



Guide to MLP Investing

Equipping Investors to Make Informed Decisions About MLPs and Energy Infrastructure

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Alerian Index Series

Ticker	Name	Constituents	Tracking	Methodology	Launch Date
AMZ	Alerian MLP Index	50 MLPs	Energy MLPs	Float-adjusted, Capitalization-weighted	June 2006
AMZI	Alerian MLP Infrastructure Index	25 MLPs	Infrastructure MLPs	Capped, Float-adjusted, Capitalization-weighted	March 2008
ANGI	Alerian Natural Gas MLP Index	20 MLPs	Natural Gas MLPs	Equal-weighted	January 2010
ALCI	Alerian Large Cap MLP Index	15 MLPs	Large Cap MLPs	Equal-weighted	March 2010
AMZE	Alerian MLP Equal Weight Index	50 MLPs	Energy MLPs	Equal-weighted	April 2013
AMEI	Alerian Energy Infrastructure Index	30 MLPs and Corporations	Energy Infrastructure	Tier-weighted	April 2013

MLP Management Teams

EPD and AMZ MLP Index
Attractive Total Return vs. Other Asset Classes



Significant Historical Returns (a)



Research Analysts

CREDIT SUISSE
CS Take on MLPs: Special Edition
Implications of WES Restructuring Announcement for MLPs

The MLP Maven
Bank of America Merrill Lynch

BARCLAYS CAPITAL
MLPs

Television



Print

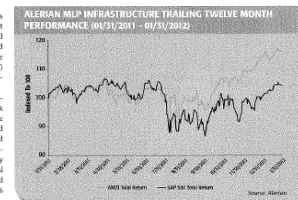
Alerian Index

Despite Challenges, MLPs Continue To Raise Distributions

In 2012, warm weather, low natural gas prices and a cautious political environment are offset by record earnings, pipeline master limited partnerships' (MLP) distribution raises and increasing domestic production. In January the Alerian MLP Infrastructure Index (AMZ) gained 2.2% on a total-return basis, as compared to the S&P 500 return of 4.5%.

In February the Energy Information Administration's (EIA) Short Term Energy Outlook reported that the average American expenditure for heating fuels has been lowered for the third consecutive time, primarily due to continued warm weather throughout most of the U.S. Natural gas expenditures are expected to decline by 11% and propane expenditures by 5%. Natural gas storage inventories continued to see record seasonal highs and natural gas prices fell by 17% in January while propane prices fell 3%.

In response to such low natural gas prices, Chesapeake Energy Corp. announced a reduction in its natural gas production.



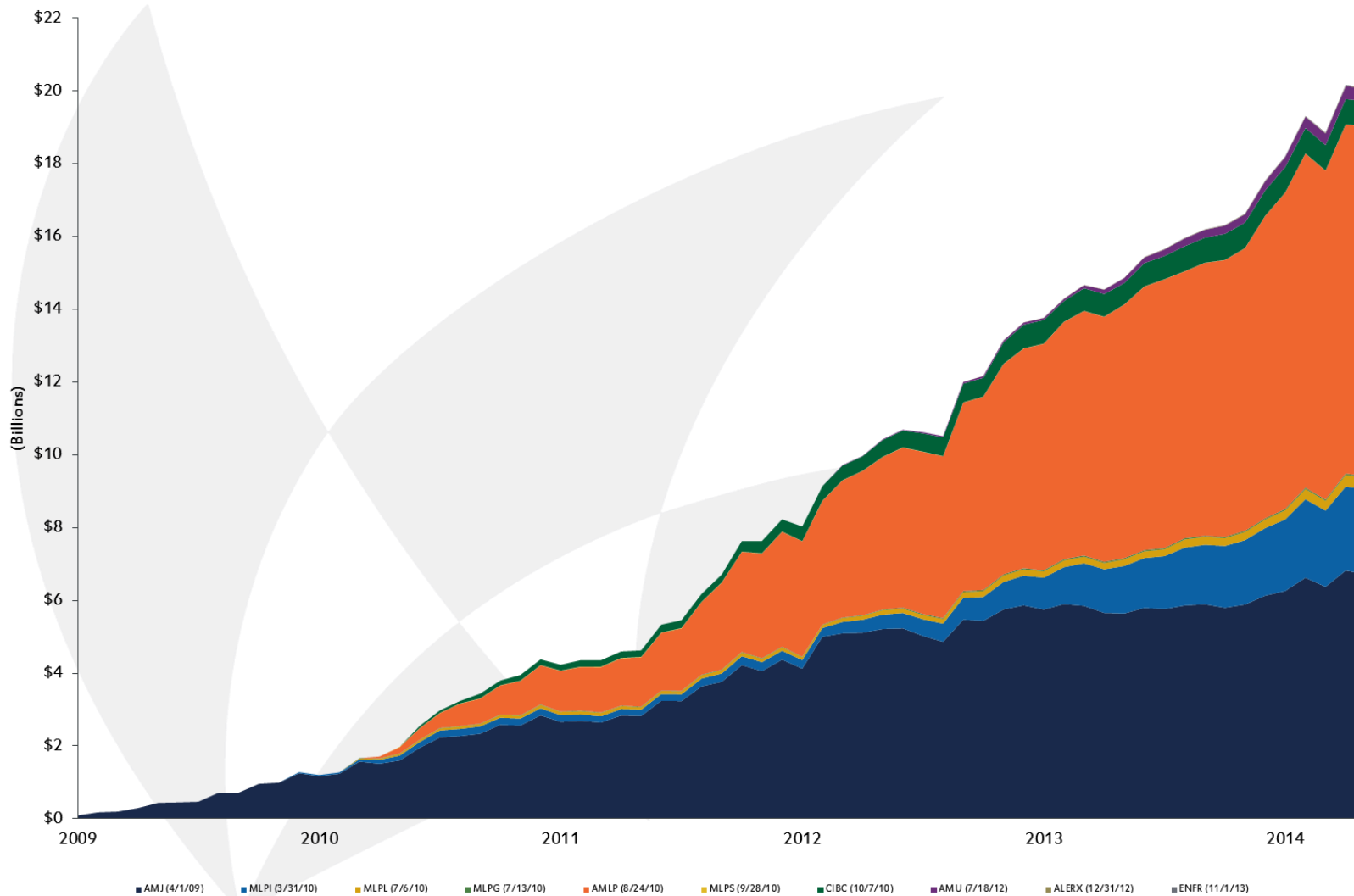
Alerian Index-Linked Products

Ticker	Product Type	Product Name	Licensee	Inception Date	Underlying Index	Annual Fee	Total Assets (mil)
AMLP	ETF	Alerian MLP ETF	ALPS	August 24, 2010	AMZI	0.85%	\$9,616
ENFR	ETF	Alerian Energy Infrastructure ETF	ALPS	November 1, 2013	AMEI	0.65%	\$16
AMJ	ETN	JPMorgan Alerian MLP Index ETN	JPMorgan	April 1, 2009	AMZ	0.85%	\$6,715
AMU	ETN	ETRACS Alerian MLP Index ETN	UBS	July 17, 2012	AMZ	0.80%	\$354
MLPI	ETN	ETRACS Alerian MLP Infrastructure Index ETN	UBS	March 31, 2010	AMZI	0.85%	\$2,341
MLPL	ETN	ETRACS 2x Leveraged Long Alerian MLP Infrastructure Index ETN	UBS	July 6, 2010	AMZI	0.85%	\$312
MLPG	ETN	ETRACS Alerian Natural Gas MLP Index ETN	UBS	July 13, 2010	ANGI	0.85%	\$38
MLPS	ETN	ETRACS 1x Monthly Short Alerian MLP Infrastructure Index ETN	UBS	September 28, 2010	AMZI	0.85%	\$4
Series 1-20	ROC Note	CIBC Alerian MLP Infrastructure Index-Linked ROC Notes	CIBC	October 7, 2010	AMZI	1.25%	\$774
ALERX	Mutual Fund	ALPS Alerian MLP Infrastructure Index Fund	ALPS	December 31, 2012	AMZI	1.25%	\$18
ALEFX	VIT	ALPS Alerian Energy Infrastructure Portfolio	ALPS	April 30, 2013	AMEI	0.80%	\$45

**Total Alerian Linked-
Products AUM (\$ mil):**

\$20,234

Alerian Benefits From First-Mover Advantage



Source: Alerian as of 30 September 2014

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Why MLPs?

