

TORTOISE PIPELINE & ENERGY FUND, INC.  
Form N-CSRS  
July 21, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number **811-22585**

**Tortoise Pipeline & Energy Fund, Inc.**  
(Exact name of registrant as specified in charter)

**11550 Ash Street, Suite 300, Leawood, KS 66211**  
(Address of principal executive offices) (Zip code)

**Terry Matlack**  
**Diane Bono**  
**11550 Ash Street, Suite 300, Leawood, KS 66211**  
(Name and address of agent for service)

**913-981-1020**  
Registrant's telephone number, including area code

Date of fiscal year end: **November 30**

Date of reporting period: **May 31, 2016**

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**Item 1. Reports to Stockholders.**

**Quarterly Report** | May 31, 2016

## **2016 2nd Quarter Report**

Closed-End Funds

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## Tortoise Capital Advisors

### 2016 2nd Quarter Report to Stockholders

This combined report provides you with a comprehensive review of our funds that span the entire energy value chain.

Tortoise Capital Advisors is one of the largest managers of energy investments, including closed-end funds, open end funds, private funds and separate accounts.

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## TTP and TPZ distribution policies

Tortoise Pipeline & Energy Fund, Inc. ( TTP ) and Tortoise Power and Energy Infrastructure Fund, Inc. ( TPZ ) are relying on exemptive relief permitting them to make long-term capital gain distributions throughout the year. Each of TTP and TPZ, with approval of its Board of Directors (the Board ), has adopted a distribution policy (the Policy ) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of TTP and TPZ during such year and, if so determined by the Board, all or a portion of the return of capital paid by portfolio companies to TTP and TPZ during such year. In accordance with its Policy, TTP distributes a fixed amount per common share, currently \$0.4075, each quarter to its common shareholders and TPZ distributes a fixed amount per common share, currently \$0.125, each month to its common shareholders. These amounts are subject to change from time to time at the discretion of the Board. Although the level of distributions is independent of TTP s and TPZ s performance, TTP and TPZ expect such distributions to correlate with its performance over time. Each quarterly and monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions in light of TTP s and TPZ s performance for the entire calendar year and to enable TTP and TPZ to comply with the distribution requirements imposed by the Internal Revenue Code. The Board may amend, suspend or terminate the Policy without prior notice to shareholders if it deems such action to be in the best interests of TTP, TPZ and their respective shareholders. For example, the Board might take such action if the Policy had the effect of shrinking TTP s or TPZ s assets to a level that was determined to be detrimental to TTP or TPZ shareholders. The suspension or termination of the Policy could have the effect of creating a trading discount (if TTP s or TPZ s stock is trading at or above net asset value), widening an existing trading discount, or decreasing an existing premium. You should not draw any conclusions about TTP s or TPZ s investment performance from the amount of the distribution or from the terms of TTP s or TPZ s distribution policy. Each of TTP and TPZ estimates that it has distributed more than its income and net realized capital gains; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in TTP or TPZ is paid back to you. A return of capital distribution does not necessarily reflect TTP s or TPZ s investment performance and should not be confused with yield or income. The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon TTP s and TPZ s investment experience during the remainder of their fiscal year and may be subject to changes based on tax regulations. TTP and TPZ will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.



## Closed-end fund comparison

| Name/Ticker   | Primary focus   | Structure                    | Total assets (\$ millions) <sup>1</sup> | Portfolio mix by asset type <sup>2</sup> | Portfolio mix by structure <sup>2</sup> |
|---|---|------------------------------|---|--|---|
| Tortoise Energy Infrastructure Corp.<br>NYSE: TYG<br>Inception: 2/2004<br>Tortoise MLP Fund, Inc. | Midstream MLPs  | C-corp                       | \$2,703.4                               |  |   |
| NYSE: NTG<br>Inception: 7/2010<br>Tortoise Pipeline & Energy Fund, Inc.                           | Natural gas infrastructure MLPs                                 | C-corp                       | \$1,541.1                               |  |   |
| NYSE: TTP<br>Inception: 10/2011<br>Tortoise Energy Independence Fund, Inc.                        | North American pipeline companies                               | Regulated investment company | \$283.6                                 |  |   |
| NYSE: NDP<br>Inception: 7/2012  | North American oil & gas producers                              | Regulated investment company | \$294.4                                 |  |   |
| Tortoise Power and Energy Infrastructure Fund, Inc.<br>NYSE: TPZ<br>Inception: 7/2009             | Power & energy infrastructure companies (Fixed income & equity) | Regulated investment company | \$209.2                                 |  |   |

<sup>1</sup> As of 6/30/2016<sup>2</sup> As of 5/31/2016

Tortoise Capital Advisors 1

## Tortoise Capital Advisors

### Second quarter 2016 report to closed-end fund stockholders

Dear fellow stockholders,

After one of the most volatile times in recent energy history, resulting in significant oil price declines, we saw price improvement during the second fiscal quarter ending May 31, 2016. Driving this increase in oil prices was a continued decline in North American production coupled with strong demand. This further reinforces our thesis that U.S. production is driving oil prices more so than the influence of Organization of the Petroleum Exporting Countries (OPEC). Along with crude oil prices, performance also rebounded with the broad S&P Energy Select Sector<sup>®</sup> Index returning 18.9% during the second fiscal quarter. This was a strong reversal from first fiscal quarter's return of -15.9%. Energy fixed income improved as well, but did not rebound as much as energy equities.

On the geopolitical front, OPEC met in both Doha and Vienna, but as expected, the meetings were non-events and were overshadowed by supply outages in Nigeria and Canada. Nigeria, Africa's largest oil producing nation, is having ongoing issues with militants attacking pipelines and export facilities. These disruptions brought Nigeria's production to the lowest monthly average since the late 1980s. The Canadian wildfires that started at the beginning of May are contained, but contributed to well over half of the supply outages that month.<sup>1</sup>

## Upstream

Upstream oil and gas producers had strong positive results for the second fiscal quarter, with the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> returning 38.9%. This was in stark contrast to the first fiscal quarter's double-digit negative returns. The U.S. rig count continued to decline, contributing to slowing crude oil production. Estimates show May production averaged 8.7 million barrels per day (MMbbl/d), which is less than the April 2016 level and significantly below the level reached in April 2015.<sup>1</sup> U.S. production is estimated to average 8.6 MMbbl/d in 2016, down from an average of 9.4 MMbbl/d in 2015.<sup>1</sup> Crude oil prices, represented by West Texas Intermediate (WTI), opened the fiscal quarter at \$33.75 per barrel and continued to climb, ending the quarter at \$49.10 per barrel, indicating some balancing of the supply/demand equation.

We are encouraged to see management teams continuing to focus on increasing capital efficiency in the upstream sector. Before mid-2015, companies focused more on growth as well as exploration and production activities. More recently, many companies have turned their efforts to maximizing existing strategic assets. As such, capex budgets have continued to fall and we expect this trend to continue. As expected, we saw rising bankruptcies, especially with smaller producers that could not thrive in a low-price environment. These bankruptcies equated to a reduction of nearly 650,000 barrels per day of production, which has been instrumental in balancing the supply/demand equation. We anticipate that many of those companies will continue to produce to some extent as they restructure. The shale oil and gas producers who recognized the potential of U.S. shale early, and who acquired acreage at very low costs should still be able to prosper in the current price environment.

While we have seen a decrease in production, there has been a wide variety of results among the premier oil and gas basins. The Permian basin has flourished and remained strong while the Eagle Ford had the largest drop in production. Production in the Bakken has also declined, and production in the Marcellus remained essentially flat.

Natural gas inventories continued to be higher than average in 2016, which led to lower prices during the period. It will take time to work through the high inventories that were not depleted during the warm winter, and the overall oversupply caused by increased production over the past few years. Prices opened the fiscal quarter at \$1.62 per million British thermal units (MMBtu), increasing to end the quarter at \$2.09 per MMBtu. At the end of May, natural gas inventories were more than 30% higher than they were the same week last year and are expected to be at the highest levels on record in October 2016.<sup>1</sup> Natural gas production growth is expected to rise only slightly through the rest of 2016, due to low prices and fewer rigs in operation. However, we expect to see production pick back up in 2017 as prices rise and increases in liquefied natural gas (LNGs) exports lead to expected production growth increases.<sup>1</sup>

## Midstream

The midstream sector faced technical pressure during the energy market decline, which weighed heavily on performance earlier this year. However, MLPs, as represented by the Tortoise MLP Index<sup>®</sup>, bounced back during the second fiscal quarter returning 26.4%, with upstream MLPs outpacing their midstream counterparts. Broader pipeline companies also had a nice recovery, as reflected by the 17.2% return of the Tortoise North American Pipeline Index<sup>SM</sup> during the quarter.

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Performance within the midstream sector was positive across the board, with gathering and processing companies significantly outperforming other sub-sectors due to their greater correlation to rising commodity prices, especially to natural gas liquids (NGLs). Crude oil and natural gas MLP and other pipeline companies also experienced positive performance as market sentiment focused more on underlying fundamentals. Additionally, refined product MLP and other pipeline companies continued to perform well due to strong demand in the low price environment.

Our long-term outlook for the midstream sector remains positive. MLP and other pipeline companies have shown signs of stabilization and we have seen a decrease in counterparty risk, mainly due to oil price improvements. These oil price increases have been leading to contracts being more in-line with producers' ability to generate revenue, compared to the last six to eight months when producers were locked into contracts that made it nearly impossible to generate revenue, thus prompting contract renegotiations with pipeline companies. For many midstream companies, the priority centers on better capital efficiency. Companies are striving to ensure that their assets are fully optimized, which should lead to better returns for companies and ultimately investors. Growth opportunities still exist as our projection for capital investments in MLP, pipeline and related organic projects remains at \$120 billion for 2016 to 2018.

Even with the positive momentum achieved during the fiscal quarter, some headwinds remained. The Energy Transfer Equity/Williams Companies deal lacked resolution until after the end of the fiscal quarter, and weighed on the space. The other chief concern within the midstream sector revolved around sustainability of distributions. Distribution coverage remained healthy and cuts within the sector

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have not been widespread. However, we do expect some companies to cut their distributions in order to protect their credit ratings. The key issue is the ratings agencies and their threat of a downgrade of some companies from investment grade to high yield rather than a coverage outlook issue. This threat could force otherwise stable midstream companies to elect to temporarily reduce distributions in defense of their investment grade credit ratings. The market anticipated a cut for Plains All American Pipeline L.P., which has been the most vocal on this topic. Going through a simplification exercise to lower the cost of capital and eliminate incentive distribution rights (IDRs) seems logical for the company at this point.

## Downstream

Energy companies in the downstream segment of the energy value chain, including refiners and petrochemical companies, have still been producing strong free cash flows at historically high levels although these levels have compressed slightly since the peak in 2015. Refiner margins, though still attractive, have continued to narrow with higher crude oil prices. On May 30, the average price for regular gasoline increased to \$2.34 per gallon, although still a decrease of \$0.44 from the same week last year.<sup>1</sup> Gasoline prices are expected to head lower for the rest of 2016. On the demand side, gasoline consumption is expected to increase by 1.8% in 2016, which will be the highest annual average consumption increase on record.<sup>1</sup>

While the price of ethane, a petrochemical feedstock, has increased, demand from petrochemicals has also continued to rise, stemming from new facilities coming online. Even though the price of ethane has increased, demand for the end product has also increased, essentially neutralizing that potential headwind. The U.S. still provides some of the lowest priced ethane in the world, thus making the U.S. well positioned for exporting. Ethylene prices tend to move in tandem with crude oil prices, so we believe prices will continue to move higher. Power and utility companies did not participate as much in the recent rebound compared to other energy sectors since they are defensive by nature and their performance had not been impacted as greatly by lower commodity prices.

## Capital markets

Capital markets became cautiously optimistic and more constructive with companies focusing on operating their core assets and divesting non-strategic business activities. Within the midstream sector, there were a few equity and debt MLP transactions, with the debt transactions being particularly well received by the market.

Exploration and production companies are continuing to raise capital, totaling just over \$13 billion for the fiscal quarter, mostly in debt. MLP and other pipeline companies raised close to \$15 billion during the second fiscal quarter, with approximately \$10 billion in equity and \$5 billion in debt.

There were no IPOs in the energy sector during the second fiscal quarter. Merger and acquisition activity among MLP and pipeline companies picked up compared to the first fiscal quarter, highlighting the value of pipeline assets, with announced transactions totaling nearly \$16 billion. The largest of these was TransCanada Corporation's acquisition of Columbia Pipeline Group, Inc. in a deal valued at approximately \$12 billion.

## Concluding thoughts

Coming into mid-year, it is encouraging to see improvement in the price of oil, which has helped performance across the energy value chain, particularly in the upstream segment, that is more closely tied to commodity prices. The market seemed to echo our long-term belief that midstream fundamentals remain solid, causing a significant performance bounce back in that segment of the value chain. Now that the economy has had some time to start to work off the oversupply in the market, combined with companies becoming more capital efficient, we expect that we will see more lasting improvements throughout the second half of this year and into 2017.

We anticipate that OPEC will continue to wield less influence than in recent decades. The non-events of the two most recent OPEC meetings reinforce our belief that the U.S. is becoming a significantly more relevant player in the global energy landscape. We continue to believe that 2016 will be a milestone year for U.S. energy exports, as the U.S. becomes a sustainable, long-term supplier of low-cost energy to the rest of the world.

Sincerely,

The Managing Directors  
Tortoise Capital Advisors, L.L.C.



The S&P Energy Select Sector<sup>®</sup> Index is a capitalization-weighted index of S&P 500<sup>®</sup> Index companies in the energy sector involved in the development or production of energy products. The Tortoise North American Oil and Gas Producers Index<sup>SM</sup> is a float-adjusted, capitalization weighted index of North American energy companies engaged primarily in the production of crude oil, condensate, natural gas or natural gas liquids (NGLs). The Tortoise North American Pipeline Index<sup>SM</sup> is a float adjusted, capitalization-weighted index of energy pipeline companies domiciled in the United States and Canada. The Tortoise MLP Index<sup>®</sup> is a float-adjusted, capitalization-weighted index of energy master limited partnerships.

The Tortoise indices are the exclusive property of Tortoise Index Solutions, LLC, which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) ( S&P Dow Jones Indices ) to calculate and maintain the Tortoise MLP Index, Tortoise North American Pipeline Index<sup>SM</sup> and Tortoise North American Oil and Gas Producers Index<sup>SM</sup>. S&P<sup>®</sup> is a registered trademark of Standard & Poor's Financial Services ( SPFS ); Dow Jones<sup>®</sup> is a registered trademark of Dow Jones Trademark Holdings LLC ( Dow Jones ); and these trademarks have been licensed for use by Tortoise Index Solutions, LLC and its affiliates. Neither S&P Dow Jones Indices, SPFS, Dow Jones nor any of their affiliates sponsor and promote the indices and none shall be liable for any errors or omissions in calculating the indices.

**It is not possible to invest directly in an index.**

**Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost.**

1 Energy Information Administration, June 2016

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## Tortoise

### Energy Infrastructure Corp. (TYG)

#### Fund description

TYG seeks a high level of total return with an emphasis on current distributions paid to stockholders. TYG invests primarily in equity securities of master limited partnerships (MLPs) and their affiliates that transport, gather, process or store natural gas, natural gas liquids (NGLs), crude oil and refined petroleum products.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending May 31, 2016 were 17.5% and 20.6%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned 26.4% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

|   |           |
|---|-----------|
| Distributions paid per share                | \$0.6550  |
| Distribution rate (as of 5/31/2016)         | 9.4%      |
| Quarter-over-quarter distribution increase  | 0.0%      |
| Year-over-year distribution increase        | 1.6%      |
| Cumulative distribution to stockholders     |           |
| since inception in February 2004            | \$26.5325 |
| Market-based total return                   | 17.5%     |
| NAV-based total return                      | 20.6%     |
| Premium (discount) to NAV (as of 5/31/2016) | (2.8)%    |

*Unlike the fund return, index return is pre-expenses and taxes.*

*Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.*

#### Key asset performance drivers

| Top five contributors                                  | Company type   | Performance driver   |
|--|--|--|
| Energy Transfer Partners, L.P.<br>ONEOK Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP | Market gained confidence in sustainability of distributions                                      |
| Western Gas Partners, LP                               | Midstream natural gas/natural gas liquids pipeline MLP | Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook |
| Enterprise Products Partners L.P.                      | Midstream gathering and processing MLP                 | Steady cash flows and growing distributions  |
| MPLX LP  | Midstream natural gas/natural gas liquids pipeline MLP | Steady cash flows and growing distributions as well as improved NGLs outlook                     |
|  | Midstream gathering and processing MLP                 | Steady cash flows and growing distributions as well as improved NGLs outlook                     |

| Bottom five detractors | Company type | Performance driver |
|------------------------|--------------|--------------------|
|------------------------|--------------|--------------------|

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|  |  |  |
|--|--|--|
| Columbia Pipeline Partners LP<br>Phillips 66 Partners LP       | Midstream natural gas/natural gas liquids pipeline MLP<br>Midstream refined product pipeline MLP                 | Pending acquisition of the general partner created uncertainty regarding future growth<br>Low yield high growth names, such as this, were out of favor |
| Shell Midstream Partners, L.P.                                 | Midstream crude oil pipeline MLP   | Low yield high growth names, such as this, were out of favor   |
| Spectra Energy Partners, LP<br>Dominion Midstream Partners, LP | Midstream natural gas/natural gas liquids pipeline MLP<br>Midstream natural gas/natural gas liquids pipeline MLP | Lagged after strong 2015 performance<br>Low yield high growth names, such as this, were out of favor   |

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## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from investments, paid-in-kind distributions, and dividend and interest payments. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income, in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments decreased approximately 5.4% as compared to 1st quarter 2016 due primarily to net sales of investments at the end of 1st quarter 2016, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased 6.8% during the quarter due to higher asset-based fees. Overall leverage costs decreased 15.9% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016.

As a result of the changes in income and expenses, DCF decreased approximately 5.0% as compared to 1st quarter 2016. The fund paid a quarterly distribution of \$0.655 per share, which was unchanged over the prior quarter and an increase of 1.6% over the 2nd quarter 2015 distribution. The fund has paid cumulative distributions to stockholders of \$26.5325 per share since its inception in Feb. 2004.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, realized and unrealized gains (losses) on interest rate swap settlements, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Loss, before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for fiscal year-to-date and 2nd quarter 2016 (in thousands):

|   | 2016 YTD    | 2nd Qtr 2016 |
|---|-------------|--------------|
| Net Investment Loss,<br>before Income Taxes         | \$ (38,290) | \$ (27,624)  |
| Adjustments to reconcile to DCF:                    |             |              |
| Distributions characterized as<br>return of capital | 100,119     | 59,733       |
| Amortization of debt issuance costs                 | 2,636       | 121          |
| Interest rate swap expenses                         | (441)       | (219)        |
| Premium on redemption<br>of senior notes            | 900         |              |
| Premium on redemption<br>of MRP stock               | 800         |              |
| DCF   | \$ 65,724   | \$ 32,011    |

## Leverage

The fund's leverage utilization increased by \$14.3 million during 2nd quarter 2016 for normal working capital purposes and represented 27.2% of total assets at May 31, 2016, above the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 84% of the leverage cost was fixed, the weighted-average maturity was 5.3 years and the weighted-average annual rate on leverage was 3.55%. These rates will vary in the future as a result of changing floating rates, utilization of the fund's credit facilities and as leverage and swaps mature or are redeemed.

