MAINGATE
MLP FUND

JANUARY 19, 2016

MLP UPDATE

FOURTH QUARTER 2015

We feel that midstream MLPs are more attractive than they have ever been and that fundamental risk is low. The oil price decline by Saudi Arabia and other leading OPEC[1] countries seems to have paradoxically impacted companies with little to no commodity exposure as much as many energy producers.

In our opinion, midstream MLPs have never traded at valuations as attractive as they currently trade. Price weakness alone appears to have led to more price weakness as investors seem to see the current short-term correlation[2] with oil prices, embrace this short-term connection to an extreme and worry about the bear scenarios of 'lower for longer'. We feel that the high profile dividend cut at the largest Midstream energy company, Kinder Morgan Inc. (KMI, $13.00), and fears of excess pipeline capacity have exacerbated fears of a number of such negative announcements to come and have mistakenly led many to believe that the growth story at MLPs is over. Many seem concerned that there will be wide-spread reductions in distributions, a conclusion that we very much disagree with.

We feel that most of these concerns are not supported by data at the well-positioned and financially strong companies in which we invest. It is true that the cost of capital[3], but particularly the cost of equity[4] capital, has been driven up sharply for many MLPs. This is similar to 2008 and early 2009. However, we believe that many Midstream MLPs have quite strong balance sheets and are well positioned to weather the current storm until the environment becomes more positive, or as we believe, a lot more positive. Many other MLPs continue to have a low cost of capital and/or a strong General Partner parent committed to facilitating growth. Although oil production is indeed currently declining in the U.S., in reaction to weak world oil prices, we feel that this does not change the long-term growth story for U.S. production once the world's oil production and consumption are balanced, likely in late 2016. The U.S. remains the lowest cost major incremental oil producer outside of OPEC. Similarly, U.S. natural gas and natural gas liquids (NGL) production have fallen modestly in recent months and yet, in our opinion, retain the same long-term demand-driven growth prospects. These energy products need to be gathered where they are produced,

(1) 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.
(2) Correlation: The measure of the relationship between two data sets of variables.
(3) Cost of Capital: The cost of funds used for financing a business.
(4) Cost of Equity: The return (often expressed as a rate of return) a firm theoretically pays to its equity investors, i.e., shareholders, to compensate for the risk they undertake by investing their capital.

FUND PERFORMANCE

A Shares – AMLPX (as of 12/31/15)

NAV per Share		$8.86
POP per Share		$9.40
Returns:	**Without Load**	**With Load**
3 Month	-5.73%	-11.13%
Calendar YTD	-29.28%	-33.36%
1 Year	-29.28%	-33.36%
3 Year	-0.04%	-1.99%
Since Inception (2/17/11)	2.64%	1.40%

C Shares – MLCPX (as of 12/31/15)

NAV/POP per Share		$8.83
Returns:	**Without Load**	**With Load**
3 Month	-5.95%	-6.87%
Calendar YTD	-29.84%	-30.50%
1 Year	-29.84%	-30.50%
3 Year	N/A	N/A
Since Inception (3/31/14)	-15.69%	-15.69%

I Shares – IMLPX (as of 12/31/15)

NAV per Share	$8.99
Returns:	
3 Month	-5.75%
Calendar YTD	-29.15%
1 Year	-29.15%
3 Year	0.20%
Since Inception (2/17/11)	2.91%

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.

processed, fractionated[5], transported, stored and delivered to a growing customer base. Demand for these energy products remains likely to grow rapidly, as chemical companies, electric utilities and other energy intensive industries appear to be growing or shifting their U.S. sourced energy needs away from coal.

As of 1/15/16, MLPs trade at 7.7x price-to-distributable cash flow (DCF)[6] compared to the ten-year average of 11.9x and five-year average of 12.5x; as of 12/31/15, MLPs trade at 8.3x (Source: Wells Fargo). We believe that even this comparison understates the value of MLPs, as it ignores the long-term growth prospects that so many MLPs continue to have. We will address this further in a later section. However, similar to last newsletter, we summarize that as of 1/15/16, 18 of 25 holdings in our Fund currently trade at a discount to the steady state value[7] of their current cash flow[8] therefore implying negative growth expectations on current cash flow before even discussing the fact that no credit is being given for future growth in cash flow. Our entire portfolio trades at a 54% weighted average[9] discount to our calculation of intrinsic value[10], implying a potential doubling in price over some future period until pricing equals intrinsic value.