Growth of US Energy Infrastructure

- MLPs build, acquire, and operate transportation assets
- MLPs build, acquire, and operate processing and storage assets

Stable and Growing Cash Flows

- Fee-based toll-road business models
- Interstate liquid tariffs are indexed to inflation using PPI+ methodology
- Average distribution growth of ~7% over the past 10 years

No Entity-Level Taxation

- No double taxation if 90% of income is from qualifying sources
- Higher payout ratios and lower cost of capital than C corporations

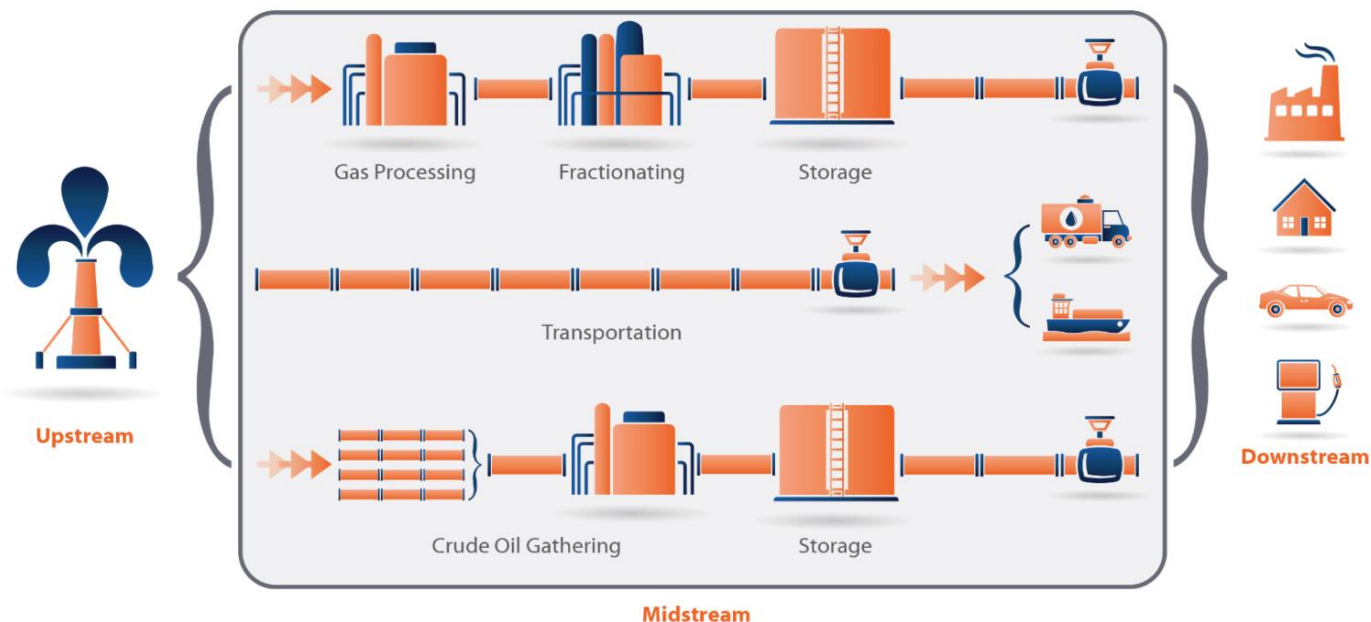
Growing Asset Class

- 2004: 38 MLPs with \$53 billion in market capitalization
- 2014: 121 MLPs with \$600 billion in market capitalization

Tax-Efficient Yield and Diversification

- 70%-100% of income is tax-deferred return of capital
- Low correlation to broader markets (0.50 to the S&P 500)

What Is an Energy Infrastructure Asset?



Stable Cash Flows

- Toll-road [**Price x Volume**] or contract-based business models
- Limited ownership of hydrocarbons mitigates commodity price exposure

Growing Cash Flows

- **Price:** Interstate liquids tariffs have built-in PPI “plus” revenue indexing
- **Volume:** Inelastic and growing energy demand

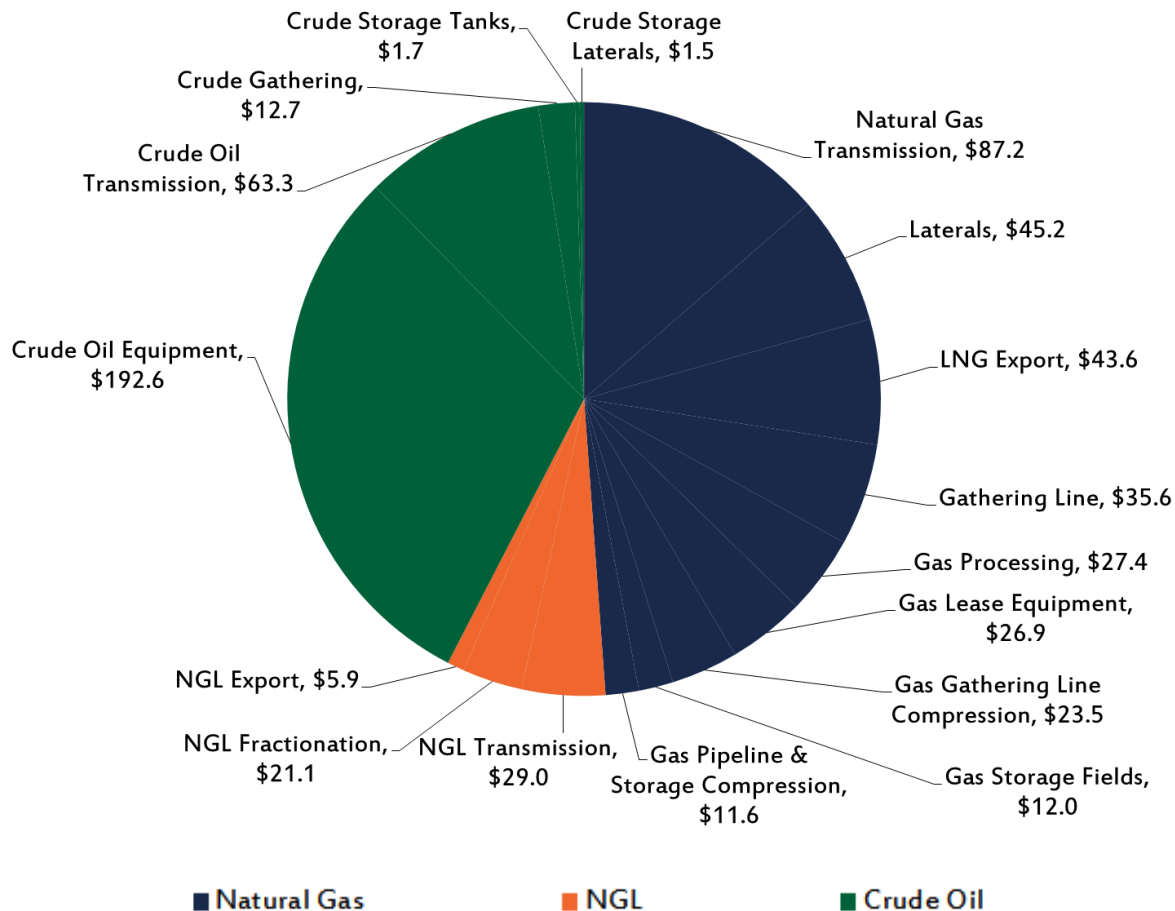
The Lake Pontchartrain Causeway charges the same toll for an Aston Martin as it does for a Honda Civic

Pipeline and storage businesses charge the same price to move or store a \$30 barrel as they do a \$150 barrel of oil



New Infrastructure Investment to Spur MLP Growth

\$641 billion will need to be invested in North American infrastructure over the next 20 years



Dramatic Increase in Infrastructure Demand

New Technologies Unlock Resources

- Hydraulic fracturing, horizontal drilling, and other technologies were not prevalent 5-10 years ago
- US crude production is at its highest level in two decades
- US natural gas production is at historical highs, shale gas is expected to grow 44% by 2040
- Many existing pipelines are running at or near capacity due to significant, recent production increases

Immediate Demand for Additional Infrastructure

- Moving crude by rail is a short-term solution
- Pipelines needed for takeaway capacity in the Bakken, Permian, Marcellus, Eagle Ford, and Canadian Oil Sands
- New oil produced in Canada and the US Northwest needs to get to the refining centers on the Gulf Coast
- INGAA estimates that NA will require over \$641B in infrastructure investment over the next 25 years

Potential for Export

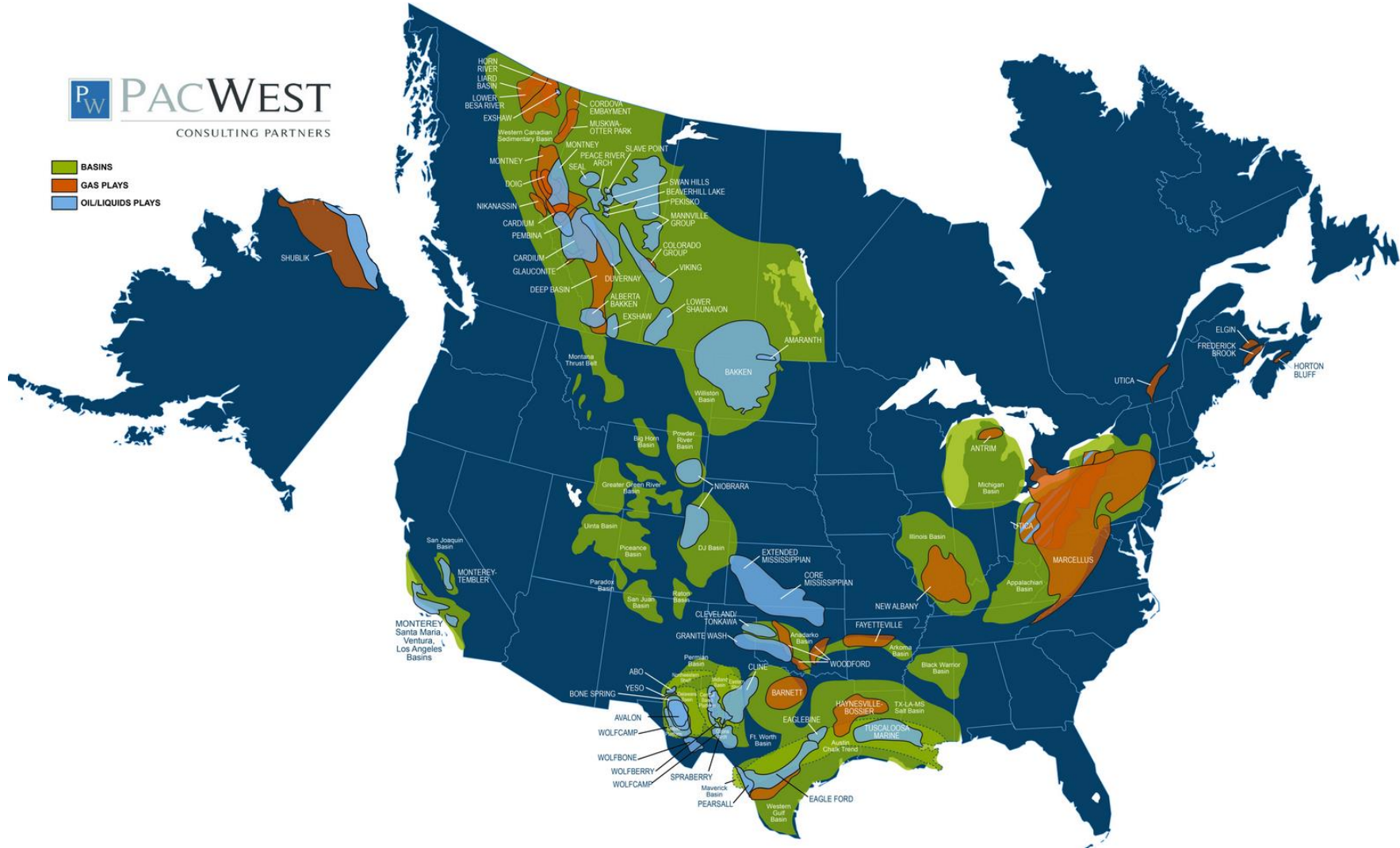
- Domestic natural gas prices have dropped dramatically while international prices remain high
- Four LNG export licenses have been approved by the US government with 18 applications still pending
- Panama Canal opening in 2015 will allow competitive access to Asian markets from the US Gulf Coast
- Oil sands bitumen needs to be blended with NGLs (diluent) so that it moves smoothly through pipelines

