Coast MLP Focus Fund is subject to risk, including the possible loss of principal amount invested and including, but not limited to, the following risks, which are more fully described in the prospectus:

- The Fund concentrates its investments in master limited partnerships (MLPs), which involve additional risks compared to those from investments in common stock, including, but not limited to, cash flow risk, tax risk, and risks associated with limited voting rights.
- Unlike most other open-end mutual funds, the Fund will be taxable as a regular corporation, or "C" corporation. Consequently, the Fund will accrue and pay federal, state and local income taxes on its taxable income, if any, at the Fund level, which will ultimately reduce the returns that the shareholder would have otherwise received. Additionally, on a daily basis the Fund's net asset value per share ("NAV") will include a deferred tax expense (which reduces the Fund's NAV) or asset (which increases the Fund's NAV, unless offset by a valuation allowance). To the extent the Fund has a deferred tax asset, consideration is given as to whether or not a valuation allowance is required. The Fund's deferred tax expense or asset is based on estimates that could vary dramatically from the Fund's actual tax liability/benefit and, therefore, could have a material impact on the Fund's NAV.
- The Fund, unlike the MLPs in which it invests which are treated as partnerships for U.S. federal income tax purposes, is not a pass-through entity. Consequently, the tax characterization of the distributions paid by the Fund, such as dividend income or return of capital, may differ greatly from those of its MLP investments. An investment in the Fund does not provide the same tax benefits as a direct investment in an MLP.
- The Fund currently anticipates paying monthly cash distributions to shareholders at a rate that over time is similar to the distribution rate the Fund receives from the MLPs in which it invests, without offset for the expenses of the Fund. The Fund may maintain cash reserves, borrow or sell certain investments at less desirable prices in order to pay the expenses of the Fund. Because the Fund's distribution policy takes into consideration estimated future cash flows from its underlying holdings, and to permit the Fund to maintain a stable distribution rate, the Fund's distributions may not represent yield or investment return on the Fund's portfolio. To the extent that the distributions paid exceed the distributions the Fund has received, the distributions will reduce the Fund's net assets.
- The Fund is not required to make distributions and in the future could decide not to make such distributions or not to make distributions at a rate that over time is similar to the distribution rate it receives from the MLPs in which it invests.
- It is expected that a portion of the distributions will be considered tax deferred return of capital (ROC). ROC is tax deferred and reduces the shareholder's cost basis (until the cost basis reaches zero); and when the Fund shares are sold, if the result is a gain, it would then be taxable to the shareholder at the capital gains rate. Any portion of distributions that are not considered ROC are expected to be characterized as qualified dividends for tax purposes. Qualified dividends are taxable in the year received and do not serve to reduce the shareholder's cost basis. The portion of the Fund's distributions that may be classified as ROC is uncertain and can be materially impacted by events that are not subject to the control of the Fund's advisor or sub-advisor (e.g. mergers, acquisitions, reorganizations and other capital transactions occurring at the individual MLP level, changes in the tax characterization of distributions received from the MLP investments held by the Fund, or change in tax laws). The ROC portion may also be impacted by the Fund's strategy, which may recognize gains on its holdings. Because of these factors, the portion of the Fund's distributions that are considered ROC may vary materially from year to year. Accordingly, there is no guarantee that future distributions will maintain the same classification for tax purposes as past distributions.
- The MLPs owned by the Fund are subject to regulatory and tax risks, including but not limited to changes in current tax law which could result in MLPs being treated as corporations for U.S. federal income tax purposes or the elimination or reduction of MLPs tax deductions, which could result in a material decrease in the Fund's NAV and/or lower after-tax distributions to Fund shareholders.
- As a non-diversified fund, the Fund may focus its assets in the securities of fewer issuers, which exposes the Fund to greater market risk than if its assets were diversified among a greater number of issuers.
- Equity securities issued by MLPs may trade less frequently than larger companies due to their smaller capitalizations, which may result in erratic price movement or difficulty in buying or selling.
- A substantial portion of the MLPs within the Fund are primarily engaged in the energy sector. As a result, any negative development affecting that sector, such as regulatory, environmental, commodity pricing or extreme weather risk, will have a greater impact on the Fund than a fund that is not over-weighted in that sector.

Distributed by Foreside Fund Services, LLC. www.foreside.com

The Fund may not be suitable for all investors. We encourage you to read the Fund's prospectus carefully and consult with appropriate tax and financial professionals before considering an investment in the Fund.

The Alerian MLP Index (AMZ) is a market-cap weighted, float-adjusted index which tracks the performance of the 50 most prominent energy Master Limited Partnerships (MLPs). Unlike the Fund, the Alerian MLP Index and Index Trust are not structured as a C-corp. The Fund accrues deferred income tax liabilities/assets which is reflected daily in the Fund's NAV. Index returns do not reflect deferred income tax liabilities/assets. WTI is a grade of crude oil used as a benchmark in oil pricing. Henry Hub Spot Price references the Henry Hub natural gas pipeline that serves as the official delivery

location for the spot price and futures contracts on the New York Mercantile Exchange (NYMEX) . The PHLX Utility Sector Index (UTY) is a market capitalization-weighted index composed of geographically diverse public utility stocks. **RISKS:** non-diversified and therefore may be more volatile than the broader market. The MSCI US REIT Index (RMZ) is a free float-adjusted market capitalization index that is comprised of equity REITs. **RISKS:** real estate industry concentration risk (non-diversification), interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer default, and inflation risk exist. Barclays US Corporate High Yield Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt. **RISKS:** interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer default, and inflation risk exist. As a lower-quality debt security, this involves greater risk of default or price changes and is more volatile than Bonds and T-Bills.

One cannot invest directly in an index.

The views in this material are intended to assist readers in understanding certain investment methodology and do not constitute investment advice. The views in this material were those of the Fund's Sub-advisor as of the date written and may not reflect its views on the date this material is first disseminated or any time thereafter.

Liberty Street Advisors, Inc. is the advisor to the Fund. The Fund is part of the Liberty Street family of funds within the series of Investment Managers Series Trust.