If this positive scenario that we continue to very much believe is true, then why do MLPs continue to trade at such attractive pricing? Why haven't investors stepped in to capture these values? First of all, most MLP investors are retail investors, or we believe retail-oriented in their mindset, and retail investors tend – in our opinion – to be more emotional in their decision making. However, institutions seem to be showing significant interest in MLPs in recent months. Many are putting capital to work currently, and we believe that many are preparing to allocate or increase allocations once sentiment bottoms. We held conferences this Fall, with more than 350 attendees between our September conference in Houston and our December conference in New York. Some 87% of those attending currently own MLPs, an indication that we captured a large and likely representative cross section of institutions, financial intermediaries and high net worth investors currently invested in MLPs (and many, of course, not currently through MainGate). Of note, 36% of those attending our conferences indicated that they intend to increase their MLP allocations in the period ahead, 59% intend to hold firm, and only 5% intended to reduce. This

Morningstar Ratings

★★★★

Class I Shares – 4-star Overall

★★★★

Class A Shares, Load Waived – 4-star Overall

★★★★

Class A Shares – 4-star Overall

☆☆☆☆

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

Each class rated among 51 Energy Limited Partnership funds based on risk-adjusted performance ending 12/31/15.

(5) Fractionation: Once natural gas liquids (NGLs) have been separated from a natural gas stream, they are broken down into their component parts, or *fractions*, using a distillation process known as fractionation.
(6) Price to Distributable Cash Flow (P/DCF): 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.
(7) Steady-State Value: The value of current cash flows.
(8) 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.
(9) Weighted Average: An calculation in which each quantity to be averaged is assigned a weight that represents its relative importance.
(10) Intrinsic Value: The actual value of a company or an asset based on an underlying perception of its true value including all aspects of the business, in terms of both tangible and intangible factors.

Morningstar Proprietary Ratings reflect risk-adjusted performance as of 12/31/15. 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 4 stars, A Shares with Load Waived received 4 stars, A Shares received 4 stars, and C Shares received 4 stars, each for the three-year time period ended 12/31/15 among 51 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.**

desire to increase current allocations is also supported by the hundreds of phone calls we have fielded from investors in recent weeks expressing agreement with us on the excellent valuation and modest risk offered by Midstream MLPs, but wanting to see a bottoming in the oil price and a turnaround in the oil sentiment and unit price trends. Timing an entry point is always difficult and when the turn does come, price moves can be quite sharp.

If oil prices seem to be the problem with perceptions, what does it take to balance the oil market and for price to rebound at least somewhat?

All markets balance and historically the oil markets have been balanced by modest changes in production by OPEC, and particularly by Saudi Arabia, to maintain the price that they desire. However, in the fall of 2014, Saudi Arabia indicated that it would no longer lose market share to new sources of supply, including the United States where oil production had grown from 5 million barrels per day (MMbbl/d) in 2008 to almost 9 MMbbl/d in late 2014, and a peak of 9.6 MMbbl/d in the Spring of 2015. Not only has Saudi Arabia maintained production, but the Kingdom increased production by more than 1 MMbbl/d in 2015 as OPEC's total production rose by an estimated 1.6 MMbbl/d in 2015 (Source: International Energy Agency (IEA)[11]). Although world oil demand grew by an estimated 1.8 MMbbl/d in 2015 (Source: IEA), assisted by lower priced oil, U.S. production also grew to an estimated (Source: Energy Information Agency (EIA)[12]) 9.3 MMbbl/d despite the lower oil prices, because of significant production cost decreases.

The surplus of production over demand has not, with these unexpected production increases, significantly changed over the past year, although the amount of excess producing capacity over production in the world has narrowed to a very modest 3 MMbbl/d from about 5 MMbbl/d a year ago in a world now consuming almost 96 MMbbl/d. The IEA estimates that world oil demand will grow by 1.2 MMbbl/d in 2016 and that non-OPEC production will decline by 600,000 bbl/d in 2016. Iran now appears likely to supply the world with an incremental 500,000 bbl/d, or possibly 700,000 bbl/d, by year-end 2016. We do question the IEA estimate that non-OPEC production will fall by only 600,000 bbl/d as the EIA and other sources predict that U.S. production will fall by 550,000 bbl/d in 2016 with current weak prices and many rigs now stacked until the oil price recovers to a profitable level. Similar or seemingly worse cost structures exist for many non-OPEC producers and we point out this issue as one for possible positive surprise in balancing the oil markets. However, as usual, OPEC production and particularly Saudi production will again, we feel, be the key as to when the markets will balance.