America needs more infrastructure to achieve energy independence

New Supply Centers, New Infrastructure Investment

PW PACWEST
CONSULTING PARTNERS

- BASINS
- GAS PLAYS
- OIL/LIQUIDS PLAYS



Source: PacWest Consulting Partners as of June 2014

Congressional Leaders View MLPs Constructively

Joint Committee on Taxation (JCT)

- Updated August 2014 study estimates foregone revenue of \$6.3 billion in 2014
- Decrease from February 2013 estimate of \$7.5 billion

MLP Parity Act

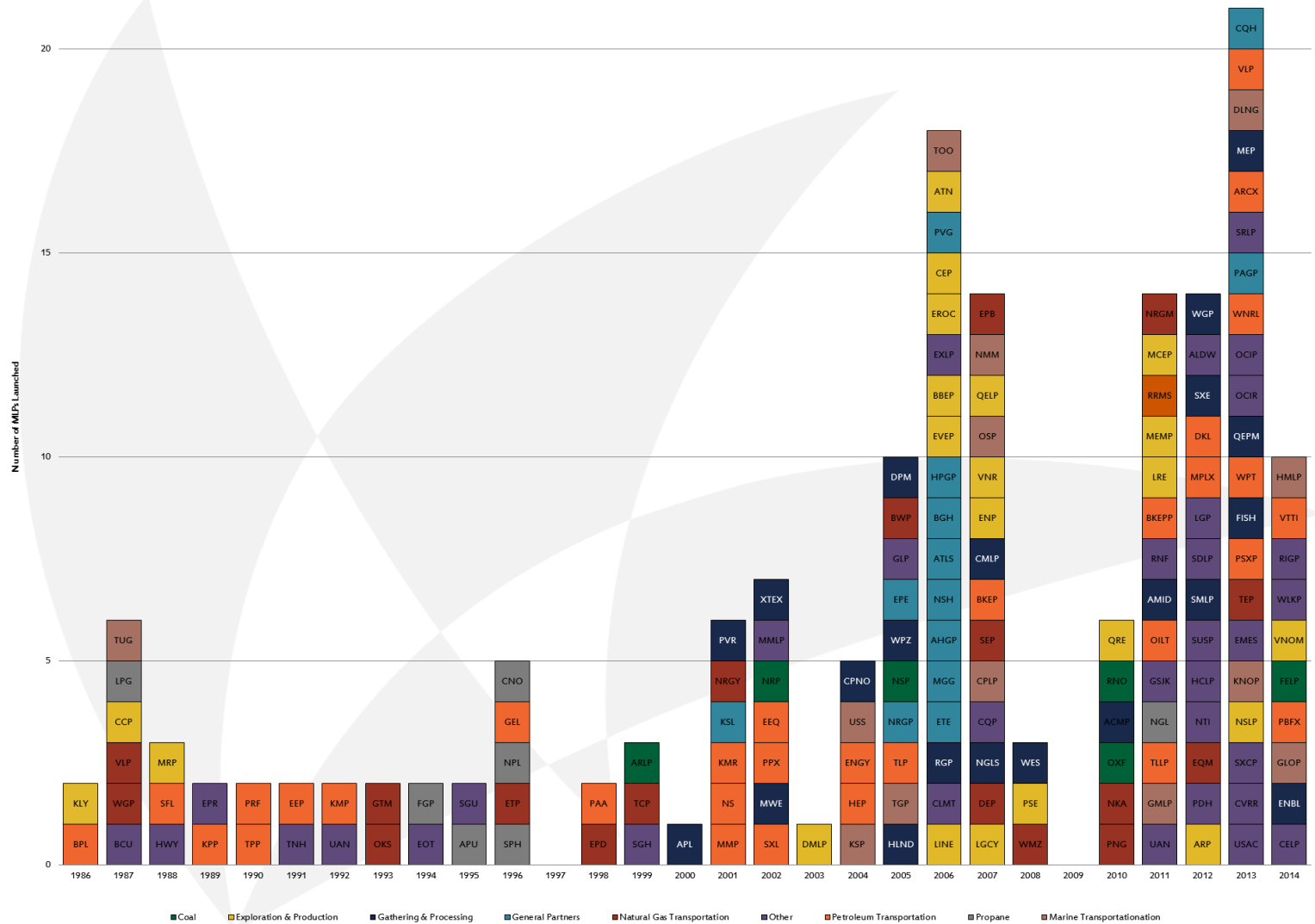
- Proposed in House (HR 1696) and Senate (S 795), bipartisan cosponsors
- Would grant same tax status to certain renewable fuels
- Foregone revenue estimate of \$1.5 billion over 10 years

NAPTP Educational Outreach

“New revenue numbers are dwarfed by the level of private capital that MLPs have invested to build US energy infrastructure (\$113 billion of infrastructure since 2007) and other contributions to our domestic energy security.”

Abolishing structure would be counterintuitive for viability of US energy independence

MLP IPOs Since 1986

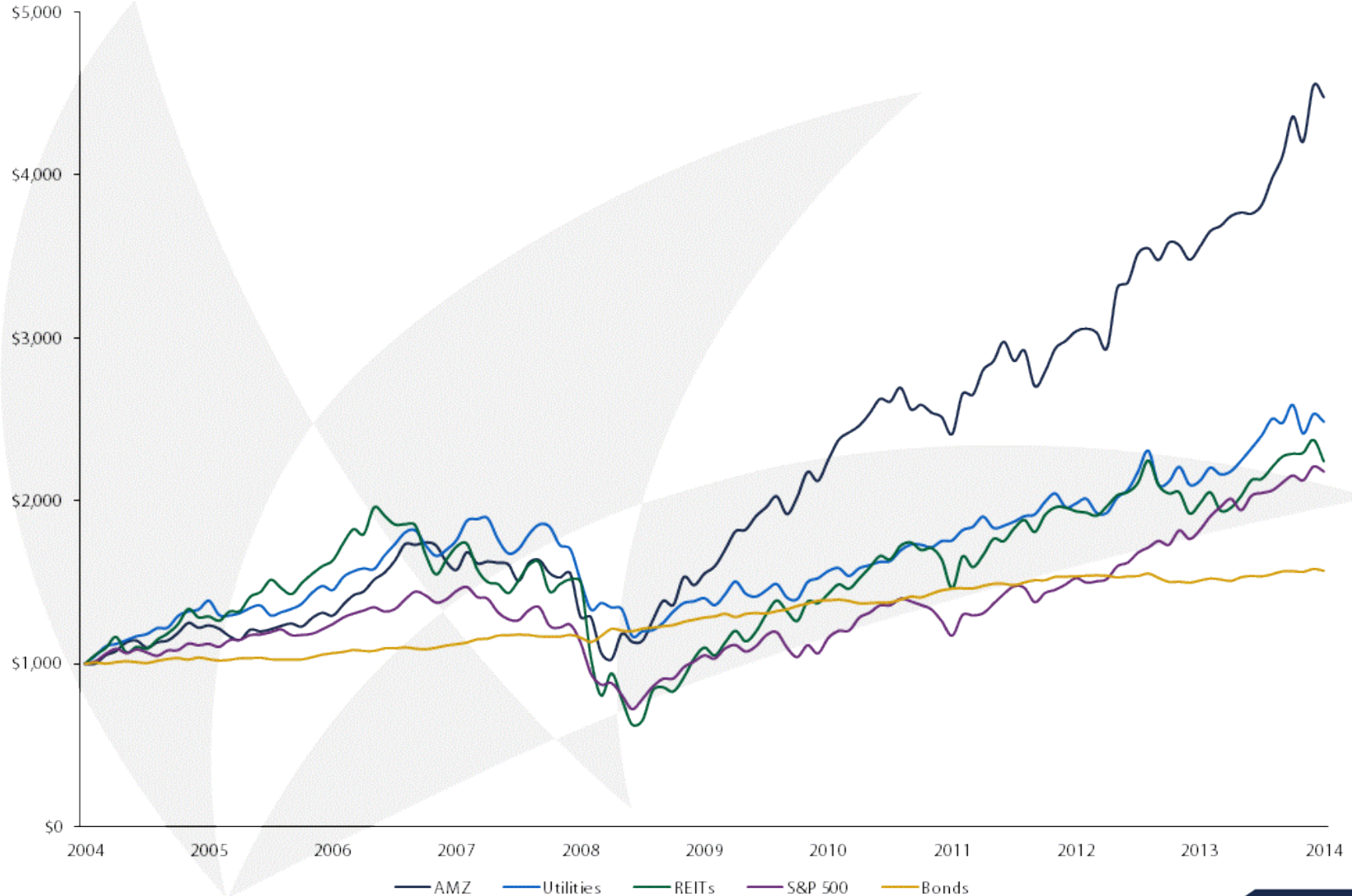


Source: Alerian as of 16 September 2014



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MLPs Historically Outperform Other Asset Classes



