MAINGATE
MLP FUND

OCTOBER 6, 2015

MLP UPDATE

THIRD QUARTER 2015

In our opinion, current MLP prices do not come close to discounting fundamentals and future prospects and they ignore the low-risk nature of cash flow[1]. We believe that misconceptions about the impact of oil prices on MLPs, plus technical factors, have created a historic long-term buying opportunity.

The disconnect between strong fundamentals — both current plus from known and contracted future projects — and current valuations, has, in our opinion, never been so extreme. Perceptions related to the tumbling oil price and a number of technical factors, both essentially unrelated to fundamentals, have come together over the past year, and particularly the past three months, to drive Midstream MLP unit prices down to levels we view as extraordinarily attractive and perhaps with an unprecedented favorable risk/reward ratio. Looking at the Alerian Total Return Index's (AMZX)[2] -45.0% decline from August 29, 2014 to September 29, 2015, we witnessed the second longest period and second deepest drawdown on record, only surpassed by the 7/13/2007-11/21/2008 period's -50.6% drawdown. Additionally, the -22.1% total return in Q3:2015 was the worst quarterly performance in the data history of the AMZX, eclipsing Q4:2008's -20.3%. However, with the sharp rebound from September 30th through October 5th, it appears to us that the group may have finally entered a bottoming phase. Although we believe that MLP prices have well overshot reasonable valuation to the downside, we are not, of course, able to make the impossible call that MLPs are likely to move up over the very near term.

We feel that it doesn't really matter if there is another retest of the lows or if MLP prices meander around for some weeks or even months before rising. We are convinced that price risk is modest and that substantial upside potential is likely over the intermediate and longer term for the best positioned Midstream MLPs and that the risk/reward ratio is excellent. This call is independent of oil price movement. We believe that the oil markets will balance one way or another over the coming year and quite possibly sooner. There may well be a pause in announcements for a year or so of new Midstream oil takeaway projects to be built in the U.S. beyond 2017 (our current line of sight), and yet natural gas and NGL projects appear quite likely to continue to move forward, particularly on the demand-based project side.

(1) Cash Flow: A measurement of the cash generating capability of a company by adding non-cash charges (e.g. depreciation) and interest expense to pretax income.
(2) Alerian MLP Index: A capitalization-weighted index of the 50 most prominent energy Master Limited Partnerships. Visit http://www.alerian.com/indices/amz-index for more information, including performance. You cannot invest directly in an index.

FUND PERFORMANCE

A Shares – AMLPX (as of 9/30/15)

NAV per Share		$9.55
POP per Share		$10.13
Returns:	**Without Load**	**With Load**
3 Month	-24.35%	-28.70%
Calendar YTD	-24.98%	-29.31%
1 Year	-29.25%	-33.30%
3 Year	1.81%	-0.17%
Since Inception (2/17/11)	4.11%	2.78%

C Shares – MLCPX (as of 9/30/15)

NAV/POP per Share		$9.54
Returns:	**Without Load**	**With Load**
3 Month	-24.43%	-25.18%
Calendar YTD	-25.40%	-26.12%
1 Year	-29.73%	-30.40%
3 Year	N/A	N/A
Since Inception (3/31/14)	-14.66%	-14.66%

I Shares – IMLPX (as of 9/30/15)

NAV per Share	$9.69
Returns:	
3 Month	-24.20%
Calendar YTD	-24.82%
1 Year	-29.00%
3 Year	2.09%
Since Inception (2/17/11)	4.40%

Gross Expense Ratio A Shares = 8.04% | Net Expense Ratio = 1.75%
Gross Expense Ratio C Shares = 8.79% | Net Expense Ratio = 2.50%
Gross Expense Ratio I Shares = 7.79% | Net Expense Ratio = 1.50%

Net expense ratios above exclude 6.34% Deferred Income Tax Expense which represents the performance impact of accrued deferred tax liabilities across the Fund, not individual share classes, for the fiscal year ended November 30, 2014.

The Fund's adviser has contractually agreed to cap the Fund's total annual operating expenses (excluding brokerage fees and commissions; borrowing costs; taxes, such as Deferred Income Tax Expense; Class A 12b-1 fees; and extraordinary expenses) at 1.50% through March 31, 2016. Deferred income tax expense/(benefit) represents an estimate of the Fund's potential tax expense/(benefit) if it were to recognize the unrealized gains/(losses) in the portfolio. An estimate of deferred income tax expense/(benefit) depends upon the Fund's net investment income/(loss) and realized and unrealized gains/(losses) on its portfolio, which may vary greatly on a daily, monthly and annual basis depending on the nature of the Fund's investments and their performance. An estimate of deferred income tax expenses/(benefit) cannot be reliably predicted from year to year.

The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. To obtain performance data current to the most recent month-end please call 855.MLP.FUND (855.657.3863). Performance data shown for Class A shares with load reflects the maximum sales charge of 5.75%. Performance data shown for Class C shares with load reflects the maximum deferred sales charge of 1.00%. Performance data shown for Class I shares does not reflect the deduction of a sales load or fee. If reflected, the load or fee would reduce the performance quoted.