## Income taxes

During 2nd quarter 2016, the fund's deferred tax liability increased by \$108 million to \$428 million, primarily as a result of the increase in value of its investment portfolio. The fund had net realized gains of \$74 million during the quarter. To the extent that the fund has taxable income, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

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**TYG Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow** and **Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | 2015              | 2015              | 2015              | 2016              | 2016              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> |
| <b>Total Income from Investments</b>                              |                   |                   |                   |                   |                   |
| Distributions and dividends from investments                      | \$ 51,585         | \$ 52,919         | \$ 51,564         | \$ 47,200         | \$ 44,670         |
| <b>Operating Expenses Before Leverage Costs and Current Taxes</b> |                   |                   |                   |                   |                   |
| Advisory fees   | 9,545             | 8,661             | 7,081             | 5,321             | 5,719             |
| Other operating expenses  | 511               | 500               | 512               | 466               | 461               |
|   | 10,056            | 9,161             | 7,593             | 5,787             | 6,180             |
| Distributable cash flow before leverage costs and current taxes   | 41,529            | 43,758            | 43,971            | 41,413            | 38,490            |
| Leverage costs <sup>(2)</sup>                                     | 8,778             | 8,394             | 8,193             | 7,700             | 6,479             |
| Current income tax expense <sup>(3)</sup>                         |                   |                   |                   |                   |                   |
| <b>Distributable Cash Flow<sup>(4)</sup></b>                      | \$ 32,751         | \$ 35,364         | \$35,778          | \$ 33,713         | \$ 32,011         |
| <b>As a percent of average total assets<sup>(5)</sup></b>         |                   |                   |                   |                   |                   |
| Total from investments  | 4.94 %            | 5.59 %            | 6.83 %            | 7.67 %            | 7.28 %            |
| Operating expenses before leverage costs and current taxes        | 0.96 %            | 0.97 %            | 1.01 %            | 0.94 %            | 1.01 %            |
| Distributable cash flow before leverage costs and current taxes   | 3.98 %            | 4.62 %            | 5.82 %            | 6.73 %            | 6.27 %            |
| <b>As a percent of average net assets<sup>(5)</sup></b>           |                   |                   |                   |                   |                   |
| Total from investments  | 9.34 %            | 10.90 %           | 13.38 %           | 16.09 %           | 13.54 %           |
| Operating expenses before leverage costs and current taxes        | 1.82 %            | 1.89 %            | 1.97 %            | 1.97 %            | 1.87 %            |
| Leverage costs and current taxes                                  | 1.59 %            | 1.73 %            | 2.13 %            | 2.62 %            | 1.96 %            |
| Distributable cash flow   | 5.93 %            | 7.28 %            | 9.28 %            | 11.50 %           | 9.71 %            |
| <b>Selected Financial Information</b>                             |                   |                   |                   |                   |                   |
| Distributions paid on common stock                                | \$ 30,971         | \$ 31,211         | \$ 31,450         | \$ 31,682         | \$ 31,682         |
| Distributions paid on common stock per share                      | 0.6450            | 0.6500            | 0.6550            | 0.6550            | 0.6550            |
| Distribution coverage percentage for period <sup>(6)</sup>        | 105.7 %           | 113.3 %           | 113.8 %           | 106.4 %           | 101.0 %           |
| Net realized gain, net of income taxes, for the period            | 63,392            | 43,938            | 72,015            | 41,667            | 47,833            |
| Total assets, end of period                                       | 4,102,516         | 3,445,452         | 2,793,933         | 2,213,663         | 2,587,793         |
| Average total assets during period <sup>(7)</sup>                 | 4,146,279         | 3,759,151         | 3,028,322         | 2,475,404         | 2,442,341         |
| Leverage <sup>(8)</sup>   | 1,000,700         | 1,000,400         | 906,000           | 689,700           | 704,000           |
| Leverage as a percent of total assets                             | 24.4 %            | 29.0 %            | 32.4 %            | 31.2 %            | 27.2 %            |
| Net unrealized appreciation (depreciation), end of period         | 561,565           | 138,802           | (244,207)         | (483,386)         | (269,349)         |
| Net assets, end of period   | 2,172,676         | 1,754,876         | 1,405,733         | 1,176,897         | 1,390,531         |
| Average net assets during period <sup>(9)</sup>                   | 2,191,147         | 1,925,521         | 1,545,634         | 1,179,868         | 1,312,506         |
| Net asset value per common share                                  | 45.25             | 36.55             | 29.28             | 24.33             | 28.71             |
| Market value per share  | 42.02             | 35.88             | 26.57             | 24.26             | 27.90             |
| Shares outstanding (000 s)  | 48,017            | 48,017            | 48,017            | 48,370            | 48,434            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders, interest rate swap expenses and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

(4) Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemptions of senior notes and MRP stock and amortization of debt issuance costs; and decreased by realized and unrealized gains (losses) on interest rate swap settlements and current

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taxes paid on net investment income.

(5) Annualized.

(6) Distributable Cash Flow divided by distributions paid.

(7) Computed by averaging month-end values within each period.

(8) Leverage consists of senior notes, preferred stock and outstanding borrowings under credit facilities.

(9) Computed by averaging daily net assets within each period.

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**Tortoise Capital Advisors**

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2016 2nd Quarter Report | May 31, 2016

## Tortoise

### MLP Fund, Inc. (NTG)

#### Fund description

NTG seeks to provide stockholders with a high level of total return with an emphasis on current distributions. NTG invests primarily in master limited partnerships (MLPs) and their affiliates that own and operate a network of pipeline and energy-related logistical infrastructure assets with an emphasis on those that transport, gather, process and store natural gas and natural gas liquids (NGLs). NTG targets midstream MLPs benefiting from U.S. natural gas production and consumption expansion with minimal direct commodity exposure.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending May 31, 2016 were 16.5% and 20.8%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise MLP Index<sup>®</sup> returned 26.4% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

|  |          |
|--|----------|
| Distributions paid per share   | \$0.4225 |
| Distribution rate (as of 5/31/2016)                                  | 9.5%     |
| Quarter-over-quarter distribution increase                           | 0.0%     |
| Year-over-year distribution increase                                 | 0.0%     |
| Cumulative distribution to stockholders since inception in July 2010 | \$9.5450 |
| Market-based total return  | 16.5%    |
| NAV-based total return   | 20.8%    |
| Premium (discount) to NAV (as of 5/31/2016)                          | (6.3)%   |

*Unlike the fund return, index return is pre-expenses and taxes.*

*Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.*

#### Key asset performance drivers

Energy Transfer Partners, L.P.  
DCP Midstream Partners, LP

ONEOK Partners, L.P.  
Enterprise Products Partners L.P.

Enlink Midstream Partners, LP

Midstream natural gas/natural gas liquids pipeline MLP

Midstream gathering and processing MLP  
Midstream natural gas/natural gas liquids pipeline MLP  
Midstream natural gas/natural gas liquids pipeline MLP

Midstream gathering and processing MLP

Market gained confidence in sustainability of distributions  
Improving commodity prices and a positive outlook for natural gas liquid demand  
Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook  
Steady cash flows and growing distributions as well as improved NGLs outlook  
Benefitted from growth potential of a recent acquisition of midstream assets in the Sooner Trend Anadarko Basin Canadian and Kingfisher (STACK) region



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Columbia Pipeline Partners LP

Midstream natural gas/natural gas liquids pipeline MLP

Pending acquisition of the general partner created uncertainty regarding future growth  
Low yield high growth names, such as this, were out of favor  
Low yield high growth names, such as this, were out of favor

Phillips 66 Partners LP  
Shell Midstream Partners, L.P.  
Spectra Energy Partners, LP  
Dominion Midstream Partners, LP

Midstream refined product pipeline MLP  
Midstream crude oil pipeline MLP  
Midstream natural gas/natural gas liquids pipeline MLP  
Midstream natural gas/natural gas liquids pipeline MLP

Lagged after strong 2015 performance  
Low yield high growth names, such as this, were out of favor

(unaudited)

**Tortoise Capital Advisors**

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## Tortoise

### MLP Fund, Inc. (NTG) (continued)

#### Distributable cash flow and distributions

Distributable cash flow ( DCF ) is distributions received from investments less expenses. The total distributions received from investments include the amount received as cash distributions from MLPs, paid-in-kind distributions, and dividend and interest payments. The total expenses include current or anticipated operating expenses, leverage costs and current income taxes. Current income taxes include taxes paid on net investment income in addition to foreign taxes, if any. Taxes incurred from realized gains on the sale of investments, expected tax benefits and deferred taxes are not included in DCF.

Distributions received from investments decreased approximately 3.1% as compared to 1st quarter 2016 due primarily to the impact of trading activity, partially offset by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased 13.7% during the quarter due to higher asset-based fees. Leverage costs declined 1.7% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016.

As a result of the changes in income and expenses, DCF decreased approximately 6.1% as compared to 1st quarter 2016. The fund paid a quarterly distribution of \$0.4225 per share, which was equal to the distribution paid in the prior quarter and 2nd quarter 2015. The fund has paid cumulative distributions to stockholders of \$9.545 per share since its inception in July 2010.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between distributions received from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; and distributions received from investments in the DCF calculation include the value of dividends paid-in-kind (additional stock or MLP units), whereas such amounts are not included as income for GAAP purposes, and includes distributions related to direct investments when the purchase price is reduced in lieu of receiving cash distributions. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense, distributions to preferred stockholders, other recurring leverage expenses, as well as taxes paid on net investment income.

Net Investment Loss, before Income Taxes on the Statement of Operations is adjusted as follows to reconcile to DCF for fiscal year-to-date and 2nd quarter 2016 (in thousands):

|   | 2016 YTD    | 2nd Qtr 2016 |
|---|-------------|--------------|
| Net Investment Loss,<br>before Income Taxes         | \$ (17,629) | \$ (11,197)  |
| Adjustments to reconcile to DCF:                    |             |              |
| Distributions characterized<br>as return of capital | 55,850      | 29,939       |
| Amortization of debt issuance costs                 | 213         | 92           |
| Premium on redemption<br>of senior notes            | 450         |              |
| DCF   | \$ 38,884   | \$ 18,834    |

#### Leverage

The fund's leverage utilization increased by \$8.3 million during 2nd quarter 2016 and represented 29.7% of total assets at May 31, 2016, above the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 77% of the leverage cost was fixed, the weighted-average maturity was 3.4 years and the weighted-average annual rate on leverage was 3.57%. These rates will vary in the future as a result of changing floating rates, utilization of the fund's credit facility and as leverage matures or is redeemed.

## Income taxes

During 2nd quarter 2016, the fund's deferred tax liability increased by \$91 million to \$135 million, primarily as a result of the increase in value of its investment portfolio. The fund had net realized gains of \$34 million during the quarter. As of Nov. 30, 2015, the fund had net operating losses of \$154 million for federal income tax purposes. To the extent that the fund has taxable income in the future that is not offset by net operating losses, it will owe federal and state income taxes. Tax payments can be funded from investment earnings, fund assets, or borrowings.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage, taxes and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions and results, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

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**Tortoise Capital Advisors**

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2016 2nd Quarter Report | May 31, 2016

**NTG Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow** and **Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | 2015              |                   |                   | 2016              |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Q2 <sup>(1)</sup> | Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> |
| <b>Total Income from Investments</b>                            |                   |                   |                   |                   |                   |
| Distributions and dividends from investments                    | \$ 28,125         | \$ 28,405         | \$ 28,420         | \$ 27,259         | \$ 26,411         |
| <b>Operating Expenses Before Leverage</b>                       |                   |                   |                   |                   |                   |
| <b>Costs and Current Taxes</b>                                  |                   |                   |                   |                   |                   |
| Advisory fees, net of fees waived                               | 4,739             | 4,280             | 3,581             | 2,868             | 3,292             |
| Other operating expenses  | 357               | 351               | 341               | 323               | 336               |
|   | 5,096             | 4,631             | 3,922             | 3,191             | 3,628             |
| Distributable cash flow before leverage costs and current taxes | 23,029            | 23,774            | 24,498            | 24,068            | 22,783            |
| Leverage costs <sup>(2)</sup>                                   | 4,078             | 4,083             | 4,055             | 4,018             | 3,949             |
| Current income tax expense <sup>(3)</sup>                       |                   |                   |                   |                   |                   |
| <b>Distributable Cash Flow<sup>(4)</sup></b>                    | \$ 18,951         | \$ 19,691         | \$ 20,443         | \$ 20,050         | \$ 18,834         |
| <b>As a percent of average total assets<sup>(5)</sup></b>       |                   |                   |                   |                   |                   |
| Total from investments  | 5.28 %            | 5.88 %            | 7.18 %            | 8.15 %            | 7.55 %            |
| Operating expenses before leverage costs and current taxes      | 0.96 %            | 0.96 %            | 0.99 %            | 0.95 %            | 1.04 %            |
| Distributable cash flow before leverage costs and current taxes | 4.32 %            | 4.92 %            | 6.19 %            | 7.20 %            | 6.51 %            |
| <b>As a percent of average net assets<sup>(5)</sup></b>         |                   |                   |                   |                   |                   |
| Total from investments  | 8.72 %            | 9.88 %            | 11.95 %           | 14.47 %           | 12.42 %           |
| Operating expenses before leverage costs and current taxes      | 1.58 %            | 1.61 %            | 1.65 %            | 1.69 %            | 1.71 %            |
| Leverage costs and current taxes                                | 1.26 %            | 1.42 %            | 1.71 %            | 2.13 %            | 1.86 %            |
| Distributable cash flow   | 5.88 %            | 6.85 %            | 8.59 %            | 10.65 %           | 8.85 %            |
| <b>Selected Financial Information</b>                           |                   |                   |                   |                   |                   |
| Distributions paid on common stock                              | \$ 19,857         | \$ 19,858         | \$ 19,857         | \$ 19,858         | \$ 19,857         |
| Distributions paid on common stock per share                    | 0.4225            | 0.4225            | 0.4225            | 0.4225            | 0.4225            |
| Distribution coverage percentage for period <sup>(6)</sup>      | 95.4 %            | 99.2 %            | 103.0 %           | 101.0 %           | 94.8 %            |
| Net realized gain (loss), net of income taxes, for the period   | 25,818            | 24,577            | 3,706             | (13,779)          | 21,730            |
| Total assets, end of period                                     | 2,092,962         | 1,779,889         | 1,483,910         | 1,254,081         | 1,483,491         |
| Average total assets during period <sup>(7)</sup>               | 2,112,176         | 1,917,824         | 1,586,800         | 1,345,702         | 1,390,807         |
| Leverage <sup>(8)</sup>   | 512,700           | 512,900           | 500,800           | 431,600           | 439,900           |
| Leverage as a percent of total assets                           | 24.5 %            | 28.8 %            | 33.7 %            | 34.4 %            | 29.7 %            |
| Net unrealized appreciation (depreciation), end of period       | 400,459           | 189,257           | 29,106            | (52,047)          | 90,594            |
| Net assets, end of period                                       | 1,268,819         | 1,057,341         | 876,409           | 757,055           | 893,988           |
| Average net assets during period <sup>(9)</sup>                 | 1,279,060         | 1,140,652         | 953,931           | 757,446           | 845,912           |
| Net asset value per common share                                | 27.00             | 22.50             | 18.65             | 16.11             | 19.02             |
| Market value per common share                                   | 24.26             | 19.85             | 16.18             | 15.64             | 17.82             |
| Shares outstanding (000 s)                                      | 47,000            | 47,000            | 47,000            | 47,000            | 47,000            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.

(3) Includes taxes paid on net investment income and foreign taxes, if any. Taxes related to realized gains are excluded from the calculation of Distributable Cash Flow ( DCF ).

Net investment income (loss), before income taxes on the Statement of Operations is adjusted as follows to reconcile to DCF: increased by the

(4) return of capital on distributions, the value of paid-in-kind distributions, the premium on redemption of senior notes and amortization of debt issuance costs; and decreased by current taxes paid on net investment income.

(5) Annualized.

(6) Distributable Cash Flow divided by distributions paid.

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(7) Computed by averaging month-end values within each period.

(8) Leverage consists of senior notes, preferred stock and outstanding borrowings under the credit facility.

(9) Computed by averaging daily net assets within each period.

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## Tortoise

### Pipeline & Energy Fund, Inc. (TTP)

#### Fund description

TTP seeks a high level of total return with an emphasis on current distributions paid to stockholders. TTP invests primarily in equity securities of North American pipeline companies that transport natural gas, natural gas liquids (NGLs), crude oil and refined products and, to a lesser extent, in other energy infrastructure companies.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending May 31, 2016 were 41.4% and 43.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Pipeline Index<sup>SM</sup> returned 17.2% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including midstream MLPs and other pipeline companies, a decrease in counterparty risk with producers and more accommodative capital markets.

#### 2nd fiscal quarter highlights

|   |           |
|---|-----------|
| Distributions paid per share  | \$ 0.4075 |
| Distribution rate (as of 5/31/2016)                                     | 9.4%      |
| Quarter-over-quarter distribution increase                              | 0.0%      |
| Year-over-year distribution decrease                                    | (9.4)% *  |
| Cumulative distribution to stockholders since inception in October 2011 | \$ 7.6525 |
| Market-based total return   | 41.4%     |
| NAV-based total return  | 43.0%     |
| Premium (discount) to NAV (as of 5/31/2016)                             | (14.1)%   |

\*Reflects the elimination of the capital gain component of the distribution. See Distributable cash flow and distributions on next page for additional information.

**Please refer to the inside front cover of the report for important information about the fund's distribution policy.**

The fund's covered call strategy, which focuses on independent energy companies that are key pipeline transporters, enabled the fund to generate current income. In higher-volatility environments, we typically extend the out-of-the-money covered calls and try to generate the same monthly income. The notional amount of the fund's covered calls averaged approximately 11.4% of total assets, and their out-of-the-money percentage at the time written averaged approximately 9.0% during the fiscal quarter.

**Unlike the fund return, index return is pre-expenses and taxes.**

**Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.**

#### Key asset performance drivers

|                       |  |  |
|-----------------------|--|--|
| ONEOK, Inc.           | Midstream natural gas/natural gas liquids pipeline company | Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook |
| Targa Resources Corp. | Midstream gathering and processing company                 | Benefitted from a combination of a completed rollup transaction and preferred issuance that      |

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|  |  |   |
|--|--|---|
| <p>Enbridge Energy Management, L.L.C.<br/>The Williams Companies, Inc.<br/>Columbia Pipeline Group, Inc.</p> | <p>Midstream crude oil pipeline company<br/><br/>Midstream gathering and processing company<br/>Midstream natural gas/natural gas liquids pipeline company</p> | <p>solved capital market needs<br/>Steady cash flows and improved commodity price outlook<br/>Improved NGLs demand outlook and moving closer to a merger resolution<br/>Announced acquisition by TransCanada Corporation</p>    |
| <p>Phillips 66 Partners LP<br/>Columbia Pipeline Partners LP<br/>Shell Midstream Partners, L.P.</p>          | <p>Midstream refined product pipeline MLP<br/>Midstream natural gas/natural gas liquids pipeline MLP<br/><br/>Midstream crude oil pipeline MLP</p>             | <p>Low yield high growth names, such as this, were out of favor<br/>Pending acquisition of the general partner created uncertainty regarding future growth<br/>Low yield high growth names, such as this, were out of favor</p> |
| <p>Williams Partners L.P.<br/>Valero Energy Partners LP</p>  | <p>Midstream gathering and processing MLP<br/><br/>Midstream refined product pipeline MLP</p>  | <p>Concern around Chesapeake counterparty risk and levered balance sheet<br/>Low yield high growth names, such as this, were out of favor</p>   |

(unaudited)

## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from common stock, master limited partnerships ( MLPs ), affiliates of MLPs, and pipeline and other energy companies in which the fund invests, and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments decreased approximately 0.5% as compared to 1st quarter 2015, primarily due to lower net premiums on options written during the quarter offset slightly by increased distribution rates on investments. Operating expenses, consisting primarily of fund advisory fees, increased by 13.3% during the quarter due to higher asset-based fees. Leverage costs declined 5.0% during the quarter due to lower average leverage outstanding as compared to 1st quarter 2016. As a result of the changes in income and expenses, DCF declined by 2.2% as compared to 1st quarter 2016. In addition, the fund had net realized losses on investments of \$6.7 million during 2nd quarter 2016.

The fund paid a quarterly distribution of \$0.4075 per share, which was unchanged over the prior quarter and a decrease of 9.4% from the 2nd quarter 2015 distribution. The fund eliminated the capital gain component of the distribution in 1st quarter 2016 because it does not anticipate the same level of capital gains following market declines over the past year. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund's distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of \$7.6525 per share since its inception in Oct. 2011.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during the fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Income on the Statement of Operations is adjusted as follows to reconcile to DCF for fiscal year-to-date and 2nd quarter 2016 (in thousands):

|  | 2016 YTD | 2nd Qtr 2016 |
|--|----------|--------------|
| Net Investment Income                            | \$ 450   | \$ (184)     |
| Adjustments to reconcile to DCF:                 |          |              |
| Net premiums on options written                  | 2,675    | 1,238        |
| Distributions characterized as return of capital | 4,027    | 2,537        |
| Dividends paid in stock                          | 827      | 421          |
| Amortization of debt issuance costs              | 65       | 14           |
| Premium on redemption of senior notes            | 100      |              |
| DCF  | \$8,144  | \$4,026      |

## Leverage

The fund's leverage utilization was relatively unchanged during 2nd quarter 2016 and represented 24.2% of total assets at May 31, 2016, generally in-line with the long-term target level of 25% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, approximately 78% of the leverage cost was fixed, the weighted-average maturity was 3.5 years and the weighted-average annual rate on leverage was 3.27%. These rates will vary in the future as a result of changing floating rates, utilization of the fund's credit facility and as leverage matures or is redeemed.