Source: Alerian as of 30 September 2014

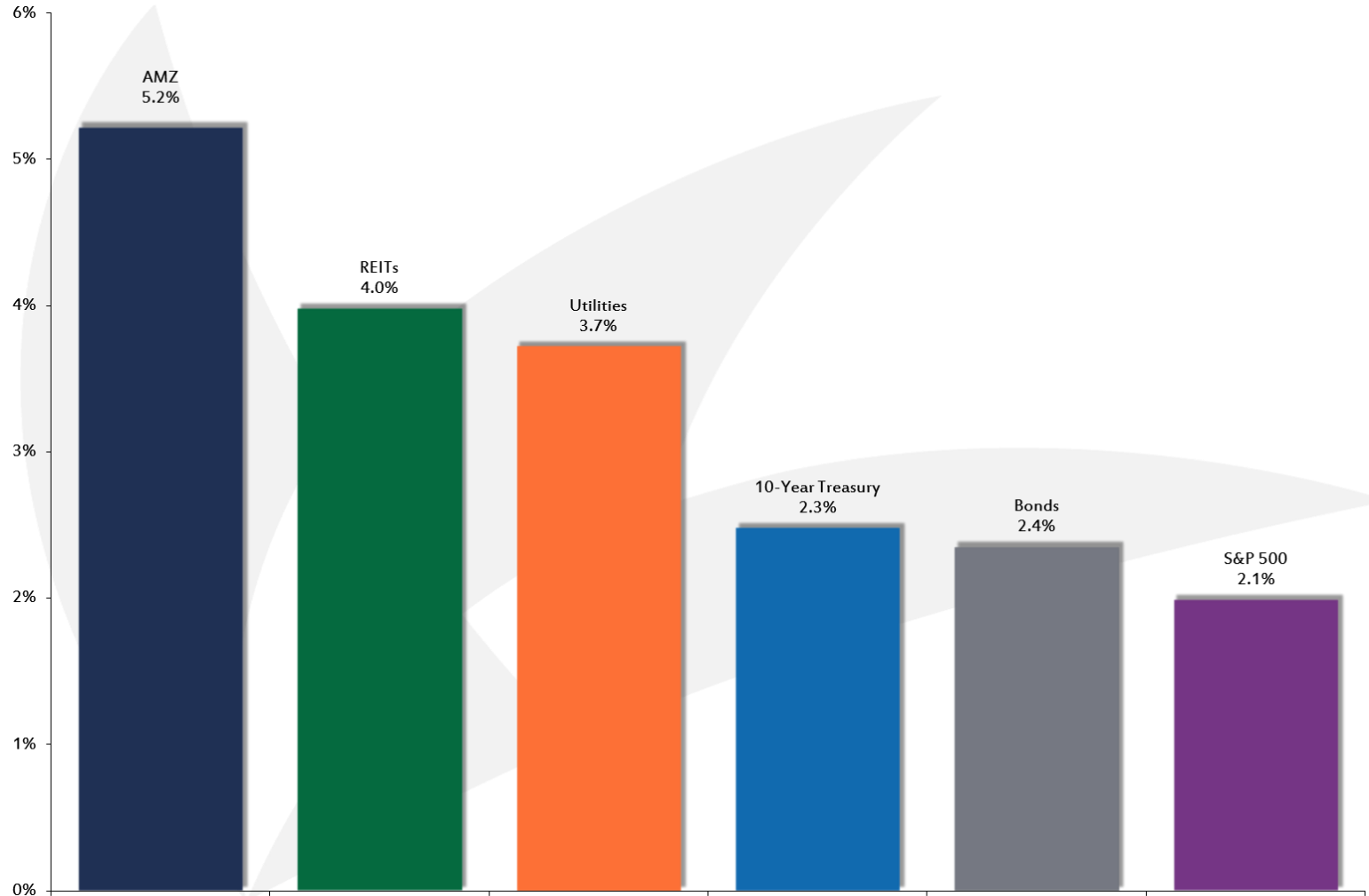
The Periodic Table of Performance

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 YTD	Annualized
REITs 38.1%	Commodities 25.6%	REITs 35.6%	Commodities 32.7%	Bonds 5.2%	MLPs 76.4%	MLPs 35.9%	Utilities 19.9%	REITs 18.0%	Small Cap 38.8%	MLPs 19.5%	MLPs 16.2%
Utilities 24.3%	Utilities 16.8%	Non-US 26.3%	Utilities 19.4%	Utilities -29.0%	Non-US 31.8%	Small Cap 26.9%	MLPs 13.9%	Non-US 17.3%	S&P 500 32.4%	REITs 14.6%	Utilities 9.5%
Non-US 20.2%	REITs 13.7%	MLPs 26.1%	MLPs 12.7%	Small Cap -33.8%	REITs 27.6%	REITs 26.7%	REITs 9.4%	Small Cap 16.3%	MLPs 27.6%	Utilities 14.0%	REITs 8.4%
Small Cap 18.3%	Non-US 13.5%	Utilities 21%	Non-US 11.2%	MLPs -36.9%	Small Cap 27.2%	S&P 500 15.1%	Bonds 7.8%	S&P 500 16.0%	Non-US 22.8%	S&P 500 8.3%	Small Cap 8.2%
Commodities 17.3%	MLPs 6.3%	Small Cap 18.4%	Bonds 7.0%	S&P 500 -37.0%	S&P 500 26.5%	Commodities 9.0%	S&P 500 2.1%	MLPs 4.8%	Utilities 13.2%	Bonds 4.1%	S&P 500 8.1%
MLPs 16.7%	S&P 500 4.9%	S&P 500 15.8%	S&P 500 5.5%	REITs -37.3%	Commodities 13.5%	Non-US 7.8%	Commodities -1.2%	Bonds 4.2%	REITs -0.5%	Non-US -1.3%	Non-US 6.3%
S&P 500 10.9%	Small Cap 4.6%	Bonds 4.3%	Small Cap -1.6%	Non-US -43.4%	Utilities 11.9%	Bonds 6.5%	Small Cap -4.2%	Utilities 1.3%	Commodities -1.2%	Small Cap -4.4%	Bonds 4.6%
Bonds 4.3%	Bonds 2.4%	Commodities -15.1%	REITs -16.3%	Commodities -46.5%	Bonds 5.9%	Utilities 5.5%	Non-US -12.1%	Commodities 0.1%	Bonds -2.0%	Commodities -7.4%	Commodities -2.7%

Master Limited Partnerships (MLPs) are represented by the Alerian MLP Index (AMZ). Utilities are represented by the S&P 500 Utilities Index, a composite of utility stocks in the S&P 500. Small-cap equities are represented by the Russell 2000 Index. Real Estate Investment Trusts (REITs) are represented by the Real Estate 50 Index, a supplemental benchmark to the FTSE NAREIT US Real Estate Index Series to measure the performance of more frequently traded equity REITs. The S&P 500 is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy. Bonds are represented by the Barclays US Aggregate Total Return Bond Index. Non-US equities are represented by the MSCI Daily Total Return EAFE Index (NDDUEAFE). Commodities are represented by the S&P Total Return World Commodity Index (SPWCITR). Performance is provided on a total return basis.