What gives us so much comfort in making such a call is that the U.S. has become the lowest cost major incremental supplier of oil, natural gas, ethane and propane in the world with mammoth incremental quantities able and likely to be produced at prices below those of other major producing countries in the world (outside of the middle east) and this cost advantage appears to us as likely to be sustained or improved. Additionally, chemical, electric utilities, fertilizer, other energy intensive manufacturing companies and export markets are demanding energy products from the U.S. and Midstream MLPs are the main entities which gather, process, fractionate, transport and store all of these energy products from producing fields and deliver them to customers when and how they require them. Over the long term, we feel that it remains a volume, not a price, issue for Midstream MLPs and we believe the volumes will be present from supply, for demand, or both. Finally, balance sheets are much stronger at most Midstream MLPs than in previous periods and access to debt capital[3] remains excellent and at reasonable cost. In fact we saw Enbridge Energy Partners (EEP, $27.84) issue $1.6bn of 5, 10 and 30 year notes on October 1st at a weighted average cost of approximately 6%. The cost of equity capital[4] seems to be the one main negative in financing projects and yet one that we believe can be dealt with by most well-positioned and financially strong companies. We'll address this in a later section.

Vagaries of the market seem to have weighed on the best positioned and strongest companies in recent months as investors sold names which had previously held up in price.

Many investors ask why our MainGate MLP Fund held up and was able to perform as it did in Q4 2014 and the first half of 2015 before losing significant ground in the just-completed third quarter? Our answer, which we admit sounds self-serving, is that lower quality, mostly non-Midstream MLPs with direct and indirect commodity price exposure, plus a variety of commercial and balance sheet shortcomings, declined most sharply from October 2014 through June 2015. However, during the past several months, a few announcements from several of what we view as the highest quality companies seemed to be poorly received and shook the confidence of investors contributing to sharp declines in many companies within our fund, which we believed — and continue to believe — possess the best long-term prospects.

The marketplace no longer appears to be discriminating between the better and less well-positioned companies. We feel that many investors have chosen to sell what they could sell at relatively stronger prices and most MLPs which had held up have been hit in this new onslaught of selling and have effectively 'caught up' with those which declined earlier. Our view is that many of the weak have gotten weaker and the stronger companies have enhanced their competitive advantages. However, many investors seem to be ignoring

Morningstar Ratings

★★★★★

Class I Shares – 5-star Overall

★★★★

Class A Shares, Load Waived – 4-star Overall

★★★

Class A Shares – 3-star Overall

☆☆☆☆

Class C Shares, Extended Performance Rating – 4-star Overall

Each class rated among 45 Energy Limited Partnership funds based on risk-adjusted performance ending 9/30/15.

(3) Debt Capital: The portion of a company's total capital that is commonly comprised of loan-capital and short-term bank loans and is ultimately repaid to investors in the normal course of business.
(4) Equity Capital: Invested money that represents the owners' risk through the purchase of a company's common stock and is not repaid to investors in the normal course of business.

Morningstar Proprietary Ratings reflect risk-adjusted performance as of 9/30/15. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ (based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Fund's I Shares received 5 stars, A Shares with Load Waived received 4 stars, A Shares received 3 stars, and C Shares received 4 stars, each for the three-year time period ended 9/30/15 among 45 Energy Limited Partnership Funds. The load-waived rating should only be considered by investors who are not subject to a sales load. Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in distribution percentage. Morningstar ratings represented as unshaded stars are based on extended performance. These extended performance ratings are based on the historical adjusted returns prior to the inception date of the Class C shares (Class C inception was 3/31/14) and reflect the historical performance of the oldest share class (inception date for Class I and A was 2/17/11), adjusted to reflect the fees and expenses of the Class C shares. The Overall Morningstar Rating applies to the share classes noted herein and does not apply to other share classes of the Fund. **Past performance is no guarantee of future performance.**

the growth opportunities which we believe are intact in certain well-positioned, higher-growth MLPs and GPs (General Partnerships). Speaking to two large positions in our fund, Energy Transfer Equity (ETE, $23.40) has been pursuing Williams Companies (WMB, $41.56) in a transaction which now appears likely to close in 2016. We view the mostly stock-for-stock deal as a positive for ETE, with approximately 10% additional cash flow accretion from the initial economically accretive announcement on June 22, 2015, and not a negative for ETE or WMB shares. The share price of each company has suffered during this period of uncertainty.

MPLX LP (MPLX) announced the takeover of MarkWest Energy LP (MWE) on July 13th, changing what was a highly-valued 100% fee-based company into one with commodity price exposure (mostly indirect through volume risk) and incrementally lower cash flow quality. Not only did MPLX decline sharply on the announcement, but so did other high quality dropdown[5] MLPs such as Phillips 66 Partners LP (PSXP, $55.02), Valero Energy Partners LP (VLP, $48.34) and Shell Midstream Partners LP (SHLX, $37.30) due, in our opinion, to market fears over any potential change to corporate capital allocation strategy at companies which have a similar dropdown growth story. Our conversations with the management of these MLPs leave us convinced that none intend to engage in similar transactions given the abundance of opportunities they see within their current avenues for growth.