The IEA did forecast early in 2015 that non-OPEC supply growth would be 2.2 MMbbl/d during 2015. However, by the end of 2015, non-OPEC supply growth was only 300,000 bbl/d. The difference, of course, was the result of lower oil prices and it would appear that currently even lower oil prices will continue to cut deeply into production among non-OPEC countries, including the United States. In any case, it does appear to us that the world oil markets will be close to balanced by the end of 2016, even assuming that no other major country's production goes off line. However, oil in storage is likely to be extremely high by year-end and could weigh heavily on the oil markets.

Why have Saudi Arabia and its Persian Gulf OPEC allies substantially increased production at such a huge cost to revenues?

This has been the $64,000 question for some time. Ostensibly they seem to have flooded the market with oil to make it uneconomic for U.S. shale producers to keep taking market share. However, U.S. producers have been able to continue reducing their cost structure, and can now, for the most part, profitably produce oil in the $45 to $60 range. Some believe that the profitable range is already lower or soon will be. Most important, U.S. producers can stack rigs, simply wait for the inevitable higher prices, then resume drilling and again be on track to continue increasing production. It would appear that Saudi Arabia and its allies miscalculated the efficiency of U.S. shale producers.

Separately, there may now be a geopolitical component to the Saudi policy, as rival Iran is suffering under the weight of low oil prices. There has been mention that Saudi Arabia may be using its oil production as leverage with Russia to influence Iran and its policies, which challenge Saudi Arabia. We have no insights into any of this, but point out that OPEC's actions in the past appear to have always attempted to maximize their revenue, and this time something very different seems to be taking place.

(11) International Energy Agency (IEA): The IEA is an autonomous organization which works to ensure reliable, affordable and clean energy for its 29 member countries and beyond. The IEA's four main areas of focus are: energy security, economic development, environmental awareness, and engagement worldwide.

(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.

We feel that fundamentals tend to be ignored when there is 'fear in the streets' and yet fundamentals and valuation will once again matter.

It seems that one real problem has been created by the sharp stock market reaction to the falling oil price, irrational as we believe it is. The cost of equity capital has risen substantially. The cost of debt[13] has also risen significantly for most non-investment grade companies. As a result, the spread between return on invested capital and cost of capital for potential new projects has significantly narrowed for many companies and been eliminated for other companies. The highest quality companies with strong balance sheets can still complete existing projects utilizing debt and because they have strong balance sheets. A number of MLPs have what seem to be strong General Partner parents who we feel are likely to be helpful with attractively priced dropdown transactions[14] and can provide help in accessing affordable capital through intercompany loans or other measures.

We believe that there may well be a pause at many companies in announcing new projects, even as existing projects are completed. However, as most future projects seem demand driven by the likes of electric utilities which are planning new natural gas combined cycle electric plants, and by chemical companies which want access to low-cost and plentiful U.S. produced ethane, propane and natural gas, a way must be found to build Midstream assets profitably. We believe that private equity firms have many tens of billions of dollars that they could invest as partners in Midstream assets, seeking guaranteed minimum returns and the potential for high return. There are many creative financing tools available to companies and ways will likely be found to build the most critical and economic projects. At some point, sooner or later, we believe that MLP equity prices will recover, providing reasonably priced equity for continued project development.

Our advice to Midstream management teams is to not move forward on any new project that doesn't offer an attractive return over their cost of capital. Our expectations are that new project announcements in 2016 are likely to be less than the previous years. However, at the same time, we feel that management teams need to be extremely transparent and thorough on their quarter calls to investors in explaining that their existing assets, and assets which are currently being built, will allow cash flow to grow over the next year or two, and if nothing else were to change, they can and will continue to pay their distributions long-term and even increase them if that is feasible. We cite this anticipation for what will be said as evidence that even if we are wrong about oil prices rebounding over the next two years, MLPs can survive and manage through this difficult period.

A good example of the hunger that investors seem to have for such reassurance that MLPs can continue to operate with strong balance sheets and stable credit ratings and pay current distributions came this week. Plains All American Pipeline LP (PAA, $20.70) has been one of the companies investors worried most about, even though it is investment grade, because of their heavier exposure to oil volumes and to oil spreads coupled with $1.5 billion of capital requirements for projects already under construction. Plains announced a large, $1.5 billion preferred offering on January 12th, solving their equity needs for all projects in their backlog, and demonstrating that MLPs can creatively access affordable capital. Management titled this deal "one and done". The company further stated that it would be significantly cutting its capital expenditure program for future years beyond 2017, but will benefit from projects currently being built. Plains expects to maintain their distribution and increase positive coverage of their distribution, according to their assumptions.