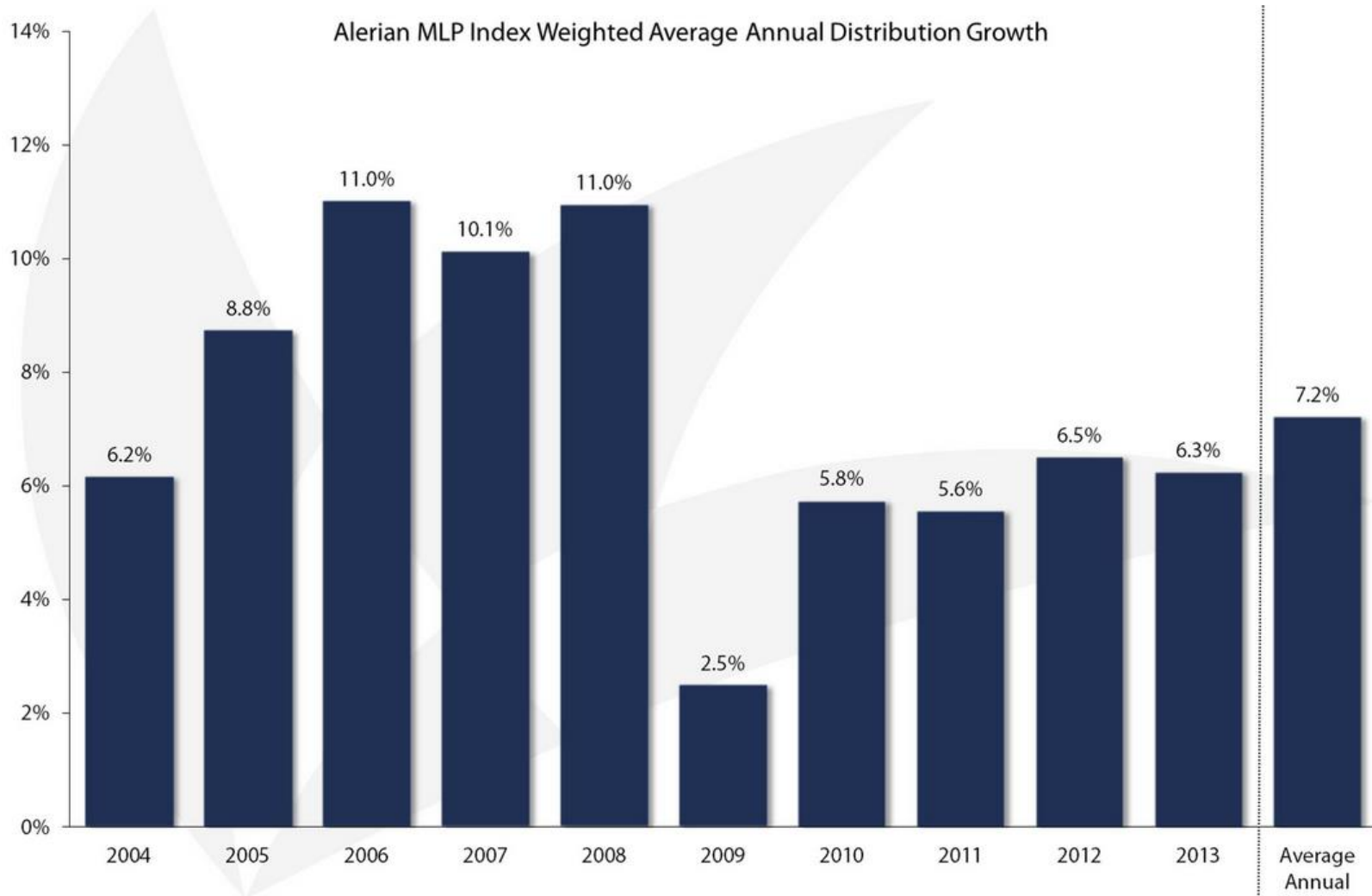
Source: Alerian as of 30 September 2014

MLPs Offer An Attractive Relative Yield



Master Limited Partnerships (MLPs) are represented by the Alerian MLP Index (AMZ). Utilities are represented by the S&P 500 Utilities Index, a composite of utility stocks in the S&P 500. Real Estate Investment Trusts (REITs) are represented by the Real Estate 50 Index, a supplemental benchmark to the FTSE NAREIT US Real Estate Index Series to measure the performance of more frequently traded equity REITs. Bonds are represented by the Barclays US Aggregate Total Return Bond Index. The S&P 500 is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy.

Distribution Growth Despite Environment



Source: Alerian as of 31 December 2013

What are the risks?

Sharp interest
rate increase

Broad equity
market decline

Demand
destruction

Tax law
changes

Limited capital
markets access

Environmental
law changes

Execution

Labor/materials
availability

Recontracting

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Different Strokes for Different Folks

Investment Type	Direct	Separately Managed Account	Exchange-Traded Note	Exchange-Traded Fund		Open-End Mutual Fund		Closed-End Fund	
				100% MLP	<25% MLP	100% MLP	<25% MLP	100% MLP	<25% MLP
Tax Classification	Partnership	Partnership	Forward Contract	Taxable "C" Corp	Non-Taxable "M" Corp	Taxable "C" Corp	Non-Taxable "M" Corp	Taxable "C" Corp	Non-Taxable "M" Corp
Return of Capital Flow-Through¹	70%-100%	70%-100%	No	70%-100%	Varies ²	70%-100%	Varies ²	70%-100%	Varies ²
Tax Treatment	0%-30% Ordinary Income	0%-30% Ordinary Income	100% Ordinary Income	0%-30% Qualified Dividend	Varies ²	0%-30% Qualified Dividend	Varies ²	0%-30% Qualified Dividend	Varies ²
Tax Form	Form K-1	Form K-1	Form 1099	Form 1099	Form 1099	Form 1099	Form 1099	Form 1099	Form 1099
IRA/401k Eligible	Taxable Beyond \$1,000 in UBTI ³	Taxable Beyond \$1,000 in UBTI ³	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Leverage	No	No	No ⁴	No	No	No ⁵	No	Up to 33%	Up to 33%
Liquidity	Intraday	Varies	Intraday	Intraday	Intraday	Daily	Daily	Intraday	Intraday
First Fund Launched	N/A	N/A	Jul 2007	Aug 2010	Jun 2012	Mar 2010	Sep 2010	Feb 2004	Jun 2005
Total Funds	N/A	N/A	16	6	3	14	12	22	10
AUM (\$ MM)	N/A	N/A	\$12.1B	\$10.2B	\$1.1B	\$18.5B	\$4.1B	\$19.4B	\$4.8B

Exchange-Traded Notes: AMJ, AMU, ATMP, FMLP, IMLP, LMLP, MLPC, MLPG, MLPI, MLPL, MLPN, MLPS, MLPW, MLPY, OSMS, YGRO

C Corp Exchange-Traded Funds: AMLP, MLPA, MLPJ, YMLI, YMLP, ZMLP

RIC Exchange-Traded Funds: EMLP, MLPX, ENFR

C Corp Open-End Mutual Funds: ALERX, AMLPX, BPMAX, CCCAX, CSHAX, CURAX, GLPAX, HEFAX, ILPAX, MLPAX, MLPDX, MLPFX, MLPLX, PRPAX

RIC Open-End Mutual Funds: CRZAX, EGLAX, INFRX, LCPAX, MLOAX, MLPPX, SMAPX, TMLAX, TNPTX, TOPTX, TORTX, VMLPX

C Corp Closed-End Funds: CBA, CEM, CEN, CTR, DSE, EMO, FEI, FEN, FMO, FPL, GMZ, JMLP, JMF, KED, KYN, NML, NTG, SRF, SRV, TYG, TYN, TYY

RIC Closed-End Funds: FIF, KMF, KYE, MIE, NDP, SMF, SMM, SZC, TPZ, TTP

¹Return of Capital Flow-Through: Historical range for most midstream-focused MLPs.

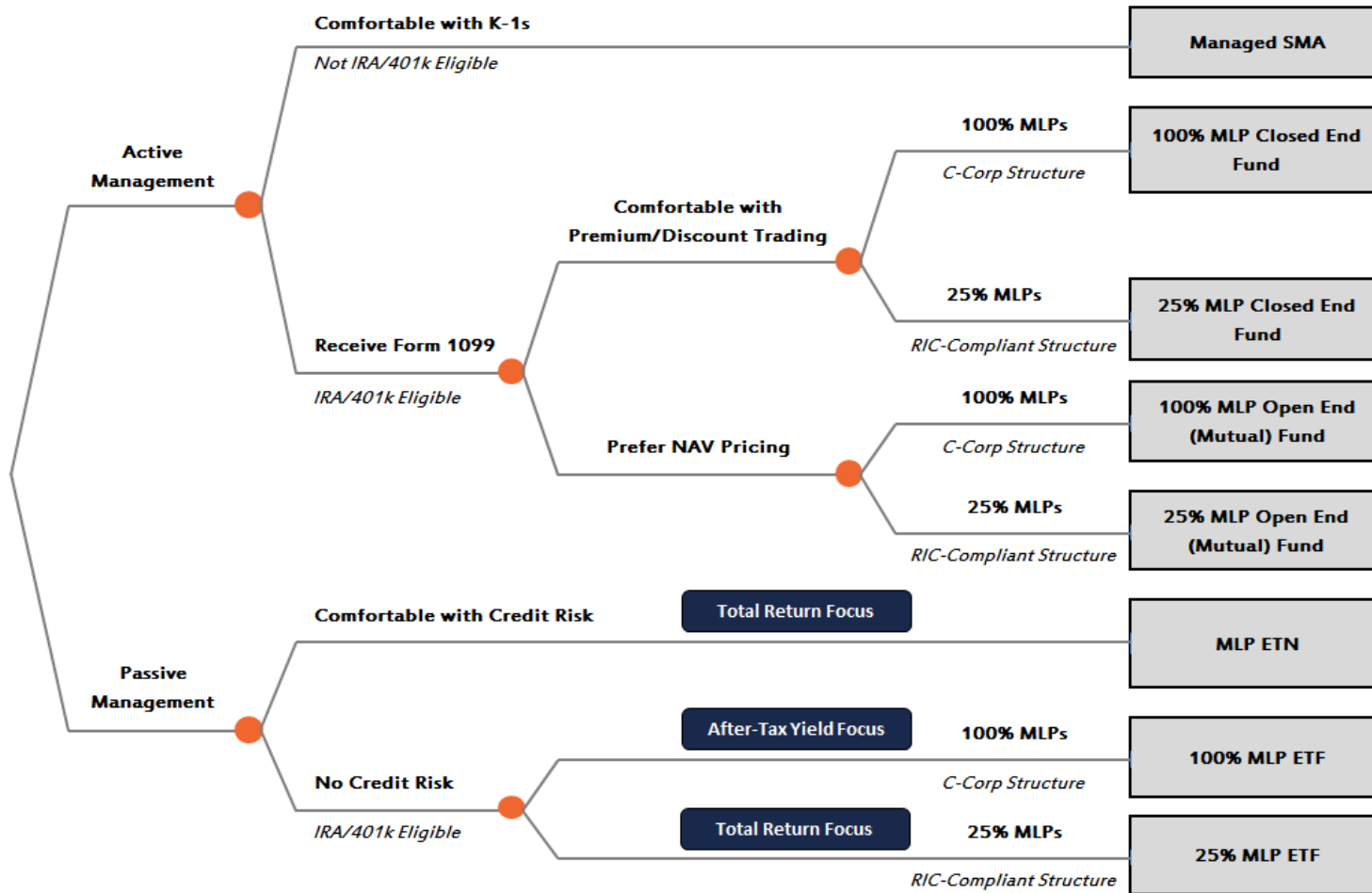
²RIC-compliant funds hold a diverse group of investments and the tax treatment of income paid to investors may vary dramatically between funds.