On August 5th, Plains All American Pipeline LP (PAA, $33.76) said on their Q2:2015 earnings call that the current low energy price environment was causing an excess of oil pipeline capacity in certain areas, as producers temporarily cut back on drilling and that PAA was considering not raising their distribution in 2016 in a negative case scenario if oil prices remained in the $45 range. Not only was PAA down sharply on what appears to us to be an over-reaction to their comments, but the entire MLP space declined by approximately 10% in two days. It appears that there currently is excess oil pipeline capacity in the DJ and Permian Basins and more capacity is currently being built. However, major investment grade producers seem to desire this capacity, have contracted for it, and are willing to pay for it because it can take two to three years to receive approval and build an oil pipeline. When the oil price rebounds even modestly and drilling increases, producers should presumably need this capacity so that they can rapidly increase their production. Even if these pipelines being built and on track to be built are less than full for a year or more, we feel that their life cycle returns are likely to be quite strong due to the fee-based, minimum volume commitments associated with these new build crude oil projects being built by PAA and others.

Prior to the reaction from PAA's comments, MLPs had already seemed to be under great selling pressure during the drawdown period because of what we feel is an illogical connection made by investors between weak oil prices and many MLPs with even modest amounts of direct or indirect commodity price exposure. However, a new focus on the words "over capacity" as well as potential risks of corporate-strategy-changing acquisitions, rightly or wrongly brought in substantial selling pressure, in our opinion. Selling frequently begets more selling and this appears to us to be the explanation of the last three months of extremely weak MLP price performance. Several closed-end funds may have been forced into selling to maintain their mandated 125% or 135% leverage, and much of this selling appears to have been in names they could sell rather than names they might have wanted to sell. We hear from traders and other market participants that there has been MLP-dedicated hedge fund selling, margin call selling, and tax-loss selling. Retail investors appear to be nervous and net sellers. However, we have become aware of institutional investors who are becoming net buyers; additionally, short-sellers can be quick to cover their positions when a group turns particularly ahead of distribution announcement season when they would incur additional costs on their short position. These are the uncertainties of the technical side of the market, which seems to have taken charge of MLP pricing for now.

Is MainGate's strategy best suited for difficult markets or strong periods? We believe both.

Investors frequently ask us about what changes we have made and are making in our strategy to preserve capital and to be better positioned for the recovery. Our answer is quite consistent with our past commentaries, where we emphasized our analytical focus on balance sheet strength, counterparty risk, cost of capital[6] and other risks before considering growth potential. In short, we have long believed that the best way to attempt to protect investors in all markets is to own the highest quality names where the long term fundamentals outweigh technical trading factors that can control the market for longer periods than we care to see happen. We believe that our portfolio is operationally well-suited for both difficult and good times. Our focus on the strength of the balance sheets in our portfolio of companies, before looking at growth opportunities has remained.

On a weighted average basis, second quarter data show that the limited partnerships in the MainGate MLP Fund average a very strong 3.1x debt-to-earnings before interest taxes depre-

(5) Dropdown: A dropdown transaction is the transfer of assets or ownership interests between entities within the same partnership or to the partnership itself.
(6) Cost of Capital: The cost of funds used for financing a business.

ciation and amortization (EBITDA)[7] ratio. The companies in which we are invested appear to have the ability to finance the projects in their backlogs, utilizing debt until the equity capital markets are more favorable.

During the Q3:2015 sell-off, we consistently heard that lower equity prices, even if more technically than fundamentally driven, may cause additional issues with Midstream MLPs ability to finance their businesses with external debt and equity capital. Having managed MLP investments for over 20 years, and, more importantly, having managed through the 2008-2009 time period when this was a much more real issue than it currently is, making certain our companies are able to finance their businesses in all market environments is a key consideration of our investment process.

The first distinction we would make with 2008-2009, is that capital markets today seem to remain open for both equity and debt. We already mentioned EEP's bond sale on October 1st. Equity capital also seems to remain available. The market appears focused only on secondary issuances of equity which we believe typically take the form of an overnight offering. However, we feel that this neglects the fact that companies have continued to access equity capital through at-the-market (ATM) programs, private investments in public equity (PIPE) securities, and sponsor-placed equity issuance such as what we saw between Valero Energy Partners LP (VLP) and Valero Corp (VLO, $64.58) during the quarter. We also believe that the tens of billions of private equity capital on the sidelines will soon play a role in financing one or more company's equity capital needs just as they stepped in during 2009 and 2010 with either long-dated Payment-In-Kind (PIK) class securities, convertible preferred securities or something else novel that we're not yet contemplating.

But let's assume the information in the above paragraph doesn't exist and companies have to rely on revolver[8] capacity only to fund organic or acquisitive capital additions. Going back to our experience during 2008-2009, we learned the lesson to always make sure your investments have enough liquidity to accomplish their growth objectives. Therefore we have consistently targeted to a 3.0x weighted average leverage statistic for our holdings which compares to the Total Return Index (AMZX) which has been closer to 4.0x. In Exhibit 1 we show that many of our companies can fund their businesses well into 2016 without any need for external financing.