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Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

(unaudited)

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**TTP Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | Q2 <sup>(1)</sup> | 2015<br>Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | 2016<br>Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> |
|---|-------------------|---------------------------|-------------------|---------------------------|-------------------|
| <b>Total Income from Investments</b>  |                   |                           |                   |                           |                   |
| Dividends and distributions from investments,<br>net of foreign taxes withheld                  | \$ 3,862          | \$ 3,978                  | \$ 3,998          | \$ 3,529                  | \$ 3,685          |
| Dividends paid in stock   | 318               | 331                       | 337               | 406                       | 421               |
| Net premiums on options written   | 1,242             | 1,212                     | 1,346             | 1,437                     | 1,238             |
| <b>Total from investments</b>   | <b>5,422</b>      | <b>5,521</b>              | <b>5,681</b>      | <b>5,372</b>              | <b>5,344</b>      |
| <b>Operating Expenses Before Leverage Costs</b>   |                   |                           |                   |                           |                   |
| Advisory fees, net of fees waived   | 1,055             | 951                       | 786               | 554                       | 643               |
| Other operating expenses  | 172               | 167                       | 151               | 136                       | 139               |
|   | 1,227             | 1,118                     | 937               | 690                       | 782               |
| Distributable cash flow before leverage costs   | 4,195             | 4,403                     | 4,744             | 4,682                     | 4,562             |
| Leverage costs <sup>(2)</sup>   | 622               | 746                       | 630               | 564                       | 536               |
| <b>Distributable Cash Flow<sup>(3)</sup></b>  | <b>\$3,573</b>    | <b>\$3,657</b>            | <b>\$4,114</b>    | <b>\$4,118</b>            | <b>\$4,026</b>    |
| <b>Net realized gain (loss) on investments and foreign currency translation, for the period</b> | <b>\$ 1,729</b>   | <b>\$ 3,718</b>           | <b>\$ 1,669</b>   | <b>\$ (16,941)</b>        | <b>\$ (6,676)</b> |
| <b>As a percent of average total assets<sup>(4)</sup></b>                                       |                   |                           |                   |                           |                   |
| Total from investments  | 5.11 %            | 5.73 %                    | 7.30 %            | 9.07 %                    | 8.68 %            |
| Operating expenses before leverage costs  | 1.16 %            | 1.16 %                    | 1.20 %            | 1.16 %                    | 1.27 %            |
| Distributable cash flow before leverage costs   | 3.95 %            | 4.57 %                    | 6.10 %            | 7.91 %                    | 7.41 %            |
| <b>As a percent of average net assets<sup>(4)</sup></b>   |                   |                           |                   |                           |                   |
| Total from investments  | 6.51 %            | 7.62 %                    | 10.15 %           | 14.71 %                   | 11.87 %           |
| Operating expenses before leverage costs  | 1.47 %            | 1.54 %                    | 1.67 %            | 1.89 %                    | 1.74 %            |
| Leverage costs  | 0.75 %            | 1.03 %                    | 1.13 %            | 1.54 %                    | 1.19 %            |
| Distributable cash flow   | 4.29 %            | 5.05 %                    | 7.35 %            | 11.28 %                   | 8.94 %            |
| <b>Selected Financial Information</b>   |                   |                           |                   |                           |                   |
| Distributions paid on common stock  | \$ 4,507          | \$ 4,507                  | \$ 4,508          | \$ 4,082                  | \$ 4,081          |
| Distributions paid on common stock per share  | 0.4500            | 0.4500                    | 0.4500            | 0.4075                    | 0.4075            |
| Total assets, end of period   | 417,589           | 345,569                   | 286,039           | 213,999                   | 269,483           |
| Average total assets during period <sup>(5)</sup>   | 420,576           | 382,558                   | 312,142           | 238,257                   | 244,963           |
| Leverage <sup>(6)</sup>   | 89,900            | 91,500                    | 86,900            | 65,000                    | 65,100            |
| Leverage as a percent of total assets   | 21.5 %            | 26.5 %                    | 30.4 %            | 30.4 %                    | 24.2 %            |
| Net unrealized appreciation (depreciation), end of period                                       | 82,054            | 10,975                    | (41,680)          | (75,017)                  | (5,987)           |
| Net assets, end of period   | 322,215           | 252,182                   | 197,443           | 144,960                   | 202,587           |
| Average net assets during period <sup>(7)</sup>   | 330,279           | 287,394                   | 224,525           | 146,835                   | 179,041           |
| Net asset value per common share  | 32.17             | 25.18                     | 19.71             | 14.47                     | 20.23             |
| Market value per common share   | 27.72             | 21.55                     | 17.47             | 12.56                     | 17.37             |
| Shares outstanding (000 s)  | 10,016            | 10,016                    | 10,016            | 10,016                    | 10,016            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, distributions to preferred stockholders and other recurring leverage expenses.

Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by (3) net premiums on options written, the return of capital on distributions, the value of paid-in-kind distributions, the premium on redemption of senior notes and amortization of debt issuance costs.

(4) Annualized.

(5) Computed by averaging month-end values within each period.

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(6) Leverage consists of senior notes, preferred stock and outstanding borrowings under the revolving credit facility.

(7) Computed by averaging daily net assets within each period.

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**Tortoise Capital Advisors**

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2016 2nd Quarter Report | May 31, 2016

## Tortoise

### Energy Independence Fund, Inc. (NDP)

#### Fund description

NDP seeks a high level of total return with an emphasis on current distributions paid to stockholders. NDP invests primarily in equity securities of upstream North American energy companies that engage in the exploration and production of crude oil, condensate, natural gas and natural gas liquids that generally have a significant presence in North American oil and gas fields, including shale reservoirs.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending May 31, 2016 were 44.8% and 39.0%, respectively (including the reinvestment of distributions). Comparatively, the Tortoise North American Oil and Gas Producers Index<sup>SM</sup> returned 38.9% for the same period. The fund's performance reflects the improving conditions of upstream oil and gas producers with the increase in oil prices, driven by a decrease in North American production and an increase in demand. Liquids producers outperformed natural gas producers, particularly those in the Permian basin as it has had the best economics in the current commodity price environment.

#### 2nd fiscal quarter highlights

|   |          |
|---|----------|
| Distributions paid per share                | \$0.4375 |
| Distribution rate (as of 5/31/2016)         | 12.8%    |
| Quarter-over-quarter distribution increase  | 0.0%     |
| Year-over-year distribution increase        | 0.0%     |
| Cumulative distribution to stockholders     |          |
| since inception in July 2012                | \$6.5625 |
| Market-based total return                   | 44.8%    |
| NAV-based total return                      | 39.0%    |
| Premium (discount) to NAV (as of 5/31/2016) | (10.4)%  |

The fund utilizes a covered call strategy, which seeks to generate income while reducing overall volatility. The premium income generated from this strategy helped to lower NAV volatility during the quarter. The notional amount of the fund's covered calls averaged approximately 67.4% of total assets and their out-of-the-money percentage at the time written averaged approximately 10.4% during the fiscal quarter.

#### Key asset performance drivers

|                                   |  |   |
|-----------------------------------|--|---|
| Pioneer Natural Resources Company | Upstream liquids producer                              | Key acreage in the Permian, currently the most economic U.S. oil basin<br>Improved commodity prices<br>Growing Northeast natural gas production supported by improved outlook on natural gas prices |
| EOG Resources, Inc.               | Upstream liquids producer                              |   |
| EQT Corporation                   | Upstream natural gas producer                          |   |
| Devon Energy Corporation          | Upstream natural gas producer                          | Improved commodity prices   |
| Anadarko Petroleum Corporation    | Upstream oil and natural gas producer                  | Improved commodity prices   |
| Phillips 66 Partners LP           | Midstream refined product pipeline MLP                 | Low yield high growth names, such as this, were out of favor<br>Reported lower than expected 1Q production due to weather-related issues but maintained full-year production guidance               |
| PDC Energy, Inc.                  | Upstream liquids producer                              | Pending acquisition of the general partner created uncertainty regarding future growth  |
| Columbia Pipeline Partners LP     | Midstream natural gas/natural gas liquids pipeline MLP |   |

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|                                |  |  |
|--------------------------------|--|--|
| Shell Midstream Partners, L.P. | Midstream crude oil pipeline MLP       | Low yield high growth names, such as this, were out of favor |
| Valero Energy Partners LP      | Midstream refined product pipeline MLP | Low yield high growth names, such as this, were out of favor |

***Unlike the fund return, index return is pre-expenses and taxes.***

***Performance data quoted represent past performance: past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.***

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Tortoise Capital Advisors

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## Tortoise

### Energy Independence Fund, Inc. (NDP) (continued)

#### Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the amount received as cash or paid-in-kind distributions from investments and dividend payments on short-term investments. Income also includes the premiums received from sales of covered call options, net of amounts paid to buy back out-of-the-money options. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments increased approximately 6.5% as compared to 1st quarter 2016, primarily due to higher net premiums on options written. Operating expenses, consisting primarily of fund advisory fees, increased 14.2% during the quarter due to higher asset-based fees. Total leverage costs increased approximately 5.5% during the quarter due to slightly higher leverage utilization. As a result of the changes in income and expenses, DCF increased by approximately 5.7% as compared to 1st quarter 2016. In addition, the fund had net realized losses on investments of \$23.2 million during 2nd quarter 2016.

The fund maintained its quarterly distribution of \$0.4375 per share during 2nd quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund has paid cumulative distributions to stockholders of \$6.5625 per share since its inception in July 2012.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) the Statement of Operations, in conformity with U.S. generally accepted accounting principles ( GAAP ), recognizes distributions and dividend income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distributions and dividend income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) net premiums on options written (premiums received less amounts paid to buy back out-of-the-money options) with expiration dates during fiscal quarter are included in the DCF calculation, whereas GAAP recognizes the net effect of options written as realized and unrealized gains (losses).

Net Investment Loss on the Statement of Operations is adjusted as follows to reconcile to DCF for fiscal year-to-date and 2nd quarter 2016 (in thousands):

|  | 2016 YTD  | 2nd Qtr 2016 |
|--|-----------|--------------|
| Net Investment Loss                              | \$ (438)  | \$ (192)     |
| Adjustments to reconcile to DCF:                 |           |              |
| Net premiums on options written                  | 11,620    | 6,089        |
| Distributions characterized as return of capital | 1,834     | 795          |
| Dividends paid in stock                          | 546       | 278          |
| DCF  | \$ 13,562 | \$ 6,970     |

#### Leverage

The fund's leverage utilization increased by \$0.8 million as compared to Feb. 29, 2016. The fund utilizes all floating rate leverage that had an interest rate of 1.27% at May 31, 2016. Leverage represented 21.8% of total assets at quarter-end, above the long-term target level of 15% of total assets. The fund has maintained compliance with its applicable coverage ratios. The interest rate on the fund's leverage will vary in the future along with changing floating rates.

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Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

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**NDP Key Financial Data** (supplemental unaudited information)

(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding Distributable Cash Flow and Selected Financial Information is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The Distributable Cash Flow Ratios include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|  | Q2 <sup>(1)</sup> | 2015<br>Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | 2016<br>Q1 <sup>(1)</sup> | Q2 <sup>(1)</sup> |
|--|-------------------|---------------------------|-------------------|---------------------------|-------------------|
| <b>Total Income from Investments</b>   |                   |                           |                   |                           |                   |
| Distributions and dividends from investments, net of foreign taxes withheld              | \$ 1,846          | \$ 1,832                  | \$ 1,824          | \$ 1,694                  | \$ 1,615          |
| Dividends paid in stock  | 259               | 269                       | 275               | 268                       | 278               |
| Net premiums on options written  | 5,354             | 5,112                     | 5,802             | 5,531                     | 6,090             |
| Total from investments   | 7,459             | 7,213                     | 7,901             | 7,493                     | 7,983             |
| <b>Operating Expenses Before Leverage Costs</b>  |                   |                           |                   |                           |                   |
| Advisory fees, net of fees waived  | 969               | 842                       | 734               | 586                       | 661               |
| Other operating expenses   | 160               | 154                       | 141               | 134                       | 161               |
|  | 1,129             | 996                       | 875               | 720                       | 822               |
| Distributable cash flow before leverage costs  | 6,330             | 6,217                     | 7,026             | 6,773                     | 7,161             |
| Leverage costs <sup>(2)</sup>  | 148               | 150                       | 151               | 181                       | 191               |
| <b>Distributable Cash Flow<sup>(3)</sup></b>   | \$ 6,182          | \$ 6,067                  | \$ 6,875          | \$ 6,592                  | \$ 6,970          |
| <b>Net realized loss on investments and foreign currency translation, for the period</b> | \$ (4,028)        | \$ (10,630)               | \$ (6,369)        | \$ (7,899)                | \$ (23,227)       |
| <b>As a percent of average total assets<sup>(4)</sup></b>                                |                   |                           |                   |                           |                   |
| Total from investments   | 7.64 %            | 8.41 %                    | 10.83 %           | 11.88 %                   | 12.02 %           |
| Operating expenses before leverage costs   | 1.16 %            | 1.16 %                    | 1.20 %            | 1.14 %                    | 1.24 %            |
| Distributable cash flow before leverage costs  | 6.48 %            | 7.25 %                    | 9.63 %            | 10.74 %                   | 10.78 %           |
| <b>As a percent of average net assets<sup>(4)</sup></b>                                  |                   |                           |                   |                           |                   |
| Total from investments   | 9.10 %            | 10.41 %                   | 13.50 %           | 17.11 %                   | 15.67 %           |
| Operating expenses before leverage costs   | 1.38 %            | 1.44 %                    | 1.50 %            | 1.64 %                    | 1.61 %            |
| Leverage costs   | 0.18 %            | 0.22 %                    | 0.26 %            | 0.41 %                    | 0.37 %            |
| Distributable cash flow  | 7.54 %            | 8.75 %                    | 11.74 %           | 15.06 %                   | 13.69 %           |
| <b>Selected Financial Information</b>  |                   |                           |                   |                           |                   |
| Distributions paid on common stock   | \$ 6,351          | \$ 6,350                  | \$ 6,351          | \$ 6,351                  | \$ 6,351          |
| Distributions paid on common stock per share   | 0.4375            | 0.4375                    | 0.4375            | 0.4375                    | 0.4375            |
| Total assets, end of period  | 376,856           | 307,266                   | 289,330           | 228,663                   | 287,532           |
| Average total assets during period <sup>(5)</sup>  | 387,144           | 340,194                   | 292,664           | 253,624                   | 264,154           |
| Leverage <sup>(6)</sup>  | 61,400            | 61,900                    | 61,800            | 61,800                    | 62,600            |
| Leverage as a percent of total assets  | 16.3 %            | 20.1 %                    | 21.4 %            | 27.0 %                    | 21.8 %            |
| Net unrealized depreciation, end of period   | (1,556)           | (61,343)                  | (66,495)          | (117,834)                 | (27,486)          |
| Net assets, end of period  | 313,685           | 241,721                   | 225,410           | 164,735                   | 222,159           |
| Average net assets during period <sup>(7)</sup>  | 325,287           | 274,832                   | 234,669           | 176,104                   | 202,667           |
| Net asset value per common share   | 21.61             | 16.65                     | 15.53             | 11.35                     | 15.30             |
| Market value per common share  | 19.47             | 14.64                     | 13.18             | 9.76                      | 13.71             |
| Shares outstanding (000 s)   | 14,516            | 14,516                    | 14,516            | 14,516                    | 14,516            |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense and other recurring leverage expenses.

(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by net premiums on options written, the return of capital on distributions and the value of paid-in-kind distributions.

(4) Annualized.



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- (5) Computed by averaging month-end values within each period.
- (6) Leverage consists of outstanding borrowings under the revolving credit facility.
- (7) Computed by averaging daily net assets within each period.

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## Tortoise

### Power and Energy Infrastructure Fund, Inc. (TPZ)

#### Fund description

TPZ seeks to provide a high level of current income to stockholders, with a secondary objective of capital appreciation. TPZ invests primarily in fixed income and dividend-paying equity securities of power and energy infrastructure companies that provide stable and defensive characteristics throughout economic cycles.

#### Fund performance review

The fund's market-based and NAV-based returns for the fiscal quarter ending May 31, 2016 were 26.9% and 28.2%, respectively (including the reinvestment of distributions). Comparatively, the TPZ Benchmark Composite\* returned 12.5% for the same period. The fund's positive performance reflects improving oil prices, which boosted performance across the energy value chain, including energy infrastructure companies, a decrease in counterparty risk with producers and more accommodative capital markets. Power companies, an area of focus for the fund, did not participate as much in the recent rebound compared to other energy companies since they are defensive by nature. Energy equities outperformed energy fixed income securities during the fiscal quarter.

#### 2nd fiscal quarter highlights

|  |           |
|--|-----------|
| Monthly distributions paid per share                                 | \$0.1250  |
| Distribution rate (as of 5/31/2016)                                  | 8.0%      |
| Quarter-over-quarter distribution decrease                           | (9.1)%**  |
| Year-over-year distribution decrease                                 | (9.1)%**  |
| Cumulative distribution to stockholders since inception in July 2009 | \$11.5250 |
| Market-based total return  | 26.9%     |
| NAV-based total return   | 28.2%     |
| Premium (discount) to NAV (as of 5/31/2016)                          | (13.4)%   |

\*The TPZ Benchmark Composite includes the BofA Merrill Lynch U.S. Energy Index (CIEN), the BofA Merrill Lynch U.S. Electricity Index (CUEL) and the Tortoise MLP Index® (TMLP). It is comprised of a blend of 70% fixed income and 30% equity securities issued by companies in the power and energy infrastructure sectors.

\*\*Reflects the elimination of the capital gain component of the distribution. See Distributable cash flow and distributions on next page for additional information.

*Please refer to the inside front cover of the report for important information about the fund's distribution policy.*

*Unlike the fund return, index return is pre-expenses and taxes.*

*Performance data quoted represent past performance; past performance does not guarantee future results. Like any other stock, total return and market value will fluctuate so that an investment, when sold, may be worth more or less than its original cost. Portfolio composition is subject to change due to ongoing management of the fund. References to specific securities or sectors should not be construed as a recommendation by the fund or its adviser. See Schedule of Investments for portfolio weighting at the end of the fiscal quarter.*

#### Key asset performance drivers

|                                |  |  |
|--------------------------------|--|--|
| ONEOK, Inc.                    | Midstream natural gas/natural gas liquids pipeline company | Improved cash flows after contract restructuring and improved natural gas liquids (NGLs) outlook |
| Energy Transfer Partners, L.P. | Midstream natural gas/natural gas liquids pipeline MLP     | Market gained confidence in sustainability of distributions                                      |

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|   |   |   |
|---|---|---|
| <p>Enbridge Energy Management, L.L.C.</p> <p>Targa Resources Corp. Midcontinent Express Pipeline LLC (fixed income)</p> <p>Ruby Pipeline LLC (fixed income)</p> <p>Phillips 66 Partners LP</p> <p>Shell Midstream Partners, L.P.</p> <p>Spectra Energy Partners, LP</p> <p>Williams Partners L.P.</p> | <p>Midstream crude oil pipeline company</p> <p>Midstream gathering and processing company</p> <p>Midstream natural gas/natural gas liquids pipeline company</p> <p>Midstream natural gas/natural gas liquids pipeline company</p> <p>Midstream refined product pipeline MLP</p> <p>Midstream crude oil pipeline MLP</p> <p>Midstream natural gas/natural gas liquids pipeline MLP</p> <p>Midstream gathering and processing MLP</p> | <p>Steady cash flows and improved commodity price outlook<br/>Benefitted from a combination of a completed rollup transaction and preferred issuance that solved capital market needs</p> <p>Stability of underlying business and a fixed-income holding</p> <p>Concerns over high debt levels and risk of downgrade<br/>Low yield high growth names, such as this, were out of favor</p> <p>Low yield high growth names, such as this, were out of favor</p> <p>Lagged after strong 2015 performance<br/>Concern around Chesapeake counterparty risk and levered balance sheet</p> |
|---|---|---|

(unaudited)

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## Distributable cash flow and distributions

Distributable cash flow ( DCF ) is income from investments less expenses. Income from investments includes the accrued interest from corporate bonds, cash distributions and paid-in-kind distributions from master limited partnerships ( MLPs ) and other equity investments and dividends earned from short-term investments. The total expenses include current or anticipated operating expenses and leverage costs.

Distributions received from investments increased 0.5% as compared to 1st quarter 2016 due to the impact of trading activity. Operating expenses, consisting primarily of fund advisory fees, increased 12.5% during the quarter due to higher asset-based fees. Total leverage costs decreased slightly during the quarter. As a result of the changes in income and expenses, DCF decreased approximately 1.8% as compared to 1st quarter 2016. In addition, the fund had net realized gains on investments of \$0.1 million during 2nd quarter 2016.

The fund paid monthly distributions of \$0.125 per share during 2nd quarter 2016, which represents the historical baseline distribution supported by DCF. The fund eliminated the capital gain component of the monthly distribution because it does not anticipate the same level of capital gains following market declines over the past year. The elimination of the capital gain component of \$0.0125 per share resulted in a decrease of 9.1% from the distributions paid in the 1st quarter 2016. The fund's Board of Directors has declared monthly distributions of \$0.125 per share to be paid during 3rd quarter 2016. The fund may designate a portion of its distributions as capital gains and may also distribute additional capital gains in the last calendar quarter of the year if necessary to meet minimum annual distribution requirements and to avoid being subject to excise taxes. The fund's distribution policy is described on the inside front cover of this report. The fund has paid cumulative distributions to stockholders of \$11.525 per share since its inception in July 2009.

The Key Financial Data table discloses the calculation of DCF and should be read in conjunction with this discussion. The difference between income from investments in the DCF calculation and total investment income as reported in the Statement of Operations, is reconciled as follows: (1) U.S. generally accepted accounting principles ( GAAP ), recognizes distribution income from MLPs, common stock and other investments on their ex-dates, whereas the DCF calculation may reflect distribution income on their pay dates; (2) GAAP recognizes that a significant portion of the cash distributions received from MLPs, common stock and other investments are characterized as a return of capital and therefore excluded from investment income, whereas the DCF calculation includes the return of capital; (3) income from investments in the DCF calculation includes the value of dividends paid-in-kind (additional stock or units), whereas such amounts are not included as income for GAAP purposes; and (4) amortization of premium or discount for all securities is calculated using the yield to worst methodology for GAAP purposes while yield to call is used in calculating amortization for long-dated hybrid securities in the DCF calculation. The treatment of expenses in the DCF calculation also differs from what is reported in the Statement of Operations. In addition to the total operating expenses, including fee waiver, as disclosed in the Statement of Operations, the DCF calculation reflects interest expense and realized and unrealized gains (losses) on interest rate swap settlements as leverage costs.