³Unrelated Business Taxable Income is the gross income from any unrelated trade or business regularly conducted by an exempt organization, less the deductions connected with carrying on the trade or business. An investment in MLPs directly or through a separately managed account may generate UBTI.

⁴Except MLPL, which is 2x leveraged with monthly reset

⁵Except MLPLX, which may use up to 33% of leverage

MLP Investment Product Decision Tree



Should I Own MLPs via Exchange-Traded Notes?

Statistics

- First Launch: 19 Jul 2007
- Number of Notes: 16
- Aggregate AUM: \$12.1B

Advantages

- No or little tracking error
- Intraday knowledge of portfolio holdings
- Generally lower expense ratio than MLP 40 Act Funds

Disadvantages

- Coupon taxed as ordinary income
- Lower income due to expense ratio being taken from coupon
- Unsecured debt obligation of the issuer, Code Section 1260 ambiguity

Suitability

- Tax-advantaged investors
- Total return investors in a taxable account
- Investors that are comfortable with financial institution credit risk

Should I Own MLPs via C Corp 40 Act Funds?

Statistics

- First Launch: 24 Feb 2004 (CEF), 30 Mar 2010 (OEF), 24 Aug 2010 (ETF)
- Number of Funds: 22 CEFs, 14 OEFs, 6 ETFs
- Aggregate AUM: \$19.4B (CEFs), \$18.5B (OEFs), \$10.2B (ETFs)

Advantages

- Ownership of underlying securities
- Tax character of distribution mirrors that of the underlying portfolio
- Higher yield due to expense ratio being taken from NAV

Disadvantages

- Deferred tax liability (DTL) mutes gains/losses when fund is in a net DTL position

Suitability

- Taxable investors seeking after-tax yield
- Low volatility investors

Should I Own MLPs via RIC-Compliant 40 Act Funds?

Statistics

- First Launch: 27 Jun 2005 (CEF), 9 Sep 2010 (OEF), 20 Jun 2012 (ETF)
- Number of Funds: 10 CEFs, 12 OEFs, 3 ETFs
- Aggregate AUM: \$4.8B (CEFs), \$4.1B (OEFs), \$1.1B (ETFs)

Advantages

- Ownership of underlying securities
- No or little tracking error

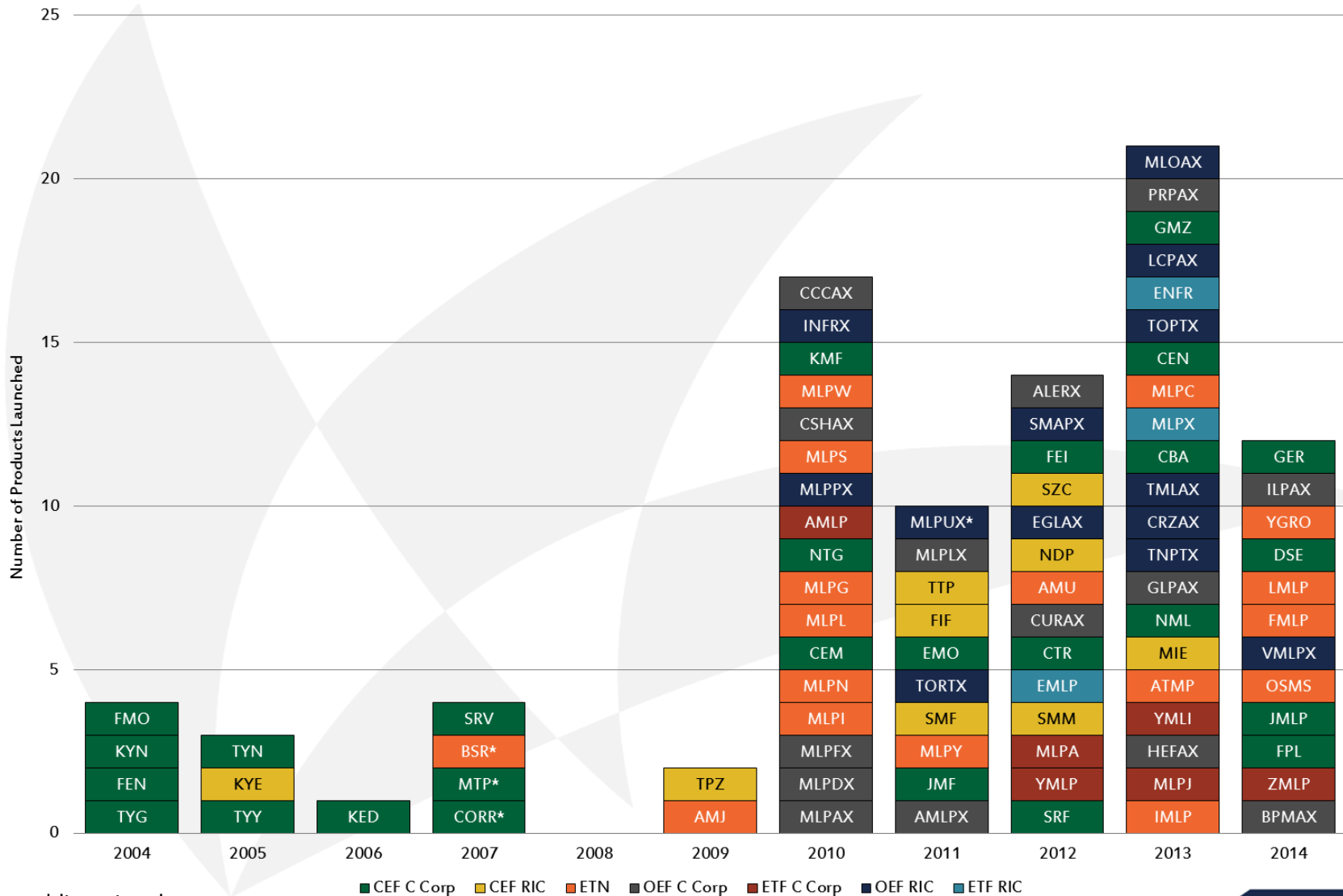
Disadvantages

- A maximum of 25% of the portfolio is invested directly in MLPs
- Other 75% can result in meaningful performance deviation versus MLPs
- Generally lower yield

Suitability

- Tax-advantaged investors
- Total return investors in a taxable account
- Investors that do not have exposure to asset classes represented in the other 75%

Continued Demand for Access Products



Source: Alerian as of 30 September 2014

Active Versus Passive Management

MLP ETF | AUM: \$8.7B

Name	Ticker	% of Total Assets
Enterprise Product Partners LP	EPD	9.8%
Kinder Morgan Energy Partners LP	KMP	8.9%
Magellan Midstream Partners	MMP	7.7%
Plains All American Pipeline LP	PAA	6.9%
Energy Transfer Partners LP	ETP	6.7%
Markwest Energy Partners LP	MWE	5.5%
Buckeye Partners LP	BPL	4.8%
Williams Partners LP	WPZ	4.7%
Regency Energy Partners LP	RGP	4.5%
ONEOK Partners LP	OKS	4.4%

Total Overlap with MLP ETF 100.0%

MLP CEF A | AUM: \$4.0B

Name	Ticker	% of Total Assets
Enterprise Products Partners LP	EPD	9.4%
Regency Energy Partners LP	RGP	5.7%
Williams Partners LP	WPZ	5.4%
Plains All American Pipeline LP	PAA	5.4%
Energy Transfer Partners LP	ETP	5.2%
MarkWest Energy Partners LP	MWE	4.9%
Kinder Morgan Management LLC	KMR	4.8%
DCP Midstream Partners LP	DPM	4.5%
ONEOK Partners LP	OKS	4.1%
Magellan Midstream Partners LP	MMP	3.3%

Total Overlap with MLP ETF 71.0%

MLP CEF B | AUM: \$2.0B

Name	Ticker	% of Total Assets
Enterprise Products Partners LP	EPD	8.4%
Energy Transfer Equity LP	ETE	6.9%
Magellan Midstream Partners LP	MMP	6.4%
Plains All American Pipeline LP	PAA	6.0%
Kinder Morgan Management LLC	KMR	5.5%
Targa Resources Partners LP	NGLS	5.1%
Williams Partners LP	WPZ	4.5%
MarkWest Energy Partners LP	MWE	4.0%
Access Midstream Partners LP	ACMP	4.0%
DCP Midstream Partners LP	DPM	3.7%