However, just because the scenario analysis in Exhibit 1 shows the revolvers becoming fully drawn it does not mean that they have reached their leverage limits which are typically set at 5.0x to 5.5x. If we assume that they are able to increase

Exhibit 1: Growth Capital Expenditures by Revolver Only

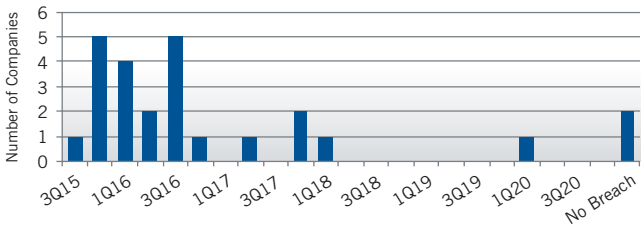
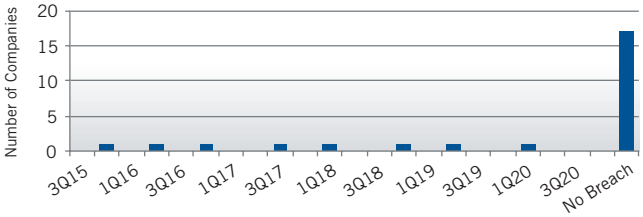


Exhibit 2: Growth Capital Expenditures by Debt



Source: Chickasaw

revolver borrowing to leverage limits or actually access debt markets and reset the revolvers, you can see in Exhibit 2 that 17 of 24 of our holdings don't reach any leverage limits until 2020 or beyond. This does not seem to be quite the picture that market participants who were shorting or selling MLPs this quarter currently expected to see. The MLP funding model for our holdings remains intact.

In short, we feel quite comfortable with our holdings' ability to fund themselves in ways that both sidestep periods of unit price volatility and can be done in a way that is economically beneficial long term.

A surprise to many investors: cash flow growth has continued unabated in the Midstream energy space.

It is important to also emphasize that second quarter reported cash flow met expectations in virtually all of the companies in our portfolio. Even Plains All American Pipeline reported EBITDA within its guidance range. We believe that most companies in Q3 and future quarters will also enjoy continued strong gains in cash flow, as new projects with attractive returns are completed.

Given the decline in unit prices, many investors seem to draw the conclusion that MLPs will have to cut their distributions and they are surprised to hear that we do not expect any distribution reductions among companies in our strategy.

(7) Debt to EBITDA: A measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).
(8) Revolver: A line of short-term credit.

In fact, we expect continued strong growth in their distributable cash flow[9] over the balance of 2015 and through 2016 at a minimum, based on cash flow growth from completed projects. Therefore, continued distribution increases appear quite likely to us in virtually all companies in our strategy. We would also remind our readers that comparatively few Midstream MLPs reduced their distributions in the very difficult 2008 to 2009 period. We feel that long-lived assets owned by most MLPs should continue to generate cash flow year after year and be supportive of a long term distribution growth profile.

Another disconnect that we believe exists currently is that of investor preference for high-yielding Midstream MLPs on the thought that if growth stops in a 'lower for longer' oil price environment, higher yielding securities will outperform growth companies which can, with this logic, no longer grow. We strongly disagree with this line of reasoning. Multi-year projects to move Marcellus gas to electric utilities in the process of building or converting to combined-cycle natural gas turbine (CCGT) generation plants, thereby replacing dirty coal plants, should continue to proceed, and contracts require them to do so. Chemical companies along the Gulf Coast are building eight world-class ethylene crackers along with a great number of other facilities and the American Chemistry Council[10] continue to estimate the investments by these chemical companies to be greater than $140 billion. These investment grade companies are backing Midstream projects with a strong demand response to move large quantities of ethane, propane and natural gas to their facilities. Even investment grade foreign companies are signing long-term contracts to access U.S. ethane, propane and liquefied natural gas (LNG) through exportation. We conclude that what we view as the best positioned Midstream MLPs with strong market positions and balance sheets will likely continue to generate excellent growth and that these companies are the best ones to own currently.

We believe that OPEC[11] tried to send a message to U.S. oil producers to dramatically reduce oil production. We feel that the message and actions by OPEC were three or four years too late and have rebounded on OPEC at huge cost. In our opinion, U.S. production is set to rise sharply after markets balance.

Much of the focus in the energy sector over the past year has been on the excess Worldwide oil production over demand and the declining oil price. Somewhat ignored in the daily rhetoric on oil prices is that oil markets are dynamic, demand is rising with current lower oil prices, the surplus seems quite modest at some 1.5 million barrels per day, by most estimates, in a 94 million barrel per day market and that energy markets are frequently out of balance. However, oil markets typically move back into balance fairly quickly because individual oil wells begin to decline not long after beginning production and producers, typically led by OPEC and Saudi Arabia, adjust their production to support prices. This time OPEC has actually increased production by close to one million barrels per day over the past year, exacerbating the surplus.