Net Investment Income on the Statement of Operations is adjusted as follows to reconcile to DCF for fiscal year-to-date and 2nd quarter 2016 (in thousands):

|                                  | 2016 YTD | 2nd Qtr 2016 |
|----------------------------------|----------|--------------|
| Net Investment Income            | \$2,542  | \$ 971       |
| Adjustments to reconcile to DCF: |          |              |
| Dividends paid in stock          | 491      | 250          |
| Distributions characterized      |          |              |
| as return of capital             | 2,462    | 1,506        |
| Interest rate swap expenses      | (147)    | (66)         |
| Change in amortization           |          |              |
| methodology                      | 36       | 7            |
| DCF                              | \$5,384  | \$2,668      |

## Leverage

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The fund's leverage utilization increased by \$3.1 million as compared to Feb. 29, 2016 and represented 25.7% of total assets at May 31, 2016, above the long-term target level of 20% of total assets. The fund has maintained compliance with its applicable coverage ratios. At quarter-end, including the impact of interest rate swaps, approximately 45% of the leverage cost was fixed, the weighted-average maturity was 1.3 years and the weighted-average annual rate on leverage was 1.76%. These rates will vary in the future as a result of changing floating rates and as swaps mature or are redeemed.

Please see the Financial Statements and Notes to Financial Statements for additional detail regarding critical accounting policies, results of operations, leverage and other important fund information.

For further information regarding the calculation of distributable cash flow and distributions to stockholders, as well as a discussion of the tax impact on distributions, please visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

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**TPZ Key Financial Data** (supplemental unaudited information)  
(dollar amounts in thousands unless otherwise indicated)

The information presented below regarding **Distributable Cash Flow** and **Selected Financial Information** is supplemental non-GAAP financial information, which the fund believes is meaningful to understanding operating performance. The **Distributable Cash Flow Ratios** include the functional equivalent of EBITDA for non-investment companies, and the fund believes they are an important supplemental measure of performance and promote comparisons from period-to-period. This information is supplemental, is not inclusive of required financial disclosures (e.g. Total Expense Ratio), and should be read in conjunction with the full financial statements.

|   | Q2 <sup>(1)</sup> | 2015<br>Q3 <sup>(1)</sup> | Q4 <sup>(1)</sup> | Q1 <sup>(1)</sup> | 2016<br>Q2 <sup>(1)</sup> |
|---|-------------------|---------------------------|-------------------|-------------------|---------------------------|
| <b>Total Income from Investments</b>  |                   |                           |                   |                   |                           |
| Interest earned on corporate bonds  | \$ 1,966          | \$ 1,900                  | \$ 1,793          | \$ 1,672          | \$ 1,616                  |
| Distributions and dividends from investments,<br>net of foreign taxes withheld                      | 1,156             | 1,138                     | 1,431             | 1,568             | 1,631                     |
| Dividends paid in stock   | 223               | 232                       | 236               | 241               | 250                       |
| Total from investments  | 3,345             | 3,270                     | 3,460             | 3,481             | 3,497                     |
| <b>Operating Expenses Before Leverage Costs</b>   |                   |                           |                   |                   |                           |
| Advisory fees, net of fees waived   | 604               | 566                       | 497               | 409               | 453                       |
| Other operating expenses  | 141               | 138                       | 165               | 125               | 148                       |
|   | 745               | 704                       | 662               | 534               | 601                       |
| Distributable cash flow before leverage costs   | 2,600             | 2,566                     | 2,798             | 2,947             | 2,896                     |
| Leverage costs <sup>(2)</sup>   | 217               | 219                       | 217               | 231               | 228                       |
| <b>Distributable Cash Flow<sup>(3)</sup></b>  | \$ 2,383          | \$ 2,347                  | \$ 2,581          | \$ 2,716          | \$ 2,668                  |
| <b>Net realized gain (loss) on investments and foreign currency<br/>translation, for the period</b> | \$ 4,470          | \$ (1,634)                | \$ (3,954)        | \$ (4,797)        | \$ 67                     |
| <b>As a percent of average total assets<sup>(4)</sup></b>   |                   |                           |                   |                   |                           |
| Total from investments  | 5.23 %            | 5.43 %                    | 6.62 %            | 7.70 %            | 7.32 %                    |
| Operating expenses before leverage costs  | 1.16 %            | 1.17 %                    | 1.27 %            | 1.18 %            | 1.26 %                    |
| Distributable cash flow before leverage costs   | 4.07 %            | 4.26 %                    | 5.35 %            | 6.52 %            | 6.06 %                    |
| <b>As a percent of average net assets<sup>(4)</sup></b>   |                   |                           |                   |                   |                           |
| Total from investments  | 6.54 %            | 6.95 %                    | 8.72 %            | 11.32 %           | 10.03 %                   |
| Operating expenses before leverage costs  | 1.46 %            | 1.50 %                    | 1.67 %            | 1.74 %            | 1.72 %                    |
| Leverage costs  | 0.42 %            | 0.47 %                    | 0.55 %            | 0.75 %            | 0.65 %                    |
| Distributable cash flow   | 4.66 %            | 4.98 %                    | 6.50 %            | 8.83 %            | 7.66 %                    |
| <b>Selected Financial Information</b>   |                   |                           |                   |                   |                           |
| Distributions paid on common stock  | \$ 2,867          | \$ 2,867                  | \$ 2,868          | \$ 2,867          | \$ 2,607                  |
| Distributions paid on common stock per share  | 0.4125            | 0.4125                    | 0.4125            | 0.4125            | 0.3750                    |
| Total assets, end of period   | 254,507           | 226,510                   | 198,282           | 171,284           | 205,150                   |
| Average total assets during period <sup>(5)</sup>   | 253,728           | 239,062                   | 209,734           | 181,912           | 190,095                   |
| Leverage <sup>(6)</sup>   | 50,400            | 54,500                    | 49,900            | 49,600            | 52,700                    |
| Leverage as a percent of total assets   | 19.8 %            | 24.1 %                    | 25.2 %            | 29.0 %            | 25.7 %                    |
| Net unrealized appreciation (depreciation), end of period   | 60,294            | 31,449                    | 13,478            | (7,382)           | 25,113                    |
| Net assets, end of period   | 203,208           | 171,137                   | 147,563           | 120,519           | 151,382                   |
| Average net assets during period <sup>(7)</sup>   | 202,765           | 186,685                   | 159,097           | 123,733           | 138,638                   |
| Net asset value per common share  | 29.23             | 24.62                     | 21.23             | 17.34             | 21.78                     |
| Market value per common share   | 26.80             | 21.37                     | 18.53             | 15.17             | 18.86                     |
| Shares outstanding (000 s)  | 6,951             | 6,951                     | 6,951             | 6,951             | 6,951                     |

(1) Q1 is the period from December through February. Q2 is the period from March through May. Q3 is the period from June through August. Q4 is the period from September through November.

(2) Leverage costs include interest expense, interest rate swap expenses and other recurring leverage expenses.

(3) Net investment income (loss) on the Statement of Operations is adjusted as follows to reconcile to Distributable Cash Flow ( DCF ): increased by the return of capital on distributions, the value of paid-in-kind distributions and the change in methodology for calculating amortization of premiums or discounts; and decreased by realized and unrealized gains (losses) on interest rate swap settlements.

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- (4) Annualized.
- (5) Computed by averaging month-end values within each period.
- (6) Leverage consists of outstanding borrowings under the revolving credit facility.
- (7) Computed by averaging daily net assets within each period.

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**Tortoise Capital Advisors**

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2016 2nd Quarter Report | May 31, 2016

**TYG Schedule of Investments** (unaudited)  
 May 31, 2016

|   | Shares    | Fair Value    |
|---|-----------|---------------|
| <b>Master Limited Partnerships 179.7%</b>                   |           |               |
| <b>Crude Oil Pipelines 44.7%</b>                            |           |               |
| <b>United States 44.7%</b>                                  |           |               |
| Enbridge Energy Partners, L.P.                              | 1,897,232 | \$ 41,245,824 |
| Genesis Energy L.P.   | 2,331,152 | 87,814,496    |
| NuStar Energy L.P.  | 1,183     | 58,168        |
| Plains All American Pipeline, L.P.                          | 6,940,324 | 160,529,694   |
| Shell Midstream Partners, L.P.                              | 1,597,369 | 53,911,204    |
| Sunoco Logistics Partners L.P.                              | 6,412,715 | 176,029,027   |
| Tesoro Logistics LP   | 2,093,642 | 102,902,504   |
|   |           | 622,490,917   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 70.0%</b>      |           |               |
| <b>United States 70.0%</b>                                  |           |               |
| Columbia Pipeline Partners LP                               | 1,938,839 | 28,559,099    |
| Dominion Midstream Partners, LP                             | 896,190   | 25,917,815    |
| Energy Transfer Partners, L.P.                              | 5,547,507 | 201,152,604   |
| Enterprise Products Partners L.P.                           | 6,886,458 | 191,168,074   |
| EQT Midstream Partners, LP                                  | 1,966,806 | 148,238,168   |
| ONEOK Partners, L.P.  | 4,956,085 | 188,083,426   |
| Spectra Energy Partners, LP                                 | 2,779,686 | 124,919,089   |
| Tallgrass Energy Partners, LP                               | 1,436,628 | 65,021,783    |
|   |           | 973,060,058   |
| <b>Natural Gas Gathering/Processing 30.4%</b>               |           |               |
| <b>United States 30.4%</b>                                  |           |               |
| Antero Midstream Partners LP                                | 2,362,765 | 58,124,019    |
| DCP Midstream Partners, LP                                  | 1,348,960 | 45,230,629    |
| EnLink Midstream Partners, LP                               | 3,368,931 | 53,026,974    |
| MPLX LP   | 2,421,079 | 77,232,420    |
| Rice Midstream Partners LP                                  | 820,024   | 14,998,239    |
| Western Gas Partners, LP                                    | 3,190,562 | 158,985,704   |
| Williams Partners L.P.                                      | 474,357   | 15,141,475    |
|   |           | 422,739,460   |
| <b>Refined Product Pipelines 34.6%</b>                      |           |               |
| <b>United States 34.6%</b>                                  |           |               |
| Buckeye Partners, L.P.                                      | 2,532,174 | 182,113,954   |
| Magellan Midstream Partners, L.P. <sup>(2)</sup>            | 2,933,357 | 205,481,658   |
| Phillips 66 Partners LP                                     | 946,859   | 52,010,965    |
| Valero Energy Partners LP                                   | 888,135   | 41,094,006    |
|   |           | 480,700,583   |
| Total Master Limited Partnerships<br>(Cost \$2,068,229,535) |           | 2,498,991,018 |
| <b>Preferred Stock 2.8%</b>                                 |           |               |
| <b>Natural Gas Gathering/Processing 1.7%</b>                |           |               |
| <b>United States 1.7%</b>                                   |           |               |
| Targa Resources Corp., 9.500% <sup>(3)</sup>                | 21,758    | 22,871,450    |
| <b>Oil and Gas Production 1.1%</b>                          |           |               |
| <b>United States 1.1%</b>                                   |           |               |
| Anadarko Petroleum Corporation,<br>7.500%, 06/07/2018       | 392,800   | 15,319,200    |
| Total Preferred Stock                                       |           |               |



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|   |           |                  |
|---|-----------|------------------|
| (Cost \$37,119,763)   |           | 38,190,650       |
| <b>Common Stock 1.2%</b>  |           |                  |
| <b>Crude Oil Pipelines 1.2%</b>   |           |                  |
| <b>United States 1.2%</b>   |           |                  |
| Plains GP Holdings, L.P.<br>(Cost \$10,054,425)   | 1,712,676 | 16,082,028       |
| <b>Warrants 0.6%</b>  |           |                  |
| <b>Natural Gas Gathering/Processing 0.6%</b>  |           |                  |
| <b>United States 0.6%</b>   |           |                  |
| Targa Resources Corp. Series A,<br>\$18.88, 03/16/2023 <sup>(3)(4)</sup>                        | 305,483   | 6,509,269        |
| Targa Resources Corp. Series B,<br>\$25.11, 03/16/2023 <sup>(3)(4)</sup>                        | 147,302   | 2,327,258        |
| Total Warrants<br>(Cost \$3,145,348)  |           | 8,836,527        |
| <b>Short-Term Investment 0.0%</b>   |           |                  |
| <b>United States Investment Company 0.0%</b>  |           |                  |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.33% <sup>(5)</sup> (Cost \$135,717) | 135,717   | 135,717          |
| <b>Total Investments 184.3%</b><br><b>(Cost \$2,118,684,788)</b>                                |           | 2,562,235,940    |
| <b>Interest Rate Swap Contracts (0.1)%</b>  |           |                  |
| \$20,000,000 notional unrealized depreciation <sup>(6)</sup>                                    |           | (665,163)        |
| <b>Other Assets and Liabilities (2.8)%</b>  |           | (39,210,048)     |
| <b>Deferred Tax Liability (30.8)%</b>   |           | (427,830,099)    |
| <b>Credit Facility Borrowings (6.0)%</b>  |           | (84,000,000)     |
| <b>Senior Notes (32.7)%</b>   |           | (455,000,000)    |
| <b>Mandatory Redeemable Preferred Stock<br/>at Liquidation Value (11.9)%</b>                    |           | (165,000,000)    |
| <b>Total Net Assets Applicable to<br/>Common Stockholders 100.0%</b>                            |           | \$ 1,390,530,630 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of \$665,163.

(3) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$31,707,977, which represents 2.3% of net assets. See Note 6 to the financial statements for further disclosure.

(4) Non-income producing security.

(5) Rate indicated is the current yield as of May 31, 2016.

(6) See Note 11 to the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**NTG Schedule of Investments** (unaudited)

May 31, 2016

|   | Shares    | Fair Value    |
|---|-----------|---------------|
| <b>Master Limited Partnerships 158.9%</b>                   |           |               |
| <b>Crude Oil Pipelines 32.0%</b>                            |           |               |
| <b>United States 32.0%</b>                                  |           |               |
| Enbridge Energy Partners, L.P.                              | 1,411,648 | \$ 30,689,227 |
| Genesis Energy L.P.   | 1,197,143 | 45,096,377    |
| Plains All American Pipeline, L.P.                          | 3,193,559 | 73,867,020    |
| Shell Midstream Partners, L.P.                              | 840,435   | 28,364,681    |
| Sunoco Logistics Partners L.P.                              | 2,671,434 | 73,330,863    |
| Tesoro Logistics LP   | 703,951   | 34,599,192    |
|   |           | 285,947,360   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 72.8%</b>      |           |               |
| <b>United States 72.8%</b>                                  |           |               |
| Columbia Pipeline Partners LP                               | 1,346,148 | 19,828,760    |
| Dominion Midstream Partners, LP                             | 548,376   | 15,859,034    |
| Energy Transfer Partners, L.P.                              | 3,979,466 | 144,295,437   |
| Enterprise Products Partners L.P.                           | 4,586,528 | 127,322,017   |
| EQT Midstream Partners, LP                                  | 1,368,899 | 103,173,918   |
| ONEOK Partners, L.P.  | 2,683,822 | 101,851,045   |
| Spectra Energy Partners, LP                                 | 2,256,493 | 101,406,795   |
| Tallgrass Energy Partners, LP                               | 819,012   | 37,068,483    |
|   |           | 650,805,489   |
| <b>Natural Gas Gathering/Processing 33.9%</b>               |           |               |
| <b>United States 33.9%</b>                                  |           |               |
| Antero Midstream Partners LP                                | 1,185,362 | 29,159,905    |
| DCP Midstream Partners, LP                                  | 1,872,056 | 62,770,038    |
| EnLink Midstream Partners, LP                               | 3,067,916 | 48,288,998    |
| MPLX LP   | 1,538,726 | 49,085,359    |
| Rice Midstream Partners LP                                  | 513,608   | 9,393,890     |
| Western Gas Partners, LP                                    | 1,923,210 | 95,833,554    |
| Williams Partners L.P.                                      | 271,338   | 8,661,109     |
|   |           | 303,192,853   |
| <b>Refined Product Pipelines 20.2%</b>                      |           |               |
| <b>United States 20.2%</b>                                  |           |               |
| Buckeye Partners, L.P.                                      | 1,039,397 | 74,753,432    |
| Magellan Midstream Partners, L.P.                           | 914,032   | 64,027,942    |
| Phillips 66 Partners LP                                     | 457,475   | 25,129,102    |
| Valero Energy Partners LP                                   | 372,887   | 17,253,481    |
|   |           | 181,163,957   |
| Total Master Limited Partnerships<br>(Cost \$1,293,899,138) |           | 1,421,109,659 |
| <b>Common Stock 2.7%</b>                                    |           |               |
| <b>Crude Oil Pipelines 2.7%</b>                             |           |               |
| <b>United States 2.7%</b>                                   |           |               |
| Plains GP Holdings, L.P.<br>(Cost \$14,637,055)             | 2,572,050 | 24,151,550    |
| <b>Preferred Stock 2.3%</b>                                 |           |               |
| <b>Natural Gas Gathering/Processing 1.4%</b>                |           |               |
| <b>United States 1.4%</b>                                   |           |               |

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|   |         |                |
|---|---------|----------------|
| Targa Resources Corp., 9.500% <sup>(2)</sup>  | 12,252  | 12,878,987     |
| <b>Oil and Gas Production 0.9%</b>  |         |                |
| <b>United States 0.9%</b>   |         |                |
| Anadarko Petroleum Corporation,<br>7.500%, 06/07/2018   | 199,500 | 7,780,500      |
| <b>Total Preferred Stock</b><br>(Cost \$19,892,225)   |         | 20,659,487     |
| <b>Warrants 0.6%</b>  |         |                |
| <b>Natural Gas Gathering/Processing 0.6%</b>  |         |                |
| <b>United States 0.6%</b>   |         |                |
| Targa Resources Corp. Series A,<br>\$18.88, 03/16/2023 <sup>(2)(3)</sup>                        | 172,018 | 3,665,381      |
| Targa Resources Corp. Series B,<br>\$25.11, 03/16/2023 <sup>(2)(3)</sup>                        | 82,946  | 1,310,483      |
| <b>Total Warrants</b><br>(Cost \$1,771,155)   |         | 4,975,864      |
| <b>Short-Term Investment 0.0%</b>   |         |                |
| <b>United States Investment Company 0.0%</b>  |         |                |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.33% <sup>(4)</sup> (Cost \$145,376) | 145,376 | 145,376        |
| <b>Total Investments 164.5%</b><br>(Cost \$1,330,344,949)                                       |         | 1,471,041,936  |
| <b>Other Assets and Liabilities (0.2%)</b>  |         | (2,115,163)    |
| <b>Deferred Tax Liability (15.1%)</b>   |         | (135,038,521)  |
| <b>Credit Facility Borrowings (5.1%)</b>  |         | (45,900,000)   |
| <b>Senior Notes (31.8%)</b>   |         | (284,000,000)  |
| <b>Mandatory Redeemable Preferred Stock<br/>at Liquidation Value (12.3%)</b>                    |         | (110,000,000)  |
| <b>Total Net Assets Applicable to<br/>Common Stockholders 100.0%</b>                            |         | \$ 893,988,252 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$17,854,851, which represents 2.0% of net assets. See Note 6 to the financial statements for further disclosure.

(3) Non-income producing security.