As we indicated earlier, merely the assurance that MLPs can survive this challenging period and be positioned to prosper when the environment is more favorable seem to be enough for most investors to regain their confidence. Plains rebounded on their announcements and we expect many other Midstream MLP management teams to similarly outline their plans to meet capital needs and to reduce capital expenditures where needed. We believe that most companies in our Fund are better positioned with their balance sheets and cost of capital than Plains was prior to this announcement. Prior to the announcement, we viewed Plains as a strong company with well-positioned assets, strong management and excellent long-term prospects that found themselves in a situation where they were caught (sic) "building long and funding short". Hopefully, investors will listen closely to the upcoming quarterly investor calls and appreciate the financial positions of so many MLPs, and then even start to think again about the long-term growth opportunities that many of the strongest companies possess.

(13) Cost of Debt: The effective interest rate that a company pays on its current debt.
(14) Dropdown Transaction: A dropdown transaction is the transfer of assets or ownership interests between entities within the same partnership or to the partnership itself.

Why are we convinced that the MainGate MLP Fund has modest financial risk and excellent rebound prospects?

The weighted average debt-to-EBITDA[15] ratio for the limited partnerships in the MainGate MLP Fund stands at 3.3x versus 3.9x for the Alerian MLP Index (AMZ)[16]. Importantly, if the names in our Fund issue no equity over the course of 2016, and simply use their revolvers[17] or other sources of debt to fund capital expenditures and complete projects in backlog during the year, their balance sheets at year-end would only increase to 4.0x debt-to-EBITDA, a still very acceptable level in our opinion. We would note that we believe the debt capital markets are still available to our companies at a reasonable cost. Of our companies that would need to fund growth capital with debt, 70% are investment grade, 10% are non-investment grade, and 20% have no rating because they've yet to issue debt. We feel that this is a very high quality balance sheet portfolio. For the investment grade names, we calculate their 10 year cost of debt at 6.0% based on where their current 10 year bonds trade as well as using current spread to Treasury cost analysis. For the non-investment grade portion, they've already secured their funding this past summer and would seem to have no current needs to access debt markets. For the group that is not rated, they are all recent Initial Public Offerings which have not yet issued public debt and therefore have no ratings assigned. However, they are mostly sponsored by large investment grade rated companies, and we believe, if past is prologue, they'll receive investment grade ratings when they choose to issue debt. For now, these companies have significantly lower leverage and can use their revolvers for financing. We also believe many of the companies in the MainGate MLP Fund can access equity capital at acceptable cost or enjoy support from their general partners in addition to retaining access to debt capital markets. These points, along with detailed analyses of each company's cash flow prospects and balance sheets, give us great comfort that all companies in our Fund can manage through this difficult time.

We expect the large proportion of the names in our portfolio to continue raising their distributions as cash flow continues to rise, although we do believe that many management teams will also choose to raise their coverage ratios of distributions, retaining cash to strengthen balance sheets and potentially not push as hard on the distribution increase lever as they have in the recent past. Many of what we perceive to be the highest quality companies have been hit hard in the market decline that has seemingly not discriminated as well between companies as we thought would occur. We do expect that investors will appreciate many of these companies that will still be increasing distributions between 10% and 25% over the coming year.

Valuation Update

Now that we've expressed our views about the strength and staying power of the MLPs in our portfolio, we'll briefly talk about valuation. Valuation has moved to an extreme never seen before, as fear about an MLP group seemingly declining each week seems to have kept interested buyers on the sidelines. The slides that we have shown previously are here updated to demonstrate valuation by one methodology we very much believe in: Price to DCF to Growth[18]. We would emphasize that the growth we use has no extreme forward growth estimates, and merely reflects the Wall Street consensus growth rates as of the end of the year.