OPEC initiated a strategy a year ago to protect their 30 million barrel per day market share (total OPEC production now totals approximately 31.5 million barrels per day, with their production over their quota approximately the amount of the world-wide surplus). A stated goal by Saudi Arabia, Kuwait and the United Arab Emirates was to force U.S. producers to reduce drilling and production in the new oil basins. These country's leaders appeared to us to believe that by producing more oil, rather than less, and depressing the oil price for a finite time period that they could severely pressure U.S. producers, who would then reduce production. They watched U.S. oil production rise from five million barrels per day to over nine million barrels per day over a seven year time period and seemed to fear that U.S. production would rise substantially more.

What Saudi Arabia and other OPEC countries appear not to have appreciated was how rapidly the U.S. cost structure was declining. Just over the past year, finding and development costs have fallen by 20% to 30% according to the Energy Information Agency (EIA)[12] and company statements. Although a good amount of U.S. production may not currently be profitable at $40 or $45 per barrel, they can be nicely profitable at $60 to $65 per barrel. Even this price level appears quite intolerable to most OPEC members, though, which will be unable to come close to balancing their budgets. And due to a shift to manufacturing processes, U.S. production costs continue to decline whereby $40-45 per barrel could bring even more U.S. barrels on line in the future due to a lower cost structure. We feel that the OPEC effort to force U.S. producers to back out of

(9) Distributable Cash Flow: Measured as earnings before interest, taxes, depreciation and amortization (EBITDA) available to pay unitholders after reserving for maintenance capital expenditures and payment of interest expense.

(10) American Chemistry Council: The American Chemistry Council, formerly known as the Manufacturing Chemists' Association and then as the Chemical Manufacturers' Association, is an industry trade association for American chemical companies, based in Washington, D.C.

(11) OPEC (Organization of the Petroleum Exporting Countries): An international organization and economic cartel whose mission is to coordinate the policies of the oil-producing countries. The goal is to secure a steady income to the member states and to collude in influencing world oil prices through economic means.

(12) Energy Information Administration (EIA): The EIA collects, analyzes, and disseminates independent and impartial energy information to promote sound policymaking, efficient markets, and public understanding of energy and its interaction with the economy and the environment.

the oil market has turned into a financial disaster for most OPEC countries and into a huge wealth transfer from OPEC to the western and Asian economies. This straightforward thought process is why we believe that at some point OPEC may have an emergency meeting and announce a modest reduction in oil production to boost the oil price and increase their revenues.

We can offer no insights as to where oil prices will trade in the future, but see the U.S. and Canadian producers as being the lowest cost major producers outside of OPEC. With offshore Brazil, the North Sea and offshore western Africa among other producing regions being highly challenged to produce oil at prices where U.S. producers can be nicely profitable and able to increase production, we believe that some combination of supply decrease and demand increase will balance markets within a year. Further technology improvement in horizontal drilling, hydraulic fracturing and well completion techniques will likely continue to reduce U.S. production costs and lead to significantly greater U.S. production. This is the positive message we are telling for Midstream companies which move oil from the major basins to market. It already is the story of natural gas and natural gas liquids, where many Midstream MLPs are working overtime to complete projects to bring these commodities from the shale deposits to market. Natural gas, ethane and propane produced in the U.S. already appear to be quite competitive on a worldwide basis.

Exhibit 3: P/DCF/Growth*, All Midstream Limited Partners

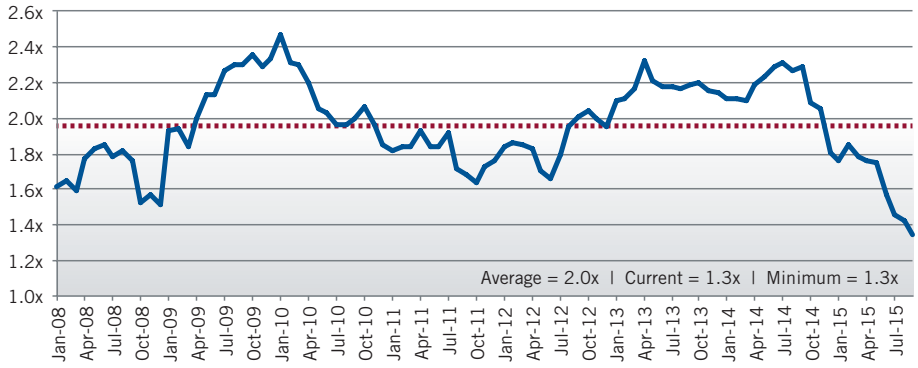
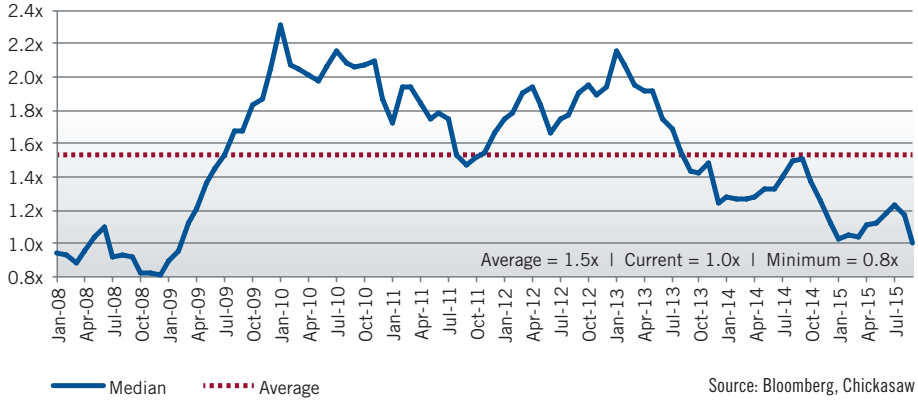