(4) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

**TTP Schedule of Investments** (unaudited)

May 31, 2016

|  | Shares    | Fair Value    |
|--|-----------|---------------|
| <b>Common Stock 91.0%</b>                              |           |               |
| <b>Crude Oil Pipelines 20.0%</b>                       |           |               |
| <b>Canada 11.8%</b>                                    |           |               |
| Enbridge Inc.  | 304,117   | \$ 12,131,227 |
| Inter Pipeline Ltd.                                    | 415,182   | 8,437,565     |
| Pembina Pipeline Corporation                           | 113,397   | 3,326,635     |
| <b>United States 8.2%</b>                              |           |               |
| Plains GP Holdings, L.P.                               | 1,325,089 | 12,442,586    |
| SemGroup Corporation                                   | 133,904   | 4,256,808     |
|  |           | 40,594,821    |
| <b>Natural Gas Gathering/Processing 14.8%</b>          |           |               |
| <b>United States 14.8%</b>                             |           |               |
| EnLink Midstream, LLC                                  | 366,747   | 5,746,925     |
| Targa Resources Corp.                                  | 263,723   | 11,295,256    |
| The Williams Companies, Inc.                           | 587,367   | 13,016,053    |
|  |           | 30,058,234    |
| <b>Natural Gas/Natural Gas Liquids Pipelines 39.1%</b> |           |               |
| <b>Canada 8.8%</b>                                     |           |               |
| Keyera Corp.   | 36,599    | 1,091,816     |
| TransCanada Corporation                                | 403,735   | 16,738,853    |
| <b>United States 30.3%</b>                             |           |               |
| Columbia Pipeline Group, Inc.                          | 360,774   | 9,214,168     |
| ONEOK, Inc.  | 607,199   | 26,261,357    |
| Spectra Energy Corp                                    | 809,688   | 25,796,660    |
|  |           | 79,102,854    |
| <b>Oil and Gas Production 14.9%</b>                    |           |               |
| <b>United States 14.9%</b>                             |           |               |
| Anadarko Petroleum Corporation <sup>(2)</sup>          | 31,900    | 1,654,334     |
| Antero Resources Corporation <sup>(2)(3)</sup>         | 24,100    | 699,623       |
| Cabot Oil & Gas Corporation <sup>(2)</sup>             | 115,900   | 2,778,123     |
| Carrizo Oil & Gas, Inc. <sup>(2)(3)</sup>              | 10,800    | 415,800       |
| Cimarex Energy Co. <sup>(2)</sup>                      | 17,500    | 2,034,900     |
| Concho Resources Inc. <sup>(2)(3)</sup>                | 25,000    | 3,033,500     |
| Continental Resources, Inc. <sup>(2)(3)</sup>          | 23,900    | 1,005,234     |
| Diamondback Energy, Inc. <sup>(2)(3)</sup>             | 10,400    | 945,880       |
| EOG Resources, Inc. <sup>(2)</sup>                     | 53,700    | 4,369,032     |
| EQT Corporation <sup>(2)</sup>                         | 8,500     | 622,625       |
| Gulfport Energy Corporation <sup>(2)(3)</sup>          | 17,800    | 547,172       |
| Hess Corporation <sup>(2)</sup>                        | 10,200    | 611,286       |
| Laredo Petroleum, Inc. <sup>(2)(3)</sup>               | 30,000    | 363,300       |
| Memorial Resource Development Corp. <sup>(2)(3)</sup>  | 13,080    | 206,664       |
| Newfield Exploration Company <sup>(2)(3)</sup>         | 32,600    | 1,329,102     |
| Noble Energy, Inc. <sup>(2)</sup>                      | 40,700    | 1,455,025     |
| Occidental Petroleum Corporation <sup>(2)</sup>        | 27,200    | 2,051,968     |
| PDC Energy, Inc. <sup>(2)(3)</sup>                     | 2,500     | 145,125       |
| Pioneer Natural Resources Company <sup>(2)</sup>       | 24,200    | 3,879,744     |
| Range Resources Corporation <sup>(2)</sup>             | 33,000    | 1,405,470     |
| RSP Permian, Inc. <sup>(2)(3)</sup>                    | 17,000    | 559,810       |
|  |           | 30,113,717    |
| <b>Refined Product Pipelines 2.2%</b>                  |           |               |
| <b>United States 2.2%</b>                              |           |               |
| VTTI Energy Partners LP                                | 219,298   | 4,451,749     |
| Total Common Stock                                     |           |               |
| (Cost \$193,469,509)                                   |           | 184,321,375   |

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|   |         |            |
|---|---------|------------|
| <b>Master Limited Partnerships and Related Companies 39.1%</b>              |         |            |
| <b>Crude Oil Pipelines 14.8%</b>  |         |            |
| <b>United States 14.8%</b>  |         |            |
| Enbridge Energy Management, L.L.C.(4)                                       | 741,913 | 16,218,212 |
| Genesis Energy L.P.   | 57,722  | 2,174,388  |
| Plains All American Pipeline, L.P.  | 183,541 | 4,245,303  |
| Shell Midstream Partners, L.P.  | 55,452  | 1,871,505  |
| Sunoco Logistics Partners L.P.  | 161,024 | 4,420,109  |
| Tesoro Logistics LP   | 20,624  | 1,013,670  |
|   |         | 29,943,187 |
| <b>Natural Gas/Natural Gas Liquids Pipelines 10.9%</b>                      |         |            |
| <b>United States 10.9%</b>  |         |            |
| Columbia Pipeline Partners LP   | 38,484  | 566,869    |
| Energy Transfer Partners, L.P.  | 303,560 | 11,007,086 |
| Enterprise Products Partners L.P.   | 201,431 | 5,591,725  |
| EQT Midstream Partners, LP  | 54,953  | 4,141,808  |
| Tallgrass Energy Partners, LP   | 20,140  | 911,536    |
|   |         | 22,219,024 |
| <b>Natural Gas Gathering/Processing 7.5%</b>                                |         |            |
| <b>United States 7.5%</b>   |         |            |
| Antero Midstream Partners LP  | 35,220  | 866,412    |
| DCP Midstream Partners, LP  | 58,115  | 1,948,596  |
| EnLink Midstream Partners, LP   | 55,955  | 880,732    |
| MPLX LP   | 247,156 | 7,884,276  |
| Rice Midstream Partners LP  | 42,736  | 781,641    |
| Western Gas Partners, LP  | 49,299  | 2,456,569  |
| Williams Partners L.P.  | 12,084  | 385,721    |
|   |         | 15,203,947 |
| <b>Refined Product Pipelines 5.9%</b>                                       |         |            |
| <b>United States 5.9%</b>   |         |            |
| Buckeye Partners, L.P.  | 74,894  | 5,386,376  |
| Magellan Midstream Partners, L.P.   | 44,609  | 3,124,860  |
| Phillips 66 Partners LP   | 36,049  | 1,980,172  |
| Valero Energy Partners LP   | 31,129  | 1,440,339  |
|   |         | 11,931,747 |
| Total Master Limited Partnerships and Related Companies (Cost \$76,758,436) |         | 79,297,905 |

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**TTP Schedule of Investments** (unaudited) (continued)  
May 31, 2016

|  | Shares | Fair Value            |
|--|--------|-----------------------|
| <b>Preferred Stock 1.9%</b>  |        |                       |
| <b>Natural Gas Gathering/Processing 1.1%</b>   |        |                       |
| <b>United States 1.1%</b>  |        |                       |
| Targa Resources Corp., 9.500% <sup>(5)</sup>   | 2,108  | \$ 2,215,875          |
| <b>Oil and Gas Production 0.8%</b>   |        |                       |
| <b>United States 0.8%</b>  |        |                       |
| Anadarko Petroleum Corporation,<br>7.500%, 06/07/2018  | 39,500 | 1,540,500             |
| <b>Total Preferred Stock</b><br>(Cost \$3,663,523)   |        | <b>3,756,375</b>      |
| <b>Warrants 0.4%</b>   |        |                       |
| <b>Natural Gas Gathering/Processing 0.4%</b>   |        |                       |
| <b>United States 0.4%</b>  |        |                       |
| Targa Resources Corp. Series A,<br>\$18.88, 03/16/2023 <sup>(3)(5)</sup>                       | 29,596 | 630,635               |
| Targa Resources Corp. Series B,<br>\$25.11, 03/16/2023 <sup>(3)(5)</sup>                       | 14,271 | 225,471               |
| <b>Total Warrants</b><br>(Cost \$304,734)  |        | <b>856,106</b>        |
| <b>Short-Term Investment 0.0%</b>  |        |                       |
| <b>United States Investment Company 0.0%</b>   |        |                       |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.33% <sup>(6)</sup> (Cost \$88,741) | 88,741 | 88,741                |
| <b>Total Investments 132.4%</b><br>(Cost \$274,284,943)  |        | <b>268,320,502</b>    |
| <b>Credit Facility Borrowings (7.4%)</b>   |        | <b>(15,100,000)</b>   |
| <b>Senior Notes (16.8%)</b>  |        | <b>(34,000,000)</b>   |
| <b>Mandatory Redeemable Preferred Stock</b><br><b>at Liquidation Value (7.9%)</b>              |        | <b>(16,000,000)</b>   |
| <b>Total Value of Options Written</b><br>(Premiums received \$385,274) (0.2%)                  |        | <b>(405,478)</b>      |
| <b>Other Assets and Liabilities (0.1%)</b>   |        | <b>(228,032)</b>      |
| <b>Total Net Assets Applicable</b><br><b>to Common Stockholders 100.0%</b>                     |        | <b>\$ 202,586,992</b> |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) All or a portion of the security represents cover for outstanding call option contracts written.

(3) Non-income producing security.

(4) Security distributions are paid-in-kind.

(5) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$3,071,981, which represents 1.5% of net assets. See Note 6 to the financial statements for further disclosure.

(6) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.



2016 2nd Quarter Report | May 31, 2016

**TTP Schedule of Options Written** (unaudited)  
May 31, 2016

| Call Options Written  | Expiration Date | Strike Price | Contracts | Fair Value          |
|---|-----------------|--------------|-----------|---------------------|
| Anadarko Petroleum Corporation  | June 2016       | \$ 52.50     | 319       | \$ (40,513)         |
| Antero Resources Corporation  | June 2016       | 28.00        | 241       | (39,253)            |
| Cabot Oil & Gas Corporation   | June 2016       | 26.00        | 1,159     | (17,385)            |
| Carrizo Oil & Gas, Inc.   | June 2016       | 40.00        | 108       | (12,420)            |
| Cimarex Energy Co.  | June 2016       | 125.00       | 175       | (17,500)            |
| Concho Resources Inc.   | June 2016       | 125.00       | 250       | (45,750)            |
| Continental Resources, Inc.   | June 2016       | 44.00        | 239       | (26,290)            |
| Diamondback Energy, Inc.  | June 2016       | 92.50        | 104       | (20,280)            |
| EOG Resources, Inc.   | June 2016       | 87.50        | 537       | (13,962)            |
| EQT Corporation   | June 2016       | 75.00        | 85        | (9,775)             |
| Gulfport Energy Corporation   | June 2016       | 32.50        | 178       | (10,680)            |
| Hess Corporation  | June 2016       | 62.50        | 102       | (7,140)             |
| Laredo Petroleum, Inc.  | June 2016       | 12.00        | 300       | (25,500)            |
| Memorial Resources Development Corp.  | June 2016       | 16.00        | 130       | (8,238)             |
| Newfield Exploration Company  | June 2016       | 44.00        | 326       | (10,595)            |
| Noble Energy, Inc.  | June 2016       | 38.00        | 407       | (15,507)            |
| Occidental Petroleum Corporation  | June 2016       | 79.00        | 272       | (7,072)             |
| PDC Energy, Inc.  | June 2016       | 67.00        | 25        | (423)               |
| Pioneer Natural Resources Company   | June 2016       | 175.00       | 242       | (18,392)            |
| Range Resources Corporation   | June 2016       | 43.00        | 330       | (51,153)            |
| RSP Permian, Inc.   | June 2016       | 35.00        | 170       | (7,650)             |
| <b>Total Value of Call Options Written</b><br>(Premiums received \$385,274) |                 |              |           | <b>\$ (405,478)</b> |

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**NDP Schedule of Investments** (unaudited)

May 31, 2016

|  | Shares  | Fair Value   |
|--|---------|--------------|
| <b>Common Stock 98.2%</b>                                      |         |              |
| <b>Oil and Gas Production 98.2%</b>                            |         |              |
| <b>Canada 3.5%</b>   |         |              |
| ARC Resources LTD.   | 334,600 | \$ 5,503,734 |
| Cenovus Energy Inc.  | 153,200 | 2,310,256    |
| <b>The Netherlands 2.5%</b>                                    |         |              |
| Royal Dutch Shell plc (ADR)                                    | 114,500 | 5,552,105    |
| <b>United Kingdom 2.3%</b>                                     |         |              |
| BP p.l.c. (ADR)  | 165,500 | 5,196,700    |
| <b>United States 89.9%</b>                                     |         |              |
| Anadarko Petroleum Corporation <sup>(2)(3)</sup>               | 271,100 | 14,059,246   |
| Antero Resources Corporation <sup>(2)(3)(4)</sup>              | 146,610 | 4,256,088    |
| Cabot Oil & Gas Corporation <sup>(2)(3)</sup>                  | 226,700 | 5,433,999    |
| Carrizo Oil & Gas, Inc. <sup>(2)(3)(4)</sup>                   | 215,000 | 8,277,500    |
| Cimarex Energy Co. <sup>(2)(3)</sup>                           | 76,873  | 8,938,793    |
| Concho Resources Inc. <sup>(2)(3)(4)</sup>                     | 98,443  | 11,945,074   |
| Continental Resources, Inc. <sup>(2)(3)(4)</sup>               | 39,700  | 1,669,782    |
| Devon Energy Corporation <sup>(2)(3)</sup>                     | 265,034 | 9,565,077    |
| Diamondback Energy, Inc. <sup>(2)(3)(4)</sup>                  | 69,700  | 6,339,215    |
| EOG Resources, Inc. <sup>(2)(3)</sup>                          | 363,300 | 29,558,088   |
| EQT Corporation <sup>(2)(3)</sup>                              | 282,685 | 20,706,676   |
| Gulfport Energy Corporation <sup>(2)(3)(4)</sup>               | 178,600 | 5,490,164    |
| Laredo Petroleum, Inc. <sup>(4)</sup>                          | 40      | 484          |
| Memorial Resource Development Corp. <sup>(2)(3)(4)</sup>       | 85,400  | 1,349,320    |
| Newfield Exploration Company <sup>(2)(3)(4)</sup>              | 204,988 | 8,357,361    |
| Occidental Petroleum Corporation <sup>(2)(3)</sup>             | 105,700 | 7,974,008    |
| Parsley Energy, Inc. <sup>(2)(3)(4)</sup>                      | 229,000 | 5,970,030    |
| PDC Energy, Inc. <sup>(2)(3)(4)</sup>                          | 49,700  | 2,885,085    |
| Pioneer Natural Resources Company <sup>(2)(3)</sup>            | 173,515 | 27,817,925   |
| Range Resources Corporation <sup>(2)(3)</sup>                  | 169,900 | 7,236,041    |
| Rice Energy Inc. <sup>(2)(3)(4)</sup>                          | 162,400 | 3,288,600    |
| RSP Permian, Inc. <sup>(2)(3)(4)</sup>                         | 260,000 | 8,561,800    |
| Whiting Petroleum Corporation <sup>(4)</sup>                   | 27      | 334          |
| Total Common Stock<br>(Cost \$247,695,454)                     |         | 218,243,485  |
| <b>Master Limited Partnerships and Related Companies 29.0%</b> |         |              |
| <b>Crude Oil Pipelines 9.7%</b>                                |         |              |
| <b>United States 9.7%</b>                                      |         |              |
| Enbridge Energy Management, L.L.C. <sup>(5)</sup>              | 489,368 | 10,697,579   |
| Plains All American Pipeline, L.P.                             | 204,532 | 4,730,825    |
| Rose Rock Midstream, L.P.                                      | 32,489  | 838,216      |
| Shell Midstream Partners, L.P.                                 | 51,895  | 1,751,456    |
| Tesoro Logistics LP  | 70,281  | 3,454,311    |
|  |         | 21,472,387   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 6.9%</b>          |         |              |
| <b>United States 6.9%</b>                                      |         |              |
| Columbia Pipeline Partners LP                                  | 35,719  | 526,141      |
| Energy Transfer Partners, L.P.                                 | 152,945 | 5,545,786    |
| Enterprise Products Partners L.P.                              | 229,988 | 6,384,467    |

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|  |         |            |
|--|---------|------------|
| EQT GP Holdings, LP  | 8,439   | 220,258    |
| EQT Midstream Partners, LP   | 24,303  | 1,831,717  |
| Tallgrass Energy Partners, LP  | 20,140  | 911,536    |
|  |         | 15,419,905 |
| <b>Natural Gas Gathering/Processing 6.0%</b>                                   |         |            |
| <b>United States 6.0%</b>  |         |            |
| Antero Midstream Partners LP   | 75,672  | 1,861,531  |
| DCP Midstream Partners, LP   | 155,345 | 5,208,718  |
| EnLink Midstream Partners, LP  | 86,700  | 1,364,658  |
| MPLX LP  | 121,726 | 3,883,059  |
| Rice Midstream Partners LP   | 40,357  | 738,130    |
| Western Gas Partners, LP   | 6,100   | 303,963    |
|  |         | 13,360,059 |
| <b>Refined Product Pipelines 6.4%</b>  |         |            |
| <b>United States 6.4%</b>  |         |            |
| Buckeye Partners, L.P.   | 49,673  | 3,572,482  |
| Magellan Midstream Partners, L.P.  | 92,000  | 6,444,600  |
| Phillips 66 Partners LP  | 53,277  | 2,926,506  |
| Valero Energy Partners LP  | 26,106  | 1,207,925  |
|  |         | 14,151,513 |
| Total Master Limited Partnerships<br>and Related Companies (Cost \$62,887,117) |         | 64,403,864 |

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

**NDP Schedule of Investments** (unaudited) (continued)  
May 31, 2016

|   | Shares  | Fair Value            |
|---|---------|-----------------------|
| <b>Preferred Stock 1.6%</b>   |         |                       |
| <b>Natural Gas Gathering/Processing 0.9%</b>  |         |                       |
| <b>United States 0.9%</b>   |         |                       |
| Targa Resources Corp., 9.500% <sup>(6)</sup>  | 1,997   | \$ 2,099,195          |
| <b>Oil and Gas Production 0.7%</b>  |         |                       |
| <b>United States 0.7%</b>   |         |                       |
| Anadarko Petroleum Corporation,<br>7.500%, 06/07/2018   | 36,900  | 1,439,100             |
| <b>Total Preferred Stock</b><br>(Cost \$3,446,512)  |         | <b>3,538,295</b>      |
| <b>Warrants 0.4%</b>  |         |                       |
| <b>Natural Gas Gathering/Processing 0.4%</b>  |         |                       |
| <b>United States 0.4%</b>   |         |                       |
| Targa Resources Corp. Series A,<br>\$18.88, 03/16/2023 <sup>(4)(6)</sup>                        | 28,038  | 597,437               |
| Targa Resources Corp. Series B,<br>\$25.11, 03/16/2023 <sup>(4)(6)</sup>                        | 13,520  | 213,606               |
| <b>Total Warrants</b><br>(Cost \$288,688)   |         | <b>811,043</b>        |
| <b>Short-Term Investment 0.1%</b>   |         |                       |
| <b>United States Investment Company 0.1%</b>  |         |                       |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.33% <sup>(7)</sup> (Cost \$155,942) | 155,942 | 155,942               |
| <b>Total Investments 129.3%</b><br>(Cost \$314,473,713)   |         | <b>287,152,629</b>    |
| <b>Total Value of Options Written</b><br>(Premiums received \$1,967,331) (1.0%)                 |         | (2,132,582)           |
| <b>Credit Facility Borrowings (28.2%)</b>   |         | (62,600,000)          |
| <b>Other Assets and Liabilities (0.1%)</b>  |         | (261,105)             |
| <b>Total Net Assets Applicable to</b><br><b>Common Stockholders 100.0%</b>                      |         | <b>\$ 222,158,942</b> |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) All or a portion of the security is segregated as collateral for the margin borrowing facility. See Note 10 to the financial statements for further disclosure.

(3) All or a portion of the security represents cover for outstanding call option contracts written.

(4) Non-income producing security.

(5) Security distributions are paid-in-kind.

(6) Restricted securities have been fair valued in accordance with procedures approved by the Board of Directors and have a total fair value of \$2,910,238, which represents 1.3% of net assets. See Note 6 to the financial statements for further disclosure.

(7) Rate indicated is the current yield as of May 31, 2016.

See accompanying Notes to Financial Statements.

**NDP Schedule of Options Written** (unaudited)

May 31, 2016

| <b>Call Options Written</b>                | <b>Expiration Date</b> | <b>Strike Price</b> | <b>Contracts</b> | <b>Fair Value</b>     |
|--|------------------------|---------------------|------------------|-----------------------|
| Anadarko Petroleum Corporation             | June 2016              | \$ 54.50            | 2,711            | \$ (162,660)          |
| Antero Resources Corporation               | June 2016              | 29.00               | 1,466            | (148,998)             |
| Cabot Oil & Gas Corporation                | June 2016              | 26.00               | 2,267            | (34,005)              |
| Carrizo Oil & Gas, Inc.                    | June 2016              | 41.50               | 2,150            | (177,002)             |
| Cimarex Energy Co.                         | June 2016              | 127.50              | 768              | (46,062)              |
| Concho Resources Inc.                      | June 2016              | 127.50              | 984              | (122,492)             |
| Continental Resources, Inc.                | June 2016              | 45.00               | 397              | (35,333)              |
| Devon Energy Corporation                   | June 2016              | 38.00               | 2,650            | (188,150)             |
| Diamondback Energy, Inc.                   | June 2016              | 95.00               | 697              | (66,215)              |
| EOG Resources, Inc.                        | June 2016              | 87.50               | 3,633            | (94,458)              |
| EQT Corporation                            | June 2016              | 75.00               | 2,826            | (324,990)             |
| Gulfport Energy Corporation                | June 2016              | 33.00               | 884              | (36,436)              |
| Gulfport Energy Corporation                | June 2016              | 34.00               | 902              | (24,250)              |
| Memorial Resource Development Corp.        | June 2016              | 16.00               | 854              | (54,121)              |
| Newfield Exploration Company               | June 2016              | 44.00               | 2,049            | (66,593)              |
| Occidental Petroleum Corporation           | June 2016              | 80.00               | 1,057            | (8,456)               |
| Parsley Energy, Inc.                       | June 2016              | 27.50               | 1,138            | (45,838)              |
| Parsley Energy, Inc.                       | June 2016              | 28.00               | 1,152            | (36,415)              |
| PDC Energy, Inc.                           | June 2016              | 70.00               | 497              | (13,668)              |
| Pioneer Natural Resources Company          | June 2016              | 180.00              | 1,735            | (43,375)              |
| Range Resources Corporation                | June 2016              | 44.00               | 1,699            | (212,375)             |
| Rice Energy Inc.                           | June 2016              | 21.00               | 1,624            | (81,200)              |
| RSP Permian, Inc.                          | June 2016              | 35.00               | 1,997            | (89,865)              |
| RSP Permian, Inc.                          | June 2016              | 36.00               | 603              | (19,625)              |
| <b>Total Value of Call Options Written</b> |                        |                     |                  | <b>\$ (2,132,582)</b> |
| (Premiums received \$1,967,331)            |                        |                     |                  |                       |