Total Overlap with MLP ETF 75.4%

MLP CEF C | AUM: \$2.4B

Name	Ticker	% of Total Assets
Magellan Midstream Partners, L.P.	MMP	10.3%
Plains All American Pipeline, L.P.	PAA	8.8%
Sunoco Logistics Partners L.P.	SXL	7.3%
Enterprise Products Partners L.P.	EPD	6.9%
Buckeye Partners, L.P.	BPL	5.8%
Access Midstream Partners, L.P.	ACMP	4.7%
Western Gas Partners LP	WES	3.9%
Energy Transfer Partners, L.P.	ETP	3.9%
ONEOK Partners, L.P.	OKS	3.7%
Spectra Energy Partners, LP	SEP	3.4%

Total Overlap with MLP ETF 72.5%

25% MLPs

- Despite the name, some funds have only 25% MLPs
- RIC compliance
- Structured as C corporation or M corporation

75% Other*

- Redundant exposure via MLP affiliates and MLP debt
- Other: Utilities, Power, E&P, Refining, Offshore Drilling, Shipping, Renewable
- Fund of funds, owning other MLP products

Impact on Returns

- Lower yields
- Performance deviation from the MLP sector
- Excess fees from ownership of other funds

*RIC Compliant Funds: CRZAX, EGLAX, EMLP, ENFR, FIF, INFRX, KYE, LCPAX, MIE, MLOAX, MLPPX, MLPUX, MLPX, NDP, SMAPX, SMF, SMM, SZC, TMLAX, TNPTX, TOPTX, TORTX, TPZ, TTP, VMLPX

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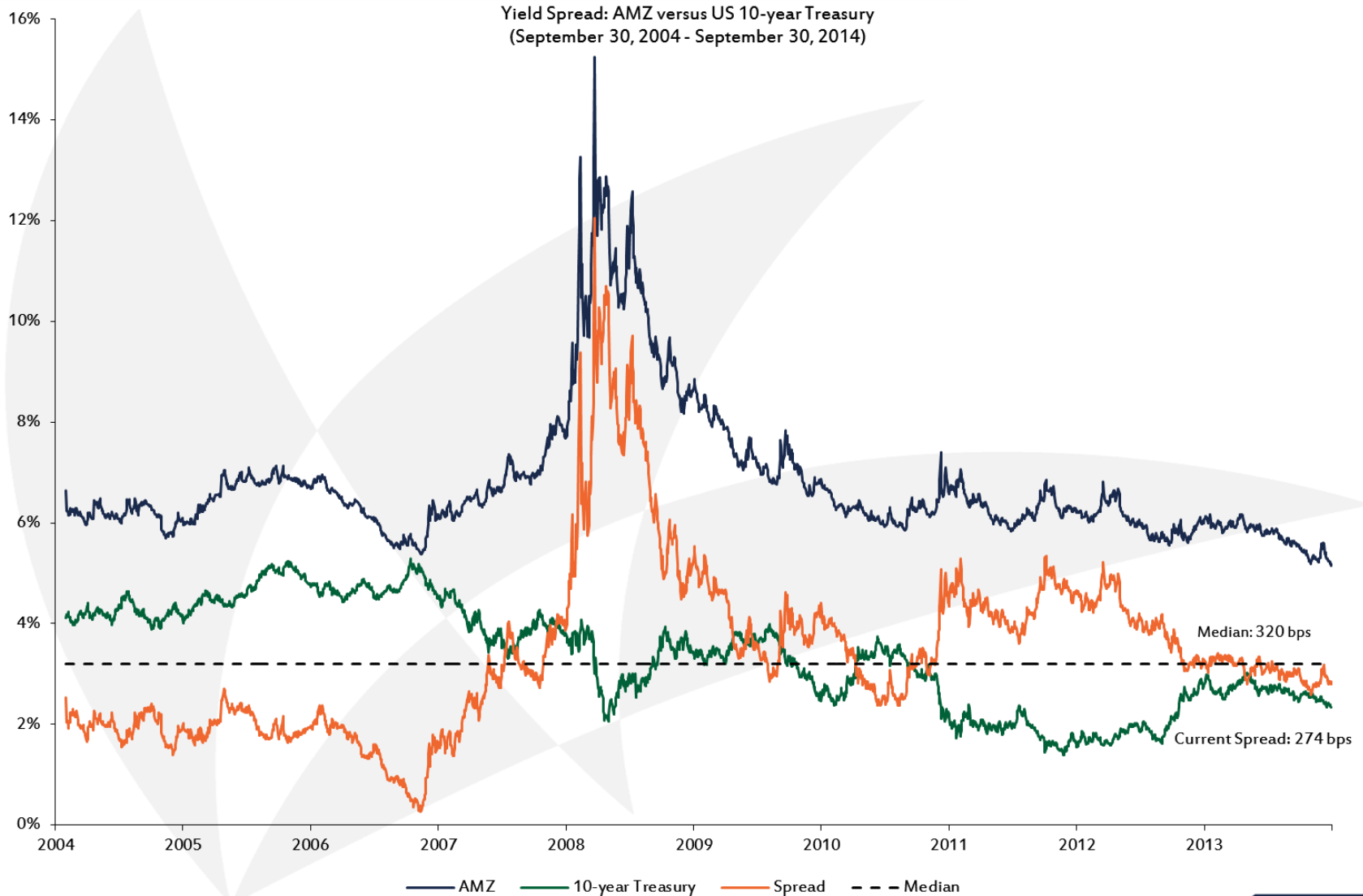


Maria Halmo is the Director of Research at Alerian, which equips investors to make informed decisions about Master Limited Partnerships (MLPs) and energy infrastructure. Ms. Halmo leads the firm's research efforts, which include examining MLP regulatory filings, monitoring legislative activity, and investigating industry developments. She also oversees Alerian's public communications strategy through investor and media outreach. Ms. Halmo is a former Associate at SteelPath Capital Management LLC, a Dallas-based MLP investment manager, where she conducted valuation analyses of petroleum transportation partnerships and researched macro-level energy issues. Ms. Halmo graduated with a Bachelor of Arts in Astrophysics from Barnard College at Columbia University. She is also a contributing author to *Midstream Business*, a monthly publication addressing the need for business market intelligence on North American energy infrastructure.



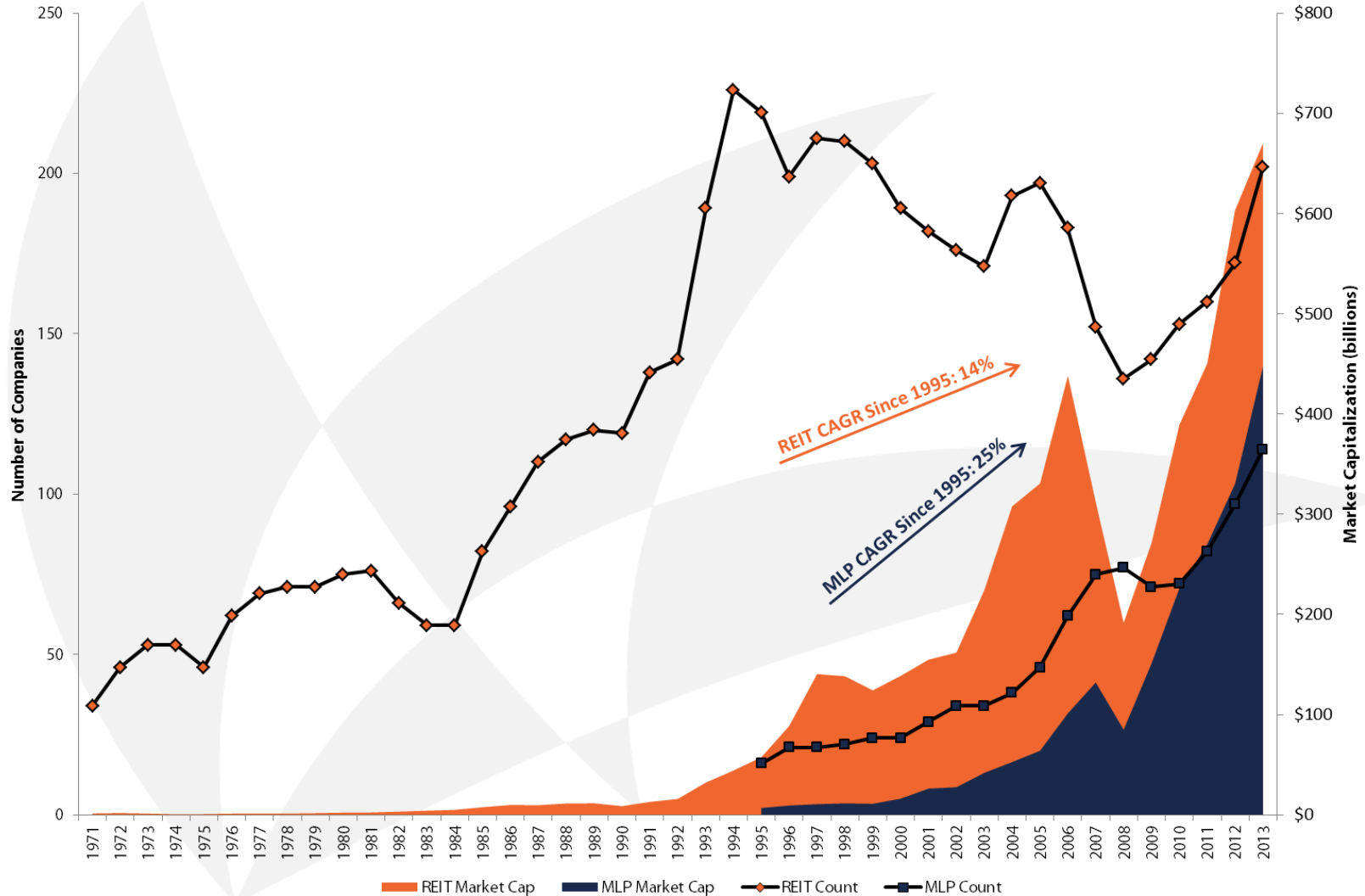
James Wang is the Director of Data Analytics at Alerian, which equips investors to make informed decisions about Master Limited Partnerships (MLPs) and energy infrastructure. Mr. Wang conducts quantitative and statistical analyses in order to bring to light historical and emerging trends in the asset class. He also oversees the firm's efforts to efficiently integrate and utilize technology in its brand management activities. Prior to Alerian, Mr. Wang was an Associate in the Equity Research Division of Raymond James & Associates Inc, where he constructed financial models for energy infrastructure MLPs and published comprehensive research reports to discuss his findings. Mr. Wang graduated with a Bachelor of Science in Biomedical Engineering and a minor in Management from the Johns Hopkins University Whiting School of Engineering.