Exhibit 4: P/DCF/Growth*, General Partners



Source: Bloomberg, Chickasaw

*Price to Distributable Cash Flow (P/DCF) to Growth: Market cap of the MLP divided by a full year of distributable cash flow – which is measured as earnings before interest, taxes, depreciation and amortization (EBITDA) available to pay unitholders after reserving for maintenance capital expenditures and payment of interest expense – divided by growth.

If a picture is worth 1,000 words, Exhibits 3 and 4 are 2,000 words.

We gave our investors these charts last quarter to show how valuation on a growth adjusted basis showed that we were almost at 2008 lows. The update this quarter is that as of September 30th we have broken through those lows for Midstream LPs and Midstream GPs are pricing at the growth rate.

A note on long-term value within our portfolio companies.

For many who attended our Investor Relations Conference in Houston on September 16th we showed several slides with greater depth around our thoughts for discerning steady state value from growth value[13]. This is a concept we've employed for many years to help us further understand what value, or lack thereof, the market is placing on growth within the current market price of a given security.

The steady state and growth value calculation are a modified formula of the Modigliani and Miller approach authored in 1961[14] (and with apropos to Michael Mauboussin at CSFB[15]) which allows us to understand the value of the current stream of cash flow and how that relates to growth value. We can also describe the steady state value as the annuity value of the enterprise. Simply stated,

(13) Steady-State Value vs. Growth Value: Steady-State Value, the value of current cash flows vs. Growth Value, the market price minus Steady-State Value.
(14) Merton H. Miller and Franco Modigliani, "Dividend Policy, Growth, and the Valuation of Shares," *Journal of Business*, Vol. 34, No. 4, October 1961, 411-433.
(15) Michael J. Mauboussin and Dan Callahan, CFA, "What Does a Price-Earnings Multiple Mean", January 29, 2014.

Exhibit 5: GPs, (Discount) to Steady State Value

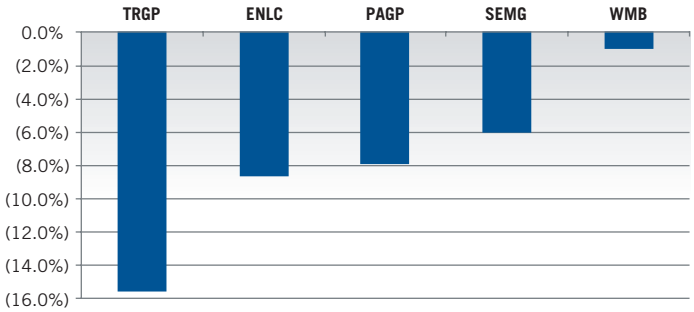


Chart above does not include EQGP, ETE & WGP which trade at premiums to steady state.

Exhibit 6: LPs, (Discount) to Steady State Value

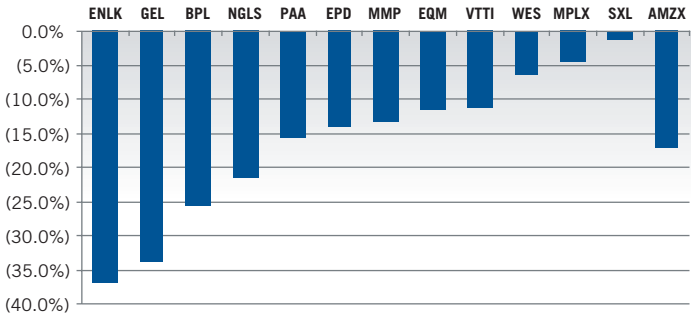


Chart above does not include AM, PSXP, SHLX, VLP which trade at premiums to steady state.