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

## TPZ Schedule of Investments (unaudited)

May 31, 2016

|  | Principal<br>Amount | Fair Value   |
|--|---------------------|--------------|
| <b>Corporate Bonds 71.3%</b> <sup>(1)</sup>                                    |                     |              |
| <b>Crude Oil Pipelines 6.3%</b> <sup>(1)</sup>                                 |                     |              |
| <b>Canada 2.9%</b> <sup>(1)</sup>  |                     |              |
| Gibson Energy Inc.,<br>6.750%, 07/15/2021 <sup>(2)</sup>                       | \$ 4,500,000        | \$ 4,466,250 |
| <b>United States 3.4%</b> <sup>(1)</sup>                                       |                     |              |
| SemGroup Corp.,<br>7.500%, 06/15/2021  | 5,450,000           | 5,163,875    |
|  |                     | 9,630,125    |
| <b>Local Distribution Companies 6.8%</b> <sup>(1)</sup>                        |                     |              |
| <b>United States 6.8%</b> <sup>(1)</sup>                                       |                     |              |
| Black Hills Energy,<br>5.900%, 04/01/2017 <sup>(2)</sup>                       | 5,770,000           | 5,918,393    |
| CenterPoint Energy, Inc.,<br>6.500%, 05/01/2018                                | 4,000,000           | 4,320,048    |
|  |                     | 10,238,441   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 25.5%</b> <sup>(1)</sup>          |                     |              |
| <b>Canada 4.2%</b> <sup>(1)</sup>  |                     |              |
| TransCanada Corporation,<br>5.625%, 05/20/2075                                 | 7,000,000           | 6,278,160    |
| <b>United States 21.3%</b> <sup>(1)</sup>                                      |                     |              |
| Cheniere Corp.,<br>7.000%, 06/30/2024 <sup>(2)</sup>                           | 2,000,000           | 2,050,000    |
| Columbia Pipeline Group, Inc.,<br>3.300%, 06/01/2020                           | 2,000,000           | 2,007,022    |
| Florida Gas Transmission Co., LLC,<br>5.450%, 07/15/2020 <sup>(2)</sup>        | 1,500,000           | 1,599,809    |
| Kinder Morgan, Inc.,<br>6.500%, 09/15/2020                                     | 4,000,000           | 4,365,832    |
| Midcontinent Express Pipeline LLC,<br>6.700%, 09/15/2019 <sup>(2)</sup>        | 6,000,000           | 5,666,400    |
| ONEOK, Inc.,<br>4.250%, 02/01/2022   | 4,500,000           | 4,050,000    |
| ONEOK, Inc.,<br>7.500%, 09/01/2023   | 2,000,000           | 2,065,100    |
| Rockies Express Pipeline, LLC,<br>6.000%, 01/15/2019 <sup>(2)</sup>            | 4,000,000           | 4,150,000    |
| Ruby Pipeline, LLC,<br>6.000%, 04/01/2022 <sup>(2)</sup>                       | 1,500,000           | 1,433,988    |
| Southern Star Central Corp.,<br>5.125%, 07/15/2022 <sup>(2)</sup>              | 3,000,000           | 2,880,000    |
| Southern Star Central Gas Pipeline, Inc.,<br>6.000%, 06/01/2016 <sup>(2)</sup> | 2,000,000           | 2,000,000    |
|  |                     | 38,546,311   |
| <b>Natural Gas Gathering/Processing 4.9%</b> <sup>(1)</sup>                    |                     |              |
| <b>United States 4.9%</b> <sup>(1)</sup>                                       |                     |              |
| DCP Midstream LLC,<br>9.750%, 03/15/2019 <sup>(2)</sup>                        | 3,000,000           | 3,195,000    |
| The Williams Companies, Inc.,<br>7.875%, 09/01/2021                            | 4,000,000           | 4,220,000    |
|  |                     | 7,415,000    |
| <b>Oil and Gas Production 5.3%</b> <sup>(1)</sup>                              |                     |              |
| <b>United States 5.3%</b> <sup>(1)</sup>                                       |                     |              |
| Antero Resources Corporation,<br>6.000%, 12/01/2020                            | 1,000,000           | 992,500      |
| Carrizo Oil & Gas, Inc.,   |                     |              |

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|   |           |             |
|---|-----------|-------------|
| 7.500%, 09/15/2020  | 2,000,000 | 2,005,000   |
| Continental Resources, Inc.,<br>4.500%, 04/15/2023                  | 1,000,000 | 910,625     |
| Diamondback Energy, Inc.,<br>7.625%, 10/01/2021                     | 1,000,000 | 1,061,250   |
| EQT Corporation,<br>8.125%, 06/01/2019                              | 2,000,000 | 2,183,090   |
| Range Resources Corporation,<br>5.000%, 03/15/2023                  | 1,000,000 | 930,000     |
|   |           | 8,082,465   |
| <b>Oilfield Services 2.0%</b> )                                     |           |             |
| <b>United States 2.0%</b> )   |           |             |
| Pride International, Inc.,<br>8.500%, 06/15/2019                    | 3,000,000 | 2,959,500   |
| <b>Power/Utility 20.5%</b> )  |           |             |
| <b>United States 20.5%</b> )  |           |             |
| The AES Corporation,<br>5.500%, 04/15/2025                          | 4,000,000 | 3,970,000   |
| CMS Energy Corp.,<br>8.750%, 06/15/2019                             | 5,185,000 | 6,225,505   |
| Dominion Resources, Inc.,<br>5.750%, 10/01/2054                     | 4,000,000 | 3,920,000   |
| Duquesne Light Holdings, Inc.,<br>6.400%, 09/15/2020 <sup>(2)</sup> | 3,000,000 | 3,413,499   |
| Duquesne Light Holdings, Inc.,<br>5.900%, 12/01/2021 <sup>(2)</sup> | 2,000,000 | 2,255,038   |
| NRG Energy, Inc.,<br>6.250%, 07/15/2022                             | 5,000,000 | 4,910,940   |
| NRG Yield Operating LLC,<br>5.375%, 08/15/2024                      | 2,500,000 | 2,406,250   |
| NV Energy, Inc.,<br>6.250%, 11/15/2020                              | 1,000,000 | 1,171,275   |
| Wisconsin Energy Corp.,<br>6.250%, 05/15/2067                       | 3,450,000 | 2,837,625   |
|   |           | 31,110,132  |
| Total Corporate Bonds<br>(Cost \$108,584,763)                       |           | 107,981,974 |

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

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**TPZ Schedule of Investments** (unaudited) (continued)  
May 31, 2016

|   | Shares  | Fair Value   |
|---|---------|--------------|
| <b>Master Limited Partnerships and Related Companies</b> 38.8%              |         |              |
| <b>Crude Oil Pipelines</b> 13.5%  |         |              |
| <b>United States</b> 13.5%  |         |              |
| Enbridge Energy Management, L.L.C. <sup>(3)</sup>                           | 431,090 | \$ 9,423,632 |
| Genesis Energy, L.P.  | 11,800  | 444,506      |
| NuStar Energy L.P.  | 6,432   | 316,262      |
| Plains All American Pipeline, L.P.  | 138,116 | 3,194,623    |
| Shell Midstream Partners, L.P.  | 29,307  | 989,111      |
| Sunoco Logistics Partners L.P.  | 159,265 | 4,371,824    |
| Tesoro Logistics LP   | 34,009  | 1,671,542    |
|   |         | 20,411,500   |
| <b>Natural Gas/Natural Gas Liquids Pipelines</b> 13.9%                      |         |              |
| <b>United States</b> 13.9%  |         |              |
| Energy Transfer Partners, L.P.  | 247,241 | 8,964,959    |
| Enterprise Products Partners L.P.   | 164,409 | 4,563,994    |
| EQT Midstream Partners, LP  | 22,918  | 1,727,330    |
| ONEOK Partners, L.P.  | 129,203 | 4,903,254    |
| Spectra Energy Partners, LP   | 19,446  | 873,903      |
|   |         | 21,033,440   |
| <b>Natural Gas Gathering/Processing</b> 5.8%                                |         |              |
| <b>United States</b> 5.8%   |         |              |
| Antero Midstream Partners LP  | 29,817  | 733,498      |
| DCP Midstream Partners, LP  | 52,040  | 1,744,901    |
| EnLink Midstream Partners, LP   | 22,400  | 352,576      |
| MPLX LP   | 131,504 | 4,194,978    |
| Rice Midstream Partners LP  | 28,091  | 513,784      |
| Western Gas Partners, LP  | 18,799  | 936,754      |
| Williams Partners L.P.  | 9,217   | 294,207      |
|   |         | 8,770,698    |
| <b>Refined Product Pipelines</b> 5.6%                                       |         |              |
| <b>United States</b> 5.6%   |         |              |
| Buckeye Partners, L.P.  | 38,204  | 2,747,632    |
| Magellan Midstream Partners, L.P.   | 50,165  | 3,514,058    |
| Phillips 66 Partners LP   | 24,755  | 1,359,792    |
| Valero Energy Partners LP   | 19,193  | 888,060      |
|   |         | 8,509,542    |
| Total Master Limited Partnerships and Related Companies (Cost \$38,993,190) |         | 58,725,180   |
| <b>Common Stock</b> 20.1%   |         |              |
| <b>Crude Oil Pipelines</b> 3.5%   |         |              |
| <b>United States</b> 3.5%   |         |              |
| Plains GP Holdings, L.P.  | 443,416 | 4,163,676    |
| SemGroup Corporation  | 36,069  | 1,146,634    |
|   |         | 5,310,310    |
| <b>Natural Gas/Natural Gas Liquids Pipelines</b> 10.2%                      |         |              |
| <b>United States</b> 10.2%  |         |              |
| ONEOK, Inc. <sup>(4)</sup>  | 225,406 | 9,748,809    |
| Spectra Energy Corp   | 176,416 | 5,620,614    |
|   |         | 15,369,423   |
| <b>Natural Gas Gathering/Processing</b> 5.7%                                |         |              |

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|   |         |            |
|---|---------|------------|
| <b>United States 5.7%)</b>                      |         |            |
| EnLink Midstream LLC                            | 47,828  | 749,465    |
| Targa Resources Corp.                           | 101,103 | 4,330,241  |
| The Williams Companies, Inc.                    | 162,625 | 3,603,770  |
|   |         | 8,683,476  |
| <b>Refined Product Pipelines 0.7%)</b>          |         |            |
| <b>United States 0.7%)</b>                      |         |            |
| VTTI Energy Partners LP                         | 50,626  | 1,027,708  |
| Total Common Stock                              |         |            |
| (Cost \$25,136,851)                             |         | 30,390,917 |
| See accompanying Notes to Financial Statements. |         |            |



**TPZ Schedule of Investments** (unaudited) (continued)

May 31, 2016

|  | Shares | Fair Value     |
|--|--------|----------------|
| <b>Preferred Stock 3.2%</b>  |        |                |
| <b>Natural Gas Gathering/Processing 1.2%</b>   |        |                |
| <b>United States 1.2%</b>  |        |                |
| Targa Resources Corp., 9.500% <sup>(2)</sup>   | 1,685  | \$ 1,771,229   |
| <b>Natural Gas/Natural Gas Liquids Pipelines 1.4%</b>  |        |                |
| <b>United States 1.4%</b>  |        |                |
| Kinder Morgan, Inc.,<br>9.750%, 10/26/2018   | 44,949 | 2,055,068      |
| <b>Oil and Gas Production 0.6%</b>   |        |                |
| <b>United States 0.6%</b>  |        |                |
| Anadarko Petroleum Corporation,<br>7.500%, 06/07/2018  | 24,400 | 951,600        |
| Total Preferred Stock<br>(Cost \$4,122,038)  |        | 4,777,897      |
| <b>Warrants 0.4%</b>   |        |                |
| <b>Natural Gas Gathering/Processing 0.4%</b>   |        |                |
| <b>United States 0.4%</b>  |        |                |
| Targa Resources Corp. Series A,<br>\$18.88, 03/16/2023 <sup>(2)(5)</sup>                                   | 23,657 | 504,086        |
| Targa Resources Corp. Series B,<br>\$25.11, 03/16/2023 <sup>(2)(5)</sup>                                   | 11,407 | 180,222        |
| Total Warrants<br>(Cost \$243,584)   |        | 684,308        |
| <b>Short-Term Investment 0.0%</b>  |        |                |
| <b>United States Investment Company 0.0%</b>   |        |                |
| Fidelity Institutional Money Market Portfolio<br>Class I, 0.33% <sup>(6)</sup> (Cost \$45,232)             | 45,232 | 45,232         |
| <b>Total Investments 133.8%</b><br><b>(Cost \$177,125,658)</b>   |        | 202,605,508    |
| <b>Interest Rate Swap Contracts (0.2%)</b><br>\$23,500,000 notional unrealized depreciation <sup>(7)</sup> |        | (367,035)      |
| <b>Credit Facility Borrowings (34.8%)</b>  |        | (52,700,000)   |
| <b>Other Assets and Liabilities 1.2%</b>   |        | 1,843,359      |
| <b>Total Net Assets Applicable to<br/>Common Stockholders 100.0%</b>                                       |        | \$ 151,381,832 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

(2) Restricted securities have been valued in accordance with fair value procedures, as more fully described in Note 2 to the financial statements and have a total fair value of \$41,483,914, which represents 27.4% of net assets. See Note 6 to the financial statements for further disclosure.

(3) Security distributions are paid-in-kind.

(4) A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of \$367,035.

(5) Non-income producing security.

(6) Rate indicated is the current yield as of May 31, 2016.

(7) See Note 11 to the financial statements for further disclosure.

See accompanying Notes to Financial Statements.

**Statements of Assets & Liabilities** (unaudited)

May 31, 2016

|  | <b>Tortoise Energy<br/>Infrastructure<br/>Corp.</b> | <b>Tortoise MLP<br/>Fund, Inc.</b> |
|--|---|------------------------------------|
| <b>Assets</b>  |   |                                    |
| Investments at fair value <sup>(1)</sup>   | \$ 2,562,235,940                                    | \$ 1,471,041,936                   |
| Receivable for Adviser fee waiver  | 14,962  |                                    |
| Receivable for investments sold  | 21,499,861  | 10,317,526                         |
| Dividends, distributions and interest receivable from investments  | 718,543   | 384,298                            |
| Prepaid expenses and other assets  | 3,323,725   | 1,747,220                          |
| Total assets   | 2,587,793,031                                       | 1,483,490,980                      |
| <b>Liabilities</b>   |   |                                    |
| Call options written, at fair value <sup>(2)</sup>   |   |                                    |
| Payable to Adviser   | 3,892,651   | 2,247,586                          |
| Accrued directors fees and expenses  | 62,169  | 43,903                             |
| Payable for investments purchased  | 15,878,153  | 9,099,059                          |
| Distribution payable to common stockholders  | 1,740,522   |                                    |
| Accrued expenses and other liabilities   | 8,365,017   | 3,173,659                          |
| Unrealized depreciation of interest rate swap contracts  | 665,163   |                                    |
| Current tax liability  | 34,828,627  |                                    |
| Deferred tax liability   | 427,830,099   | 135,038,521                        |
| Credit facility borrowings   | 84,000,000  | 45,900,000                         |
| Senior notes   | 455,000,000   | 284,000,000                        |
| Mandatory redeemable preferred stock   | 165,000,000   | 110,000,000                        |
| Total liabilities  | 1,197,262,401                                       | 589,502,728                        |
| Net assets applicable to common stockholders   | \$ 1,390,530,630                                    | \$ 893,988,252                     |
| <b>Net Assets Applicable to Common Stockholders Consist of:</b>  |   |                                    |
| Capital stock, \$0.001 par value per share   | \$ 48,434   | \$ 47,000                          |
| Additional paid-in capital   | 1,018,149,182                                       | 678,464,945                        |
| Undistributed (accumulated) net investment income (loss), net of income taxes  | (196,538,366)                                       | (108,006,056)                      |
| Undistributed (accumulated) net realized gain (loss), net of income taxes  | 838,219,945   | 232,888,507                        |
| Net unrealized appreciation (depreciation), net of income taxes  | (269,348,565)                                       | 90,593,856                         |
| Net assets applicable to common stockholders   | \$ 1,390,530,630                                    | \$ 893,988,252                     |
| <b>Capital shares:</b>   |   |                                    |
| Authorized   | 100,000,000   | 100,000,000                        |
| Outstanding  | 48,434,479  | 47,000,211                         |
| Net Asset Value per common share outstanding (net assets applicable to common stock, divided by common shares outstanding) | \$ 28.71  | \$ 19.02                           |

(1) Investments at cost \$ 2,118,684,788 \$ 1,330,344,949

(2) Call options written, premiums received \$ \$

See accompanying Notes to Financial Statements.

| Tortoise Pipeline<br>& Energy<br>Fund, Inc. | Tortoise Energy<br>Independence<br>Fund, Inc. | Tortoise Power<br>and Energy<br>Infrastructure<br>Fund, Inc. |
|---|---|--|
| \$ 268,320,502                              | \$ 287,152,629                                | \$ 202,605,508   |
| 21,006                                      | 45,024  |  |
| 343,443                                     |   | 480,594  |
| 554,827                                     | 282,389                                       | 2,024,091  |
| 243,297                                     | 51,935  | 40,143   |
| 269,483,075                                 | 287,531,977                                   | 205,150,336  |
| 405,478                                     | 2,132,582                                     |  |
| 462,139                                     | 495,249                                       | 308,159  |
| 19,834                                      | 19,123  | 15,744   |
| 306,111                                     |   | 233,493  |
| 602,521                                     | 126,081                                       | 144,073  |
|   |   | 367,035  |
| 15,100,000                                  | 62,600,000                                    | 52,700,000   |
| 34,000,000                                  |   |  |
| 16,000,000                                  |   |  |
| 66,896,083                                  | 65,373,035                                    | 53,768,504   |
| \$ 202,586,992                              | \$ 222,158,942                                | \$ 151,381,832   |
| \$ 10,016                                   | \$ 14,516                                     | \$ 6,951   |
| 233,621,529                                 | 306,776,593                                   | 129,482,470  |
|   |   | 1,951,509  |
| (25,057,614)                                | (57,145,768)                                  | (5,171,973)  |
| (5,986,939)                                 | (27,486,399)                                  | 25,112,875   |
| \$ 202,586,992                              | \$ 222,158,942                                | \$ 151,381,832   |
| 100,000,000                                 | 100,000,000                                   | 100,000,000  |
| 10,016,413                                  | 14,516,071                                    | 6,951,333  |
| \$ 20.23                                    | \$ 15.30                                      | \$ 21.78   |
| \$ 274,284,943                              | \$ 314,473,713                                | \$ 177,125,658   |
| \$ 385,274                                  | \$ 1,967,331                                  | \$   |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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**Statements of Operations** (unaudited)

Period from December 1, 2015 through May 31, 2016

|   | Tortoise Energy<br>Infrastructure<br>Corp. | Tortoise MLP<br>Fund, Inc. |
|---|--|----------------------------|
| <b>Investment Income</b>  |  |                            |
| Distributions from master limited partnerships  | \$ 90,299,202                              | \$ 52,455,209              |
| Dividends and distributions from common stock   | 395,628                                    | 594,144                    |
| Dividends and distributions from preferred stock  | 1,172,868                                  | 619,783                    |
| Less return of capital on distributions   | (100,119,170)                              | (55,849,699)               |
| Less foreign taxes withheld   |  |                            |
| Net dividends and distributions from investments  | (8,251,472)                                | (2,180,563)                |
| Interest from corporate bonds   |  |                            |
| Dividends from money market mutual funds  | 2,111                                      | 563                        |
| <b>Total Investment Income (Loss)</b>   | <b>(8,249,361)</b>                         | <b>(2,180,000)</b>         |
| <b>Operating Expenses</b>   |  |                            |
| Advisory fees   | 11,075,850                                 | 6,215,780                  |
| Administrator fees  | 245,921                                    | 215,570                    |
| Professional fees   | 171,852                                    | 119,031                    |
| Directors' fees   | 127,501                                    | 92,250                     |
| Stockholder communication expenses  | 112,346                                    | 77,079                     |
| Custodian fees and expenses   | 55,055                                     | 30,578                     |
| Fund accounting fees  | 43,929                                     | 37,872                     |
| Registration fees   | 35,310                                     | 22,963                     |
| Stock transfer agent fees   | 23,097                                     | 6,399                      |
| Franchise fees  | 16,568                                     | 5,451                      |
| Other operating expenses  | 95,738                                     | 51,931                     |
| <b>Total Operating Expenses</b>   | <b>12,003,167</b>                          | <b>6,874,904</b>           |
| <b>Leverage Expenses</b>  |  |                            |
| Interest expense  | 8,926,452                                  | 5,573,371                  |
| Distributions to mandatory redeemable preferred stockholders  | 4,664,386                                  | 2,343,336                  |
| Amortization of debt issuance costs   | 2,635,812                                  | 213,380                    |
| Premium on redemption of senior notes   | 900,000                                    | 450,000                    |
| Premium on redemption of mandatory redeemable preferred stock   | 800,000                                    |                            |
| Other leverage expenses   | 147,702                                    | 49,850                     |
| <b>Total Leverage Expenses</b>  | <b>18,074,352</b>                          | <b>8,629,937</b>           |
| <b>Total Expenses</b>   | <b>30,077,519</b>                          | <b>15,504,841</b>          |
| Less fees waived by Adviser   | (36,807)                                   | (55,998)                   |
| <b>Net Expenses</b>   | <b>30,040,712</b>                          | <b>15,448,843</b>          |
| <b>Net Investment Income (Loss), before Income Taxes</b>  | <b>(38,290,073)</b>                        | <b>(17,628,843)</b>        |
| Deferred tax benefit  | 10,942,348                                 | 5,530,132                  |
| <b>Net Investment Income (Loss)</b>   | <b>(27,347,725)</b>                        | <b>(12,098,711)</b>        |
| <b>Realized and Unrealized Gain (Loss) on Investments and Interest Rate Swaps</b>   |  |                            |
| Net realized gain (loss) on investments   | 139,832,921                                | 12,510,068                 |
| Net realized gain on options  |  |                            |
| Net realized loss on interest rate swap settlements   | (162,613)                                  |                            |
| Net realized gain (loss) on foreign currency and translation of other assets<br>and liabilities denominated in foreign currency |  |                            |
| Net realized gain (loss), before income taxes   | 139,670,308                                | 12,510,068                 |
| Current tax expense   | (43,742,200)                               |                            |
| Deferred tax expense  | (6,428,243)                                | (4,558,864)                |
| Income tax expense  | (50,170,443)                               | (4,558,864)                |
| Net realized gain (loss)  | 89,499,865                                 | 7,951,204                  |
| Net unrealized appreciation (depreciation) of investments   | (39,134,046)                               | 96,742,850                 |
| Net unrealized depreciation of options  |  |                            |
| Net unrealized depreciation of interest rate swap contracts   | (101,595)                                  |                            |
| Net unrealized appreciation (depreciation) of other assets<br>and liabilities due to foreign currency translation               |  |                            |
| Net unrealized appreciation (depreciation), before income taxes   | (39,235,641)                               | 96,742,850                 |