Exhibit 1: P/DCF/Growth, All Midstream LPs

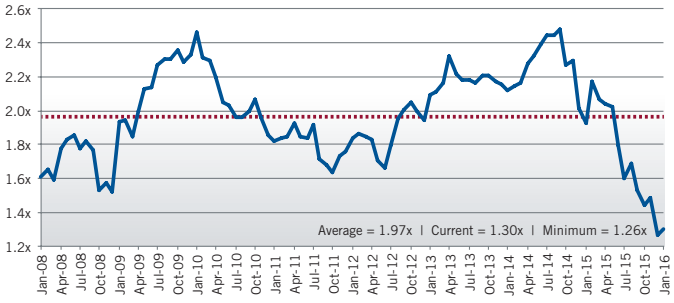
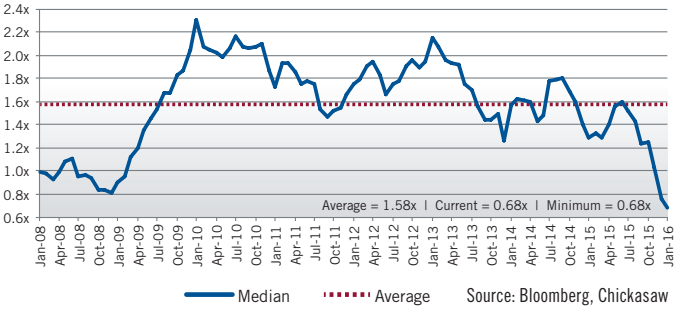


Exhibit 2: P/DCF/Growth, General Partners



(15) 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).

(16) 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.

(17) Revolver: A line of short-term credit.

(18) 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.

In addition, as mentioned earlier, some 18 names of the 25 holdings in our Fund now trade at a level that assumes negative expected future cash flow growth, a metric we find quite extraordinary for the many rapidly growing companies in our portfolio. Our portfolio trades at a 54% weighted average discount to our calculation of intrinsic value. Again, we point to this as a prime example of how disconnected from fundamentals MLPs currently trade, as technical factors dominate day to day pricing.

The most commonly asked questions from investors that we struggle to try to answer each day are: How long can the current pricing environment last and when will we see the turn in the group? Unfortunately, we do not have an answer to this question. The worst drawdown[19] which occurred during the financial crisis lasted from July 2007 to November 2008 with negative sentiment still surrounding MLP trading into 2009. That was the longest and deepest decline MLPs had ever seen until now which as of this newsletter's writing has eclipsed the 2008-2009 drawdown. However in 2008-2009, the financial markets were closed and risks appeared to be much greater than the risks we see today. Oil prices fell from $147 in 2008 to $33 in 2009 (yes, there are similarities with the past 17 months). In that decline, MLPs bottomed out and then began their inexorable recovery. Interestingly, the financial strength of MLPs was, in our opinion, far inferior to today and growth prospects were not close to those we currently see.

Part of our answer to another $64,000 question of "when is the time to invest in MLPs in times such as these" is that it is impossible to know when the bottom has been hit until well after the bottom has passed. The bottom could just as easily been hit a fair bit earlier and at higher prices if some of the technical factors and circumstances

Exhibit 3: GPs, (Discount) to Steady State Value

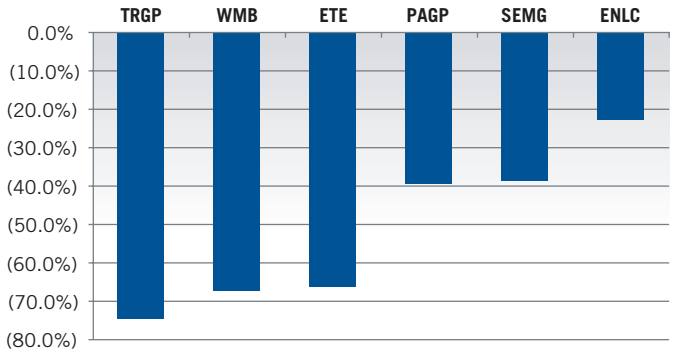


Chart above does not include EQGP and WGP which trade at premiums to steady state.

Exhibit 4: LPs, (Discount) to Steady State Value

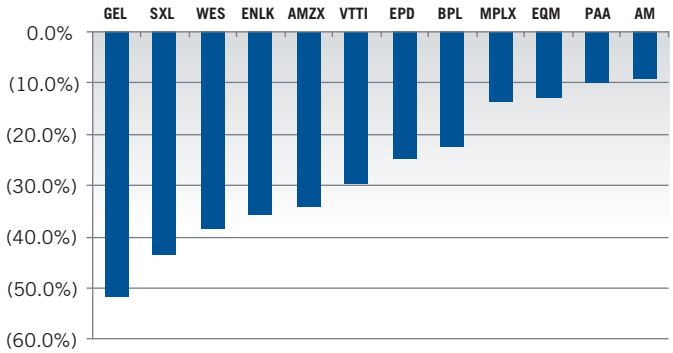


Chart above does not include PSXP, SHLX, VLP which trade at premiums to steady state.