AMZ Yield Spread to 10-Year Treasury



Source: Alerian as of 30 September 2014

MLP Growth Accelerating Faster Than REIT Growth



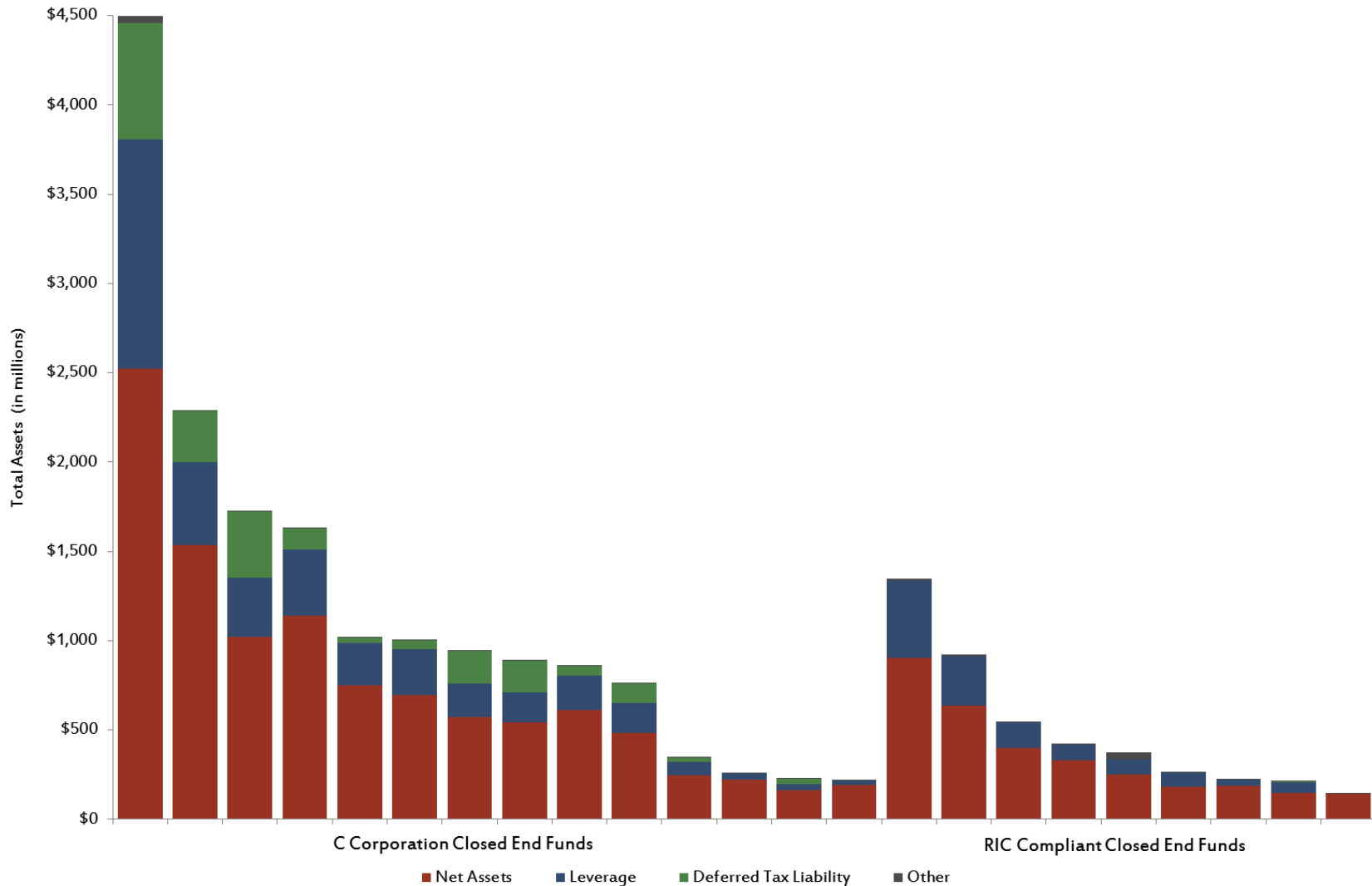
Source: Alerian as of 31 December 2013

MLP Sensitivity to Interest Rates Possibly Overstated?



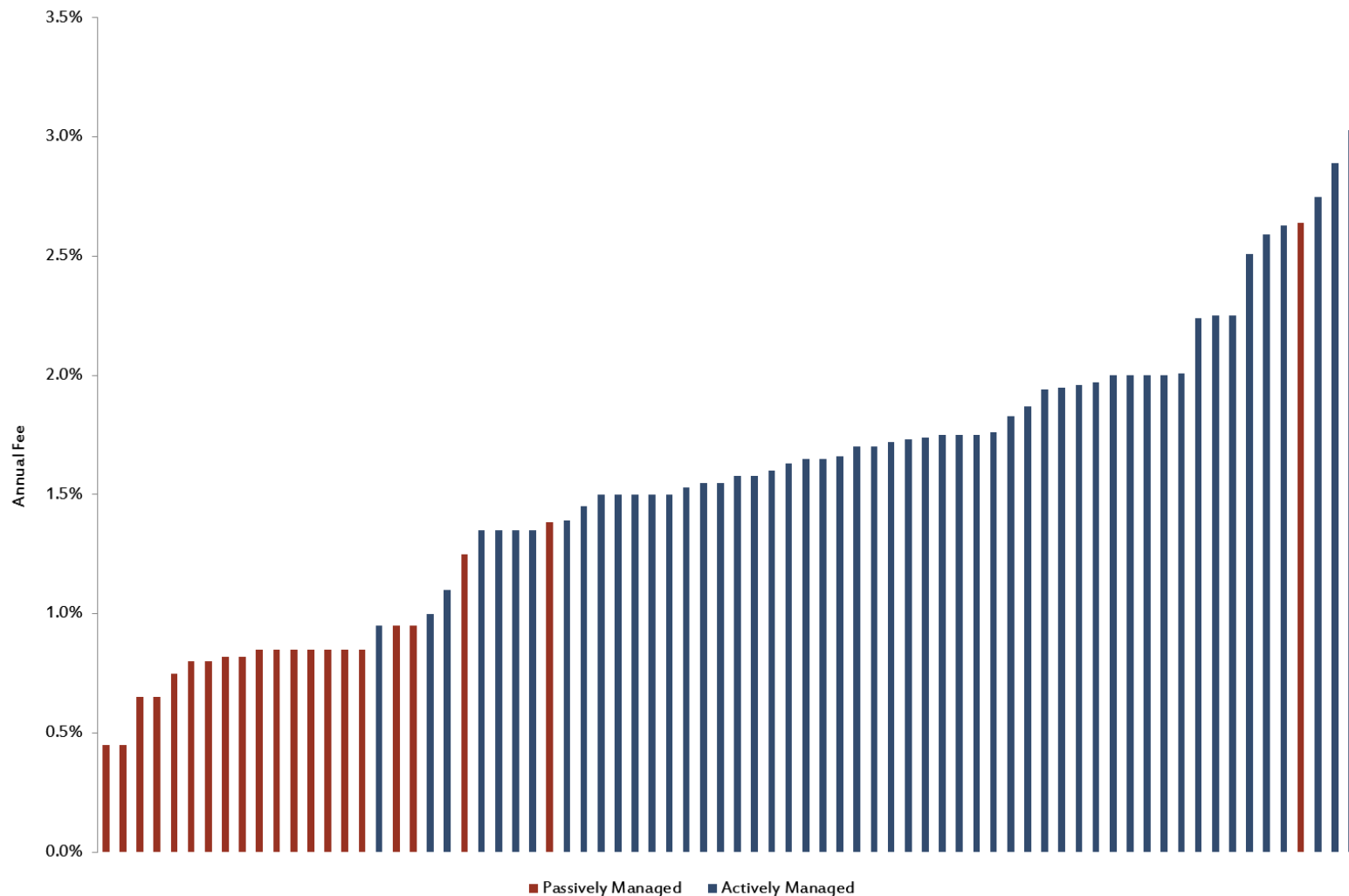
Source: Alerian as of 30 September 2014

Leverage Enhances Returns (and Risk)



Source: SEC Filings as of 29 March 2013

Getting What You Pay For



Each bar represents a currently available MLP investment product, and the length of the bar represents its annual fee. Expenses include management fees, borrowing costs, 12b-1 fees, other expenses as defined in the prospectus (including, but not limited to, shareholder service fees and fund acquisitions costs), fee waivers, and expense reimbursements. Current and deferred income tax expenses, trading costs, and commissions, among other costs, are excluded. Annual fees calculated from prospectus at fund launch. Borrowing costs conservatively estimated using 25% leverage and a 1.00% interest rate.

Source: SEC Filings as of 28 February 2014

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