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|   |                      |                      |
|---|----------------------|----------------------|
| Deferred tax benefit (expense)  | 14,093,686           | (35,254,613)         |
| Net unrealized appreciation (depreciation)  | (25,141,955)         | 61,488,237           |
| <b>Net Realized and Unrealized Gain</b>   | <b>64,357,910</b>    | <b>69,439,441</b>    |
| <b>Net Increase in Net Assets Applicable to Common Stockholders<br/>Resulting from Operations</b> | <b>\$ 37,010,185</b> | <b>\$ 57,340,730</b> |

See accompanying Notes to Financial Statements.

| Tortoise Pipeline<br>& Energy<br>Fund, Inc. | Tortoise Energy<br>Independence<br>Fund, Inc. | Tortoise Power<br>and Energy<br>Infrastructure<br>Fund, Inc. |
|---|---|--|
| \$ 2,283,459                                | \$ 1,942,640                                  | \$ 1,896,732   |
| 4,948,247                                   | 1,319,077                                     | 1,114,806  |
| 116,339                                     | 109,238                                       | 186,672  |
| (4,026,825)                                 | (1,833,936)                                   | (2,461,668)  |
| (134,609)                                   | (61,977)                                      |  |
| 3,186,611                                   | 1,475,042                                     | 736,542  |
|   |   | 3,251,131  |
| 505   | 398   | 435  |
| 3,187,116                                   | 1,475,440                                     | 3,988,108  |
| 1,264,650                                   | 1,371,465                                     | 861,535  |
| 46,087                                      | 49,972  | 36,376   |
| 78,103                                      | 106,763                                       | 100,497  |
| 41,650                                      | 41,601  | 34,000   |
| 39,012                                      | 30,335  | 49,541   |
| 8,412                                       | 3,196   | 3,819  |
| 20,413                                      | 22,065  | 14,338   |
| 12,158                                      | 12,442  | 12,228   |
| 6,712                                       | 6,412   | 7,800  |
| 22,531                                      | 22,132  | 13,981   |
| 1,539,728                                   | 1,666,383                                     | 1,134,115  |
| 748,231                                     | 371,920                                       | 311,607  |
| 343,201                                     |   |  |
| 65,386                                      |   |  |
| 100,000                                     |   |  |
| 8,001                                       |   |  |
| 1,264,819                                   | 371,920                                       | 311,607  |
| 2,804,547                                   | 2,038,303                                     | 1,445,722  |
| (67,596)                                    | (124,679)                                     |  |
| 2,736,951                                   | 1,913,624                                     | 1,445,722  |
| 450,165                                     | (438,184)                                     | 2,542,386  |
| 450,165                                     | (438,184)                                     | 2,542,386  |
| (23,623,746)                                | (31,121,025)                                  | (4,729,615)  |
| 781,203                                     | 2,006,548                                     | (154,175)  |
| 7,169                                       | (5,012)                                       |  |
| (22,835,374)                                | (29,119,489)                                  | (4,883,790)  |
| (22,835,374)                                | (29,119,489)                                  | (4,883,790)  |
| 35,820,675                                  | 39,638,949                                    | 11,644,004   |
| (126,383)                                   | (631,823)                                     | (9,271)  |
| (1,508)                                     | 1,492   |  |

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|   |              |             |             |
|---|--------------|-------------|-------------|
| — | 35,692,784   | 39,008,618  | 11,634,733  |
| — | 35,692,784   | 39,008,618  | 11,634,733  |
| — | 12,857,410   | 9,889,129   | 6,750,943   |
|   | \$13,307,575 | \$9,450,945 | \$9,293,329 |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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## Statements of Changes in Net Assets

|   | Tortoise Energy Infrastructure Corp.                                      |                                    | Tortoise MLP Fund, Inc.   |                                    |
|---|---|------------------------------------|---|------------------------------------|
|   | Period from<br>December 1, 2015<br>through<br>May 31, 2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Period from<br>December 1, 2015<br>through<br>May 31, 2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 |
| <b>Operations</b>   |   |                                    |   |                                    |
| Net investment income (loss)  | \$ (27,347,725)   | \$ (29,663,135)                    | \$ (12,098,711)   | \$ (14,930,011)                    |
| Net realized gain (loss)  | 89,499,865  | 239,505,914                        | 7,951,204   | 74,333,231                         |
| Net unrealized appreciation (depreciation)  | (25,141,955)  | (1,048,807,031)                    | 61,488,237  | (505,485,791)                      |
| Net increase (decrease) in net assets applicable to common stockholders resulting from operations       | 37,010,185  | (838,964,252)                      | 57,340,730  | (446,082,571)                      |
| <b>Distributions to Common Stockholders</b>   |   |                                    |   |                                    |
| Net investment income   |   |                                    |   |                                    |
| Net realized gain   |   |                                    |   |                                    |
| Return of capital   | (63,364,888)  | (124,362,971)                      | (39,715,179)  | (79,430,351)                       |
| Total distributions to common stockholders  | (63,364,888)  | (124,362,971)                      | (39,715,179)  | (79,430,351)                       |
| <b>Capital Stock Transactions</b>   |   |                                    |   |                                    |
| Proceeds from issuance of common stock  | 11,354,620  |                                    |   |                                    |
| Underwriting discounts and offering expenses associated with the issuance of common stock               | (202,354)   | (7,291)                            | (46,340)  | (4,301,111)                        |
| Net increase (decrease) in net assets applicable to common stockholders from capital stock transactions | 11,152,266  | (7,291)                            | (46,340)  | (4,301,111)                        |
| Total increase (decrease) in net assets applicable to common stockholders                               | (15,202,437)  | (963,334,514)                      | 17,579,211  | (525,517,231)                      |
| <b>Net Assets</b>   |   |                                    |   |                                    |
| Beginning of period   | 1,405,733,067   | 2,369,067,581                      | 876,409,041   | 1,401,926,271                      |
| End of period   | \$ 1,390,530,630  | \$ 1,405,733,067                   | \$ 893,988,252  | \$ 876,409,041                     |
| Undistributed (accumulated) net investment income (loss), net of income taxes, end of period            | \$ (196,538,366)  | \$ (169,190,641)                   | \$ (108,006,056)  | \$ (95,907,341)                    |
| <b>Transactions in common shares</b>  |   |                                    |   |                                    |
| Shares outstanding at beginning of period   | 48,016,591  | 48,016,591                         | 47,000,211  | 47,000,211                         |
| Shares issued   | 417,888   |                                    |   |                                    |
| Shares outstanding at end of period   | 48,434,479  | 48,016,591                         | 47,000,211  | 47,000,211                         |

See accompanying Notes to Financial Statements.



| Tortoise Pipeline & Energy Fund, Inc.                         |                              | Tortoise Energy Independence Fund, Inc.                       |                              | Tortoise Power and Energy Infrastructure Fund, Inc.           |                              |
|---|------------------------------|---|------------------------------|---|------------------------------|
| Period from December 1, 2015 through May 31, 2016 (unaudited) | Year Ended November 30, 2015 | Period from December 1, 2015 through May 31, 2016 (unaudited) | Year Ended November 30, 2015 | Period from December 1, 2015 through May 31, 2016 (unaudited) | Year Ended November 30, 2015 |
| \$ 450,165  | \$ 2,163,077                 | \$ (438,184)  | \$ (1,385,242)               | \$ 2,542,386  | \$ 6,111,111                 |
| (22,835,374)  | 15,446,400                   | (29,119,489)  | (23,896,492)                 | (4,883,790)   | 5,333,333                    |
| 35,692,784  | (151,609,618)                | 39,008,618  | (54,363,201)                 | 11,634,733  | (60,111,111)                 |
| 13,307,575  | (134,000,141)                | 9,450,945   | (79,644,935)                 | 9,293,329   | (48,555,555)                 |
| (6,776,196)   | (3,400,129)                  | (1,871,796)   | (7,821)                      | (5,474,175)   | (6,333,333)                  |
| (1,387,181)   | (16,131,876)                 | (10,829,766)  | (25,395,303)                 |   | (13,555,555)                 |
| (8,163,377)   | (19,532,005)                 | (12,701,562)  | (25,403,124)                 | (5,474,175)   | (19,888,888)                 |
|   |                              |   |                              |   |                              |
| 5,144,198   | (153,532,146)                | (3,250,617)   | (105,048,059)                | 3,819,154   | (68,444,444)                 |
| 197,442,794   | 350,974,940                  | 225,409,559   | 330,457,618                  | 147,562,678   | 216,000,000                  |
| \$ 202,586,992  | \$ 197,442,794               | \$ 222,158,942  | \$ 225,409,559               | \$ 151,381,832  | \$ 147,562,678               |
|   | \$ 6,326,031                 |   | \$ 2,309,980                 | \$ 1,951,509  | \$ 4,883,298                 |
| 10,016,413  | 10,016,413                   | 14,516,071  | 14,516,071                   | 6,951,333   | 6,951,333                    |
| 10,016,413  | 10,016,413                   | 14,516,071  | 14,516,071                   | 6,951,333   | 6,951,333                    |

See accompanying Notes to Financial Statements.

Tortoise Capital Advisors

**Statements of Cash Flows** (unaudited)

Period from December 1, 2015 through May 31, 2016

|   | Tortoise Energy<br>Infrastructure<br>Corp. | Tortoise MLP<br>Fund, Inc. |
|---|--|----------------------------|
| <b>Cash Flows From Operating Activities</b>                     |  |                            |
| Dividends, distributions and interest received from investments | \$ 91,519,530                              | \$ 53,472,442              |
| Purchases of long-term investments                              | (430,061,719)                              | (285,177,404)              |
| Proceeds from sales of long-term investments                    | 650,373,644                                | 348,820,224                |
| Sales (purchases) of short-term investments, net                | (11,743)                                   | (81,454)                   |
| Call options written, net                                       |  |                            |
| Payments on interest rate swap contracts, net                   | (162,613)                                  |                            |
| Interest received on securities sold, net                       |  |                            |
| Interest expense paid   | (9,074,229)                                | (5,811,193)                |
| Distributions to mandatory redeemable preferred stockholders    | (5,120,655)                                | (2,113,847)                |
| Income taxes paid   | (30,379,229)                               | (211,505)                  |
| Premium on redemption of senior notes                           | (900,000)                                  | (450,000)                  |
| Premium on redemption of mandatory redeemable preferred stock   | (800,000)                                  |                            |
| Operating expenses paid   | (12,907,790)                               | (7,058,797)                |
| Net cash provided by operating activities                       | 252,475,196                                | 101,388,466                |
| <b>Cash Flows From Financing Activities</b>                     |  |                            |
| Advances (repayments) on credit facilities, net                 | 18,000,000                                 | (16,900,000)               |
| Issuance of mandatory redeemable preferred stock                |  | 45,000,000                 |
| Maturity and redemption of mandatory redeemable preferred stock | (130,000,000)                              | (25,000,000)               |
| Issuance of senior notes  |  | 30,000,000                 |
| Maturity and redemption of senior notes                         | (90,000,000)                               | (94,000,000)               |
| Debt issuance costs   | (3,096)                                    | (726,947)                  |
| Issuance of common stock  | 11,354,620                                 |                            |
| Common stock issuance costs                                     | (202,354)                                  | (46,340)                   |
| Distributions paid to common stockholders                       | (61,624,366)                               | (39,715,179)               |
| Net cash used in financing activities                           | (252,475,196)                              | (101,388,466)              |
| Net change in cash  |  |                            |
| Cash beginning of period  |  |                            |
| Cash end of period  | \$   | \$                         |

See accompanying Notes to Financial Statements.

| <b>Tortoise Pipeline<br/>&amp; Energy<br/>Fund, Inc.</b> | <b>Tortoise Energy<br/>Independence<br/>Fund, Inc.</b> | <b>Tortoise Power<br/>and Energy<br/>Infrastructure<br/>Fund, Inc.</b> |
|--|--|--|
| \$ 7,226,131   | \$ 3,324,196   | \$ 6,654,129   |
| (52,722,602)   | (36,440,373)   | (26,740,238)   |
| 77,464,067   | 45,037,070   | 24,226,274   |
| 212,572  | (98,230)   | 84,333   |
| 638,589  | 2,073,288  | (154,175)  |
| (828,038)  | (368,485)  | 75,425   |
| (343,200)  |  | (290,251)  |
| (100,000)  |  |  |
| (1,584,142)  | (1,625,904)  | (1,181,322)  |
| 29,963,377   | 11,901,562   | 2,674,175  |
| (1,800,000)  | 800,000  | 2,800,000  |
| (20,000,000)   |  |  |
| (8,163,377)  | (12,701,562)   | (5,474,175)  |
| (29,963,377)   | (11,901,562)   | (2,674,175)  |
| \$   | \$   | \$   |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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**Statements of Cash Flows** (unaudited) (continued)

Period from December 1, 2015 through May 31, 2016

|   | Tortoise Energy<br>Infrastructure<br>Corp. | Tortoise MLP<br>Fund, Inc. |
|---|--|----------------------------|
| <b>Reconciliation of net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities</b>  |  |                            |
| Net increase in net assets applicable to common stockholders resulting from operations  | \$ 37,010,185                              | \$ 57,340,730              |
| Adjustments to reconcile net increase in net assets applicable to common stockholders resulting from operations to net cash provided by operating activities: |  |                            |
| Purchases of long-term investments  | (445,939,872)                              | (294,276,463)              |
| Proceeds from sales of long-term investments  | 671,697,072                                | 359,044,048                |
| Sales (purchases) of short-term investments, net  | (11,743)                                   | (81,454)                   |
| Call options written, net   |  |                            |
| Return of capital on distributions received   | 100,119,170                                | 55,849,699                 |
| Deferred tax benefit (expense)  | (18,607,791)                               | 34,283,345                 |
| Net unrealized (appreciation) depreciation  | 39,235,641                                 | (96,742,850)               |
| Amortization of market premium, net   |  |                            |
| Net realized (gain) loss  | (139,832,921)                              | (12,510,068)               |
| Amortization of debt issuance costs   | 2,635,812                                  | 213,380                    |
| Changes in operating assets and liabilities:  |  |                            |
| (Increase) decrease in dividends, distributions and interest receivable from investments  | (350,279)                                  | (197,257)                  |
| (Increase) decrease in receivable for investments sold  | (21,323,428)                               | (10,223,824)               |
| (Increase) decrease in prepaid expenses and other assets  | 30,271                                     | (55,934)                   |
| Increase in payable for investments purchased   | 15,878,153                                 | 9,099,059                  |
| Decrease in payable to Adviser, net of fees waived  | (771,387)                                  | (125,316)                  |
| Increase (decrease) in current tax liability  | 13,362,971                                 | (211,505)                  |
| Increase (decrease) in accrued expenses and other liabilities   | (656,658)                                  | (17,124)                   |
| Total adjustments   | 215,465,011                                | 44,047,736                 |
| Net cash provided by operating activities   | \$ 252,475,196                             | \$ 101,388,466             |

See accompanying Notes to Financial Statements.

| Tortoise Pipeline<br>& Energy<br>Fund, Inc. | Tortoise Energy<br>Independence<br>Fund, Inc. | Tortoise Power<br>and Energy<br>Infrastructure<br>Fund, Inc. |
|---|---|--|
| \$ 13,307,575                               | \$ 9,450,945                                  | \$ 9,293,329   |
| (53,028,713)                                | (36,440,373)                                  | (26,973,731)   |
| 77,807,510                                  | 45,026,954                                    | 24,706,868   |
| 212,572                                     | (98,230)                                      | 84,333   |
| 638,589                                     | 2,073,288                                     |  |
| 4,026,825                                   | 1,833,936                                     | 2,461,668  |
| (35,692,784)                                | (39,008,618)                                  | (11,634,733)   |
| 22,835,374                                  | 29,119,489                                    | 205,580  |
| 65,386                                      |   | 4,729,615  |
| 12,190                                      | 14,820  | 74,198   |
| (343,443)                                   | 10,116  | (480,594)  |
| (25,022)                                    | (39,250)                                      | (31,834)   |
| 306,111                                     |   | 233,493  |
| (80,487)                                    | (46,961)                                      | (20,388)   |
| (78,306)                                    | 5,446   | 26,371   |
| 16,655,802                                  | 2,450,617                                     | (6,619,154)  |
| \$ 29,963,377                               | \$ 11,901,562                                 | \$ 2,674,175   |

See accompanying Notes to Financial Statements.

**Tortoise Capital Advisors**

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## TYG Financial Highlights

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Year<br>Nov |
|--|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-------------|
| <b>Per Common Share Data<sup>(1)</sup></b>   |  |                                    |                                    |                                    |                                    |             |
| Net Asset Value, beginning of period   | \$ 29.28   | \$ 49.34                           | \$ 43.36                           | \$ 36.06                           | \$ 33.37                           | \$          |
| Income (Loss) from Investment Operations   |  |                                    |                                    |                                    |                                    |             |
| Net investment loss <sup>(2)</sup>   | (0.57)   | (0.62)                             | (0.66)                             | (0.73)                             | (0.64)                             |             |
| Net realized and unrealized gain (loss)<br>on investments and interest rate<br>swap contracts <sup>(2)</sup> | 1.30   | (16.85)                            | 9.01                               | 10.27                              | 5.51                               |             |
| Total income (loss) from investment<br>operations  | 0.73   | (17.47)                            | 8.35                               | 9.54                               | 4.87                               |             |
| Distributions to Common Stockholders   |  |                                    |                                    |                                    |                                    |             |
| Return of capital  | (1.31)   | (2.59)                             | (2.38)                             | (2.29)                             | (2.25)                             |             |
| Capital Stock Transactions   |  |                                    |                                    |                                    |                                    |             |
| Premiums less underwriting discounts<br>and offering costs on issuance of<br>common stock <sup>(3)</sup>     | 0.01   | (0.00)                             | 0.01                               | 0.05                               | 0.07                               |             |
| Net Asset Value, end of period   | \$ 28.71   | \$ 29.28                           | \$ 49.34                           | \$ 43.36                           | \$ 36.06                           | \$          |
| Per common share market value,<br>end of period  | \$ 27.90   | \$ 26.57                           | \$ 46.10                           | \$ 49.76                           | \$ 39.17                           | \$          |
| Total investment return based on<br>market value <sup>(4)(5)</sup>   | 10.00 %  | (37.86)%                           | (2.54)%                            | 33.77 %                            | 5.62 %                             |             |
| <b>Supplemental Data and Ratios</b>  |  |                                    |                                    |                                    |                                    |             |
| Net assets applicable to common<br>stockholders, end of period (000 s)                                       | \$ 1,390,531   | \$ 1,405,733                       | \$ 2,369,068                       | \$ 1,245,761                       | \$ 1,020,421                       | \$          |
| Average net assets (000 s)   | \$ 1,246,549   | \$ 1,974,038                       | \$ 1,837,590                       | \$ 1,167,339                       | \$ 989,745                         | \$          |
| Ratio of Expenses to Average Net Assets <sup>(6)</sup>   |  |                                    |                                    |                                    |                                    |             |
| Advisory fees  | 1.78 %   | 1.76 %                             | 1.65 %                             | 1.61 %                             | 1.60 %                             |             |
| Other operating expenses   | 0.15   | 0.10                               | 0.13                               | 0.12                               | 0.13                               |             |
| Total operating expenses,<br>before fee waiver   | 1.93   | 1.86                               | 1.78                               | 1.73                               | 1.73                               |             |
| Fee waiver <sup>(7)</sup>  | (0.01)   |                                    | (0.00)                             | (0.00)                             | (0.01)                             |             |
| Total operating expenses   | 1.92   | 1.86                               | 1.78                               | 1.73                               | 1.72                               |             |
| Leverage expenses  | 2.90   | 1.75                               | 1.38                               | 1.59                               | 1.67                               |             |
| Income tax expense (benefit) <sup>(8)</sup>  | 4.03   | (24.50)                            | 7.81                               | 14.05                              | 8.37                               |             |
| Total expenses   | 8.85 %   | (20.89)%                           | 10.97 %                            | 17.37 %                            | 11.76 %                            |             |

See accompanying Notes to Financial Statements.

|   | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Year Ended<br>November 30,<br>2011 |
|---|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Ratio of net investment loss to average net assets before fee waiver <sup>(6)</sup>                           | (4.40)%  | (1.50)%                            | (1.33)%                            | (1.78)%                            | (1.82)%                            | (2.32)%                            |
| Ratio of net investment loss to average net assets after fee waiver <sup>(6)</sup>                            | (4.39)%  | (1.50)%                            | (1.33)%                            | (1.78)%                            | (1.81)%                            | (2.31)%                            |
| Portfolio turnover rate <sup>(4)</sup>  | 17.97 %  | 12.94 %                            | 15.33 %                            | 13.40 %                            | 12.86 %                            | 17.70 %                            |
| Credit facility borrowings, end of period (000 s)   | \$ 84,000  | \$ 66,000                          | \$ 162,800                         | \$ 27,600                          | \$ 63,400                          | \$ 47,900                          |
| Senior notes, end of period (000 s)   | \$ 455,000   | \$ 545,000                         | \$ 544,400                         | \$ 300,000                         | \$ 194,975                         | \$ 194,975                         |
| Preferred stock, end of period (000 s)  | \$ 165,000   | \$ 295,000                         | \$ 224,000                         | \$ 80,000                          | \$ 73,000                          | \$ 73,000                          |
| Per common share amount of senior notes outstanding, end of period  | \$ 9.39  | \$ 11.35                           | \$ 11.34                           | \$ 10.44                           | \$ 6.89                            | \$ 7.03                            |
| Per common share amount of net assets, excluding senior notes, end of period                                  | \$ 38.10   | \$ 40.63                           | \$ 60.68                           | \$ 53.80                           | \$ 42.95                           | \$ 40.40                           |
| Asset coverage, per \$1,000 of principal amount of senior notes and credit facility borrowings <sup>(9)</sup> | \$ 3,886   | \$ 3,784                           | \$ 4,667                           | \$ 5,047                           | \$ 5,232                           | \$ 5,111                           |
| Asset coverage ratio of senior notes and credit facility borrowings <sup>(9)</sup>                            | 389 %  | 378 %                              | 467 %                              | 505 %                              | 523 %                              | 511 %                              |
| Asset coverage, per \$10 liquidation value per share of mandatory redeemable preferred stock <sup>(10)</sup>  | \$ 30  | \$ 26                              | \$ 35                              | \$ 41                              | \$ 41                              | \$ 39                              |
| Asset coverage ratio of preferred stock <sup>(10)</sup>   | 298 %  | 255 %                              | 354 %                              | 406 %                              | 408 %                              | 393 %                              |

(1) Information presented relates to a share of common stock outstanding for the entire period.