Source: Chickasaw

Ticker symbols within Exhibits 3 and 4 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. | MPLX: MPLX, 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..

Exhibit 5

Peak	Correction		Trough[20]		Drawdown			Recovery	
Date Market Peaked	Date Drawdown Reached 15%	Date When Performance Reached Trough	# of Days Until Trough from Peak	# of Days Until Trough from 15% Drawdown	Maximum Drawdown	NTM[21] Performance from Drawdown	NTM[21] Performance from Trough	Date Market Regained Previous Peak	# of Days to Regain Peak
8/26/99	12/6/99	12/30/99	126	24	21.0%	28.8%	53.3%	7/11/00	194
11/9/01	7/22/02	7/23/02	256	1	22.1%	42.2%	51.6%	3/6/03	226
7/13/07	3/14/08	11/21/08	497	252	50.6%	(27.0%)	87.0%	12/23/09	397
4/29/11	8/8/11	8/8/11	101	0	17.1%	31.7%	31.7%	12/5/11	119
8/29/14	10/14/14	1/13/16	502	456	52.0%	—	—	—	—

Source: Alerian

(19) Drawdown: The peak-to-trough (lowest point) decline during a specific record investment period; usually quoted as the percentage between the peak and the trough.
(20) Trough: The lowest point or end of a decline within a specific record investment period.
(21) Next Twelve Months ("NTM")

had been different. Who can predict how Saudi Arabia will act with their production? What if terrorists shut down another Middle East country's production as they essentially have with Libya? However, a long-term investor will likely look back at today's MLP prices and wish that he had bought at current levels. We had many investors tell us in 2010 and 2011 that they wish they had bought MLPs early in 2009. Our answer today is that MLPs do not have the financial risks that they had in 2009, they collectively have better positioned balance sheets and greater access to reasonably priced capital, and MLPs are more attractively priced than then given that growth prospects appear to us to be much stronger.

Our Thanks to our Investors

We thank our investors for their continued confidence despite these difficult conditions. We are confident that there are much better days ahead for investors who recognize the financial strength of the companies in the MainGate MLP Fund and also believe, as we do, that long-term growth prospects remain excellent and are not at all reflected in current valuation.

David Fleischer, CFA Geoffrey Mavar Matt Mead Robert Walker

MAINGATE
MLP FUND

Net Assets (as of 12/31/15)	$1,188,330,356
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	NONE
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 12/31/15)	% of Fund
Shell Midstream Partners, LP	10.73%
Enterprise Products Partners, LP	8.74%
Magellan Midstream Partners, LP	7.52%
Sunoco Logistics Partners, LP	7.12%
Genesis Energy, LP	6.78%
Enlink Midstream, LLC	5.52%
Williams Companies, Inc.	5.22%
Energy Transfer Equity, LP	5.20%
Western Gas Equity Partners, LP	5.16%
Buckeye Partners, LP	4.57%

Top Sectors (as of 12/31/15)	% of Fund
Crude/Refined Prod. Pipe/Storage	53.51%
Natural Gas Pipe/Storage	32.53%
Natural Gas Gather/Process	13.96%

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 (10/27/15)	$0.1575

Performance: A Shares (as of 12/31/15)		
NAV per Share		$8.86
POP per Share		$9.40
Returns:	Without Load	With Load
3 Month	-5.73%	-11.13%
Calendar YTD	-29.28%	-33.36%
1 Year	-29.28%	-33.36%
3 Year	-0.04%	-1.99%
Since Inception (2/17/11)	2.64%	1.40%

Performance: C Shares (as of 12/31/15)		
NAV/POP per Share		$8.83
Returns:	Without Load	With Load
3 Month	-5.95%	-6.87%
Calendar YTD	-29.84%	-30.50%
1 Year	-29.84%	-30.50%
3 Year	N/A	N/A
Since Inception (3/31/14)	-15.69%	-15.69%

Performance: I Shares (as of 12/31/15)	
NAV per Share	$8.99
Returns:	
3 Month	-5.75%
Calendar YTD	-29.15%
1 Year	-29.15%
3 Year	0.20%
Since Inception (2/17/11)	2.91%

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

Chickasaw Capital Management, LLC,
6075 Poplar Avenue, Memphis, Tennessee 38119
p 901.537.1866 or 800.743.5410, f 901.537.1890
info@chickasawcap.com

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.