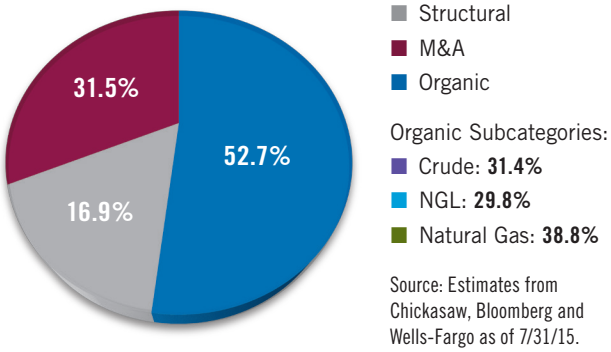
Source: Chickasaw

Ticker symbols within Exhibits 5 and 6 above, in alphabetical order: AM: Antero Midstream Partners, L.P. | AMZX: Alerian Total Return Index | BPL: Buckeye Partners, L.P. | ENLC: EnLink Midstream, LLC | ENLK: EnLink Midstream Partners, L.P. | EPD: Enterprise Products Partners, L.P. | EQGP: EQT GP Holdings, L.P. | EQM: EQT Midstream Partners, L.P. | ETE: Energy Transfer Equity, L.P. | GEL: Genesis Energy, L.P. | MMP: Magellan Midstream Partners, L.P. | MPLX: MPLX, L.P. | NGLS: Targa Resources Partners, L.P. | PAA: Plains All American Pipeline, L.P. | PAGP: Plains GP Holdings, L.P. | PSXP: Phillips 66 Partners, L.P. | SEMG: SemGroup Corporation | SHLX: Shell Midstream Partners, L.P. | SXL: Sunoco Logistics Partners, L.P. | TRGP: Targa Resources Corp. | VLP: Valero Energy Partners, L.P. | VTTI: VTTI Energy Partners, L.P. | WES: Western Gas Partners, L.P. | WGP: Western Gas Equity Partners, L.P. | WMB: Williams Companies, Inc..

if the current price of a stock is $60 per share and we calculate a steady state value of $50 per share, then there is $10 of embedded growth value. Whether or not this is cheap or expensive then relates to our measure of intrinsic value. Due to their hard assets, long term duration of the contracts behind the assets, and the stability of the cash flows due to inflation protection, we derive a good deal of confidence around the steady state value for Midstream MLPs. Interestingly, given the severity of the slowdown we are in a unique situation where 17 of the 24 names in our portfolio trade at a discount to steady state value. These discounts as of 9/30/15 are shown in Exhibits 5 and 6. Note that Exhibit 6 shows the relative discount to steady state for the AMZX as well.

Importantly, having these securities trade at discounts to steady state value implies that there is no growth value being ascribed to these companies, which we believe is contrary to the solid outlooks for growth derived from structural factors such as rate and volume growth, sponsor driven dropdown mergers & acquisitions, and organic growth. We provide these sources of growth in Exhibit 7 as they relate to our MainGate MLP Fund:

Exhibit 7: Underlying Sources of Growth



Source: Estimates from Chickasaw, Bloomberg and Wells-Fargo as of 7/31/15.

It's been an extraordinarily difficult year for investors having an MLP-only portfolio. We appreciate your confidence.

We wish to thank our investors for your continued confidence in us. We know that this has been a very difficult year for you. We continue to work hard to earn your trust, preserve your capital and be nicely positioned to benefit when what we believe to be the inevitable recovery of the MLP group takes place.

David Fleischer, CFA Geoffrey Mavar Matt Mead Robert Walker

MAINGATE
MLP FUND

Net Assets (as of 9/30/15)	$1,182,931,433
Investment Style	MLP Total Return
A Shares: General Information	
Ticker	AMLPX
CUSIP	560599102
Minimum Initial Investment	$2,500
Number of Holdings	20-30
Maximum Front-End Load	5.75%
Redemption Fee	NONE
Management Fee	1.25%
12b-1 Fee	0.25%
Contingent Deferred Sales Charge	NONE
Expense Ratio before Deferred Taxes *(after fee waivers/reimbursements)*[1]	1.75%
Deferred Income Tax Expense[2]	6.34%
Gross Expense Ratio	8.04%
C Shares: General Information	
Ticker	MLCPX
CUSIP	560599300
Minimum Initial Investment	$2,500
Number of Holdings	20-30
Maximum Front-End Load	1.00%
Redemption Fee	NONE
Management Fee	1.25%
12b-1 Fee	1.00%
Contingent Deferred Sales Charge	1.00%
Expense Ratio before Deferred Taxes *(after fee waivers/reimbursements)*[1]	2.50%
Deferred Income Tax Expense[2]	6.34%
Gross Expense Ratio	8.79%
I Shares: General Information	
Ticker	IMLPX
CUSIP	560599201
Minimum Initial Investment	$1,000,000
Number of Holdings	20-30
Maximum Front-End Load	NONE
Redemption Fee	NONE
Management Fee	1.25%
12b-1 Fee	NONE
Contingent Deferred Sales Charge	NONE
Expense Ratio before Deferred Taxes *(after fee waivers/reimbursements)*[1]	1.50%
Deferred Income Tax Expense[2]	6.34%
Gross Expense Ratio	7.79%

Top 10 Holdings (as of 9/30/15)	**% of Fund**
Williams Companies, Inc.	9.68%
Enterprise Products Partners, LP	7.96%
Genesis Energy, LP	7.47%
Sunoco Logistics Partners, LP	7.04%
Plains All American Pipeline, LP	6.73%
Energy Transfer Equity, LP	6.08%
Magellan Midstream Partners, LP	5.85%
Shell Midstream Partners, LP	5.73%
Enlink Midstream, LLC	5.16%
Western Gas Equity Partners, LP	4.90%

Top Sectors (as of 9/30/15)	**% of Fund**
Crude/Refined Prod. Pipe/Storage	47.72%
Natural Gas Pipe/Storage	36.01%
Natural Gas Gather/Process	16.28%

Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

Last Quarterly Distribution (7/27/15)	$0.1575

Performance: A Shares (as of 9/30/15)		
NAV per Share		$9.55
POP per Share		$10.13
Returns:	**Without Load**	**With Load**
3 Month	-24.35%	-28.70%
Calendar YTD	-24.98%	-29.31%
1 Year	-29.25%	-33.30%
3 Year	1.81%	-0.17%
Since Inception (2/17/11)	4.11%	2.78%

Performance: C Shares (as of 9/30/15)		
NAV/POP per Share		$9.54
Returns:	**Without Load**	**With Load**
3 Month	-24.43%	-25.18%
Calendar YTD	-25.40%	-26.12%
1 Year	-29.73%	-30.40%
3 Year	N/A	N/A
Since Inception (3/31/14)	-14.66%	-14.66%

Performance: I Shares (as of 9/30/15)	
NAV per Share	$9.69
Returns:	
3 Month	-24.20%
Calendar YTD	-24.82%
1 Year	-29.00%
3 Year	2.09%
Since Inception (2/17/11)	4.40%

The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. To obtain performance data current to the most recent month-end please call 855.MLP.FUND (855.657.3863). Performance data shown for Class A shares with load reflects the maximum sales charge of 5.75%. Performance data shown for Class C shares with load reflects the maximum deferred sales charge of 1.00%. Performance data shown for Class I shares does not reflect the deduction of a sales load or fee. If reflected, the load or fee would reduce the performance quoted.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 855.MLP.FUND (855.657.3863). Read it carefully before investing.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

INVESTMENT ADVISOR

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PORTFOLIO MANAGERS

Geoffrey P. Mavar	Principal
Matthew G. Mead	Principal
David N. Fleischer, CFA	Principal

Mutual fund investing involves risk. Principal loss is possible. The Fund is nondiversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund will invest in Master Limited Partnerships (MLPs) which concentrate investments in the natural resource sector and are subject to the risks of energy prices and demand and the volatility of commodity investments. Damage to facilities and infrastructure of MLPs may significantly affect the value of an investment and may incur environmental costs and liabilities due to the nature of their business. MLPs are subject to significant regulation and may be adversely affected by changes in the regulatory environment. Investments in smaller companies involve additional risks, such as limited liquidity and greater volatility. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. MLPs are subject to certain risks inherent in the structure of MLPs, including complex tax structure risks, limited ability for election or removal of management, limited voting rights, potential dependence on parent companies or sponsors for revenues to satisfy obligations, and potential conflicts of interest between partners, members and affiliates. When the Fund invests in MLPs that operate energy-related businesses, its return on investment will be highly dependent on energy prices, which can be highly volatile.

An investment in the Fund does not receive the same tax advantages as a direct investment in the MLP. The Fund is treated as a regular corporation or "C" corporation and is therefore subject to U.S. federal income tax on its taxable income at rates applicable to corporations (currently at a maximum rate of 35%) as well as state and local income taxes. MLP Funds accrue deferred income taxes for future tax liabilities associated with the portion of MLP distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments. This deferred tax liability is reflected in the daily NAV and as a result the MLP Fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked. The potential tax benefits from investing in MLPs depend on them being treated as partnerships for federal income tax purposes. If the MLP is deemed to be a corporation then its income would be subject to federal taxation, reducing the amount of cash available for distribution to the Fund which could result in a reduction of the Fund's value.

[1] The Fund's adviser has contractually agreed to cap the Fund's total annual operating expenses (excluding brokerage fees and commissions; borrowing costs; taxes, such as Deferred Income Tax Expense; acquired fund fees and expenses; 12b-1 fees; and extraordinary expenses) at 1.50% of the average daily net assets of each class through March 31, 2016, subject to possible recoupment by the adviser within three years from the date of reimbursement to the extent that recoupment would not cause the Fund to exceed the expense cap. The Board of Trustees has sole authority to terminate the expense cap prior to its expiration and to approve recoupment payments.

[2] The Fund's accrued deferred tax liability is reflected in its net asset value per share on a daily basis. Deferred income tax expense/(benefit) represents an estimate of the Fund's potential tax expense/(benefit) if it were to recognize the unrealized gains/(losses) in the portfolio. An estimate of deferred income tax expense/(benefit) depends upon the Fund's net investment income/(loss) and realized and unrealized gains/(losses) on its portfolio, which may vary greatly on a daily, monthly and annual basis depending on the nature of the Fund's investments and their performance. An estimate of deferred income tax expenses/(benefit) cannot be reliably predicted from year to year. The 6.34% deferred tax expense represents the performance impact of accrued deferred tax liabilities across the Fund, not individual share classes, for the fiscal year ended November 30, 2014. Total annual Fund operating expenses before deferred taxes (after fee waivers/reimbursements) were 1.75% for Class A shares, 2.50% for Class C shares, 1.50% for Class I shares.