(2) The per common share data for the years ended November 30, 2015, 2014, 2013, 2012 and 2011 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.

(3) Represents the premium on the shelf offerings of \$0.01 per share, less the underwriting and offering costs of less than \$0.01 per share for the period from December 1, 2015 through May 31, 2016. Represents underwriting and offering costs of less than \$0.01 per share for the year ended November 30, 2015. Represents the premium on the shelf offerings of \$0.02 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2014. Represents the premium on the shelf offerings of \$0.06 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2013. Represents the premium on the shelf offerings of \$0.08 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2012. Represents the premium on the shelf offerings of \$0.09 per share, less the underwriting and offering costs of \$0.01 per share for the year ended November 30, 2011.

(4) Not annualized for periods less than one full year.

(5) Total investment return is calculated assuming a purchase of common stock at the beginning of the period and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to TYG's dividend reinvestment plan.

(6) Annualized for periods less than one full year.

(7) Less than 0.01% for the years ended November 30, 2014 and 2013.

(8) For the period from December 1, 2015 through May 31, 2016, TYG accrued \$43,742,200 for current income tax expense and \$18,607,791 for net deferred income tax benefit. For the year ended November 30, 2015, TYG accrued \$66,785,732 for net current income tax expense and \$550,449,662 for net deferred income tax benefit. For the year ended November 30, 2014, TYG accrued \$52,981,532 for current income tax expense and \$90,477,388 for net deferred income tax expense. For the year ended November 30, 2013, TYG accrued \$23,290,478 for net current income tax expense and \$140,745,675 for net deferred income tax expense. For the year ended November 30, 2012, TYG accrued \$16,189,126 for current income tax expense and \$66,613,182 for net deferred income tax expense. For the year ended November 30, 2011, TYG accrued \$8,950,455 for current income tax expense and \$33,248,897 for net deferred income tax expense.

(9) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes and credit facility borrowings outstanding at the end of the period.

(10) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes, credit facility borrowings and preferred stock outstanding at the end of the period.

See accompanying Notes to Financial Statements.





## NTG Financial Highlights

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Year E<br>Novem<br>2011 |
|--|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-------------------------|
| <b>Per Common Share Data<sup>(1)</sup></b>   |  |                                    |                                    |                                    |                                    |                         |
| Net Asset Value, beginning of period   | \$ 18.65   | \$ 29.83                           | \$ 28.00                           | \$ 24.50                           | \$ 24.54                           | \$                      |
| <b>Income (Loss) from Investment Operations</b>  |  |                                    |                                    |                                    |                                    |                         |
| Net investment loss <sup>(2)</sup>   | (0.26)   | (0.32)                             | (0.54)                             | (0.42)                             | (0.40)                             |                         |
| Net realized and unrealized gain (loss)<br>on investments <sup>(2)</sup>                                 | 1.48   | (9.17)                             | 4.06                               | 5.59                               | 2.02                               |                         |
| Total income (loss) from investment<br>operations  | 1.22   | (9.49)                             | 3.52                               | 5.17                               | 1.62                               |                         |
| <b>Distributions to Common Stockholders</b>  |  |                                    |                                    |                                    |                                    |                         |
| Return of capital  | (0.85)   | (1.69)                             | (1.69)                             | (1.67)                             | (1.66)                             |                         |
| <b>Capital stock transactions</b>  |  |                                    |                                    |                                    |                                    |                         |
| Premiums less underwriting discounts<br>and offering costs on issuance of<br>common stock <sup>(3)</sup> | (0.00)   | (0.00)                             |                                    | 0.00                               | 0.00                               |                         |
| Net Asset Value, end of period   | \$ 19.02   | \$ 18.65                           | \$ 29.83                           | \$ 28.00                           | \$ 24.50                           | \$                      |
| Per common share market value,<br>end of period  | \$ 17.82   | \$ 16.18                           | \$ 27.97                           | \$ 27.22                           | \$ 24.91                           | \$                      |
| Total investment return based on<br>market value <sup>(4)(5)</sup>                                       | 15.55 %  | (37.08)%                           | 9.08 %                             | 16.27 %                            | 7.14 %                             |                         |
| <b>Supplemental Data and Ratios</b>  |  |                                    |                                    |                                    |                                    |                         |
| Net assets applicable to common<br>stockholders, end of period (000 s)                                   | \$ 893,988   | \$ 876,409                         | \$ 1,401,926                       | \$ 1,315,866                       | \$ 1,140,635                       | \$ 1,12                 |
| Average net assets (000 s)   | \$ 801,920   | \$ 1,174,085                       | \$ 1,404,751                       | \$ 1,274,638                       | \$ 1,157,421                       | \$ 1,14                 |
| <b>Ratio of Expenses to Average Net Assets<sup>(6)</sup></b>   |  |                                    |                                    |                                    |                                    |                         |
| Advisory fees  | 1.55 %   | 1.56 %                             | 1.48 %                             | 1.38 %                             | 1.34 %                             |                         |
| Other operating expenses   | 0.16   | 0.12                               | 0.10                               | 0.10                               | 0.10                               |                         |
| Total operating expenses,<br>before fee waiver   | 1.71   | 1.68                               | 1.58                               | 1.48                               | 1.44                               |                         |
| Fee waiver   | (0.01)   | (0.09)                             | (0.16)                             | (0.23)                             | (0.28)                             |                         |
| Total operating expenses   | 1.70   | 1.59                               | 1.42                               | 1.25                               | 1.16                               |                         |
| Leverage expenses  | 2.15   | 1.42                               | 1.09                               | 1.08                               | 1.20                               |                         |
| Income tax expense (benefit) <sup>(7)</sup>  | 8.55   | (21.92)                            | 7.04                               | 11.09                              | 3.86                               |                         |
| Total expenses   | 12.40 %  | (18.91)%                           | 9.55 %                             | 13.42 %                            | 6.22 %                             |                         |

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

|   | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Year Ended<br>November 30,<br>2011 |
|---|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Ratio of net investment loss to average net assets before fee waiver <sup>(6)</sup>                           | (3.03)%  | (1.36)%                            | (1.97)%                            | (1.76)%                            | (1.88)%                            | (1.69)%                            |
| Ratio of net investment loss to average net assets after fee waiver <sup>(6)</sup>                            | (3.02)%  | (1.27)%                            | (1.81)%                            | (1.53)%                            | (1.60)%                            | (1.37)%                            |
| Portfolio turnover rate <sup>(4)</sup>  | 21.34 %  | 17.54 %                            | 18.09 %                            | 13.42 %                            | 15.14 %                            | 19.57 %                            |
| Credit facility borrowings,<br>end of period (000 s)  | \$ 45,900  | \$ 62,800                          | \$ 68,900                          | \$ 27,200                          | \$ 23,900                          | \$ 10,100                          |
| Senior notes, end of period (000 s)   | \$ 284,000   | \$ 348,000                         | \$ 348,000                         | \$ 255,000                         | \$ 255,000                         | \$ 255,000                         |
| Preferred stock, end of period (000 s)  | \$ 110,000   | \$ 90,000                          | \$ 90,000                          | \$ 90,000                          | \$ 90,000                          | \$ 90,000                          |
| Per common share amount of senior notes outstanding, end of period  | \$ 6.04  | \$ 7.40                            | \$ 7.40                            | \$ 5.43                            | \$ 5.48                            | \$ 5.55                            |
| Per common share amount of net assets, excluding senior notes, end of period                                  | \$ 25.06   | \$ 26.05                           | \$ 37.23                           | \$ 33.43                           | \$ 29.98                           | \$ 30.09                           |
| Asset coverage, per \$1,000 of principal amount of senior notes and credit facility borrowings <sup>(8)</sup> | \$ 4,043   | \$ 3,353                           | \$ 4,579                           | \$ 5,982                           | \$ 5,412                           | \$ 5,593                           |
| Asset coverage ratio of senior notes and credit facility borrowings <sup>(8)</sup>                            | 404 %  | 335 %                              | 458 %                              | 598 %                              | 541 %                              | 559 %                              |
| Asset coverage, per \$25 liquidation value per share of mandatory redeemable preferred stock <sup>(9)</sup>   | \$ 76  | \$ 69                              | \$ 94                              | \$ 113                             | \$ 102                             | \$ 104                             |
| Asset coverage ratio of preferred stock <sup>(9)</sup>  | 303 %  | 275 %                              | 377 %                              | 454 %                              | 409 %                              | 418 %                              |

(1) Information presented relates to a share of common stock outstanding for the entire period.

(2) The per common share data for the years ended November 30, 2015, 2014, 2013, 2012 and 2011 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.

(3) Represents underwriting and offering costs of less than \$0.01 per share for the period from December 1, 2015 through May 31, 2016. Represents underwriting and offering costs of less than \$0.01 per share for the year ended November 30, 2015. Represents the premiums on the shelf offerings of less than \$0.01 per share, less the underwriter discount and offering costs of less than \$0.01 per share for the years ended November 30, 2013 and 2012.

(4) Not annualized for periods less than one full year.

(5) Total investment return is calculated assuming a purchase of common stock at the beginning of the period and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). This calculation also assumes reinvestment of distributions at actual prices pursuant to NTG's dividend reinvestment plan.

(6) Annualized for periods less than one full year.

(7) For the period from December 1, 2015 through May 31, 2016, NTG accrued \$34,283,345 for net deferred income tax expense. For the year ended November 30, 2015, NTG accrued \$200,550 for current income tax expense and \$257,585,058 for net deferred income tax benefit. For the year ended November 30, 2014, NTG accrued \$581,000 for current income tax expense and \$98,329,597 for net deferred income tax expense. For the year ended November 30, 2013, NTG accrued \$141,332,523 for net deferred income tax expense. For the year ended November 30, 2012, NTG accrued \$44,677,351 for net deferred income tax expense. For the year ended November 30, 2011, NTG accrued \$20,589 for current income tax benefit and \$35,466,770 for net deferred income tax expense.

(8) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes and credit facility borrowings outstanding at the end of the period.

(9) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes, credit facility borrowings and preferred stock outstanding at the end of the period.

See accompanying Notes to Financial Statements.



## TTP Financial Highlights

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Period from<br>October 31, 2011<br>through<br>November 30,<br>2011 |
|--|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--|
| <b>Per Common Share Data<sup>(2)</sup></b>   |  |                                    |                                    |                                    |                                    |  |
| Net Asset Value, beginning of period   | \$ 19.71   | \$ 35.04                           | \$ 30.33                           | \$ 25.24                           | \$ 24.42                           | \$ 25.24   |
| Public offering price  |  |                                    |                                    |                                    |                                    | 25.24  |
| Income (Loss) from Investment Operations   |  |                                    |                                    |                                    |                                    |  |
| Net investment income (loss) <sup>(3)</sup>  | 0.05   | 0.22                               | 0.08                               | 0.10                               | 0.12                               | (0.01)   |
| Net realized and unrealized gain (loss) <sup>(3)</sup>                               | 1.29   | (13.60)                            | 6.26                               | 6.62                               | 2.33                               | 0.00   |
| Total income (loss) from investment operations                                       | 1.34   | (13.38)                            | 6.34                               | 6.72                               | 2.45                               | 0.00   |
| Distributions to Common Stockholders   |  |                                    |                                    |                                    |                                    |  |
| Net investment income  | (0.68)   | (0.34)                             | (0.02)                             | (0.57)                             | (0.24)                             |  |
| Net realized gain  |  | (1.61)                             | (1.61)                             | (1.03)                             | (1.07)                             |  |
| Return of capital  | (0.14)   |                                    |                                    | (0.03)                             | (0.32)                             |  |
| Total distributions to common stockholders   | (0.82)   | (1.95)                             | (1.63)                             | (1.63)                             | (1.63)                             |  |
| Underwriting discounts and offering costs on issuance of common stock <sup>(4)</sup> |  |                                    |                                    |                                    |                                    | (1.63)   |
| Net Asset Value, end of period   | \$ 20.23   | \$ 19.71                           | \$ 35.04                           | \$ 30.33                           | \$ 25.24                           | \$ 24.42   |
| Per common share market value, end of period   | \$ 17.37   | \$ 17.47                           | \$ 32.50                           | \$ 28.11                           | \$ 24.15                           | \$ 25.24   |
| Total investment return based on market value <sup>(5)(6)</sup>                      | 4.66 %   | (41.19)%                           | 21.68 %                            | 23.44 %                            | 3.18 %                             | 0.00 %   |
| <b>Supplemental Data and Ratios</b>  |  |                                    |                                    |                                    |                                    |  |
| Net assets applicable to common stockholders, end of period (000 s)                  | \$ 202,587   | \$ 197,443                         | \$ 350,975                         | \$ 303,797                         | \$ 252,508                         | \$ 244,200   |
| Average net assets (000 s)   | \$ 163,026   | \$ 292,473                         | \$ 357,486                         | \$ 289,876                         | \$ 253,815                         | \$ 237,400   |
| Ratio of Expenses to Average Net Assets <sup>(7)</sup>                               |  |                                    |                                    |                                    |                                    |  |
| Advisory fees  | 1.55 %   | 1.44 %                             | 1.37 %                             | 1.42 %                             | 1.44 %                             | 1.44 %   |
| Other operating expenses   | 0.34   | 0.22                               | 0.18                               | 0.19                               | 0.21                               | 0.21   |
| Total operating expenses, before fee waiver  | 1.89   | 1.66                               | 1.55                               | 1.61                               | 1.65                               | 1.65   |
| Fee waiver   | (0.08)   | (0.14)                             | (0.19)                             | (0.26)                             | (0.33)                             | (0.33)   |
| Total operating expenses   | 1.81   | 1.52                               | 1.36                               | 1.35                               | 1.32                               | 1.32   |
| Leverage expenses  | 1.55   | 0.93                               | 0.75                               | 0.90                               | 1.03                               | 1.03   |
| Total expenses   | 3.36 %   | 2.45 %                             | 2.11 %                             | 2.25 %                             | 2.35 %                             | 2.35 %   |

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

|   | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Period from<br>October 31,<br>2011<br>through<br>November 30,<br>2011 |
|---|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|---|
| Ratio of net investment income (loss) to average net assets before fee waiver <sup>(7)</sup>                  | 0.47 %   | 0.60 %                             | 0.02 %                             | 0.08 %                             | 0.16 %                             |   |
| Ratio of net investment income (loss) to average net assets after fee waiver <sup>(7)</sup>                   | 0.55 %   | 0.74 %                             | 0.21 %                             | 0.34 %                             | 0.49 %                             |   |
| Portfolio turnover rate <sup>(5)</sup>  | 21.69 %  | 18.84 %                            | 18.45 %                            | 31.43 %                            | 34.65 %                            |   |
| Credit facility borrowings, end of period (000 s)   | \$ 15,100  | \$ 16,900                          | \$ 26,000                          | \$ 22,200                          | \$ 16,600                          |   |
| Senior notes, end of period (000 s)   | \$ 34,000  | \$ 54,000                          | \$ 49,000                          | \$ 49,000                          | \$ 49,000                          | \$  |
| Preferred stock, end of period (000 s)  | \$ 16,000  | \$ 16,000                          | \$ 16,000                          | \$ 16,000                          | \$ 16,000                          | \$  |
| Per common share amount of senior notes outstanding, end of period  | \$ 3.39  | \$ 5.39                            | \$ 4.89                            | \$ 4.89                            | \$ 4.90                            | \$  |
| Per common share amount of net assets, excluding senior notes, end of period                                  | \$ 23.62   | \$ 25.10                           | \$ 39.93                           | \$ 35.22                           | \$ 30.14                           | \$  |
| Asset coverage, per \$1,000 of principal amount of senior notes and credit facility borrowings <sup>(8)</sup> | \$ 5,452   | \$ 4,010                           | \$ 5,893                           | \$ 5,492                           | \$ 5,093                           | \$  |
| Asset coverage ratio of senior notes and credit facility borrowings <sup>(8)</sup>                            | 545 %  | 401 %                              | 589 %                              | 549 %                              | 509 %                              |   |
| Asset coverage, per \$25 liquidation value per share of mandatory redeemable preferred stock <sup>(9)</sup>   | \$ 103   | \$ 82                              | \$ 121                             | \$ 112                             | \$ 102                             | \$  |
| Asset coverage ratio of preferred stock <sup>(9)</sup>  | 411 %  | 327 %                              | 486 %                              | 448 %                              | 409 %                              |   |

(1) Commencement of operations.

(2) Information presented relates to a share of common stock outstanding for the entire period.

The per common share data for the years ended November 30, 2015, 2014, 2013 and 2012 and the period from October 31, 2011 through

(3) November 30, 2011 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.

(4) Represents the dilution per common share from underwriting and other offering costs for the period from October 31, 2011 through November 30, 2011.

(5) Not annualized for periods less than one full year.

Total investment return is calculated assuming a purchase of common stock at the beginning of the period (or initial public offering price) and a

(6) sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to TTP's dividend reinvestment plan.

(7) Annualized for periods less than one full year.

(8) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes and credit facility borrowings outstanding at the end of the period.

(9) Represents value of total assets less all liabilities and indebtedness not represented by senior notes, credit facility borrowings and preferred stock at the end of the period divided by senior notes, credit facility borrowings and preferred stock outstanding at the end of the period.

See accompanying Notes to Financial Statements.

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## NDP Financial Highlights

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Period from<br>July 31, 2012<br>through<br>November 30,<br>2012 |
|--|--|------------------------------------|------------------------------------|------------------------------------|---|
| <b>Per Common Share Data<sup>(2)</sup></b>   |  |                                    |                                    |                                    |   |
| Net Asset Value, beginning of period   | \$ 15.53   | \$ 22.76                           | \$ 26.49                           | \$ 22.73                           | \$ 25.00  |
| Public offering price  |  |                                    |                                    |                                    | 25.00   |
| Income (Loss) from Investment Operations   |  |                                    |                                    |                                    |   |
| Net investment income (loss) <sup>(3)</sup>  | (0.03)   | (0.10)                             | (0.12)                             | 0.01                               | 0.04  |
| Net realized and unrealized gain (loss) <sup>(3)</sup>                               | 0.68   | (5.38)                             | (1.86)                             | 5.50                               | (0.65)  |
| Total income (loss) from investment operations                                       | 0.65   | (5.48)                             | (1.98)                             | 5.51                               | (0.61)  |
| Distributions to Common Stockholders   |  |                                    |                                    |                                    |   |
| Net investment income <sup>(4)</sup>   | (0.13)   | (0.00)                             | (0.00)                             | (0.27)                             | (0.03)  |
| Net realized gain  |  |                                    | (1.66)                             | (1.42)                             | (0.36)  |
| Return of capital  | (0.75)   | (1.75)                             | (0.09)                             | (0.06)                             | (0.05)  |
| Total distributions to common stockholders   | (0.88)   | (1.75)                             | (1.75)                             | (1.75)                             | (0.44)  |
| Underwriting discounts and offering costs on issuance of common stock <sup>(5)</sup> |  |                                    |                                    |                                    | (1.22)  |
| Net Asset Value, end of period   | \$ 15.30   | \$ 15.53                           | \$ 22.76                           | \$ 26.49                           | \$ 22.73  |
| Per common share market value, end of period   | \$ 13.71   | \$ 13.18                           | \$ 21.29                           | \$ 24.08                           | \$ 22.33  |
| Total investment return based on market value <sup>(6)(7)</sup>                      | 11.67 %  | (31.05)%                           | (5.16)%                            | 15.83 %                            | (8.89)  |
| <b>Supplemental Data and Ratios</b>  |  |                                    |                                    |                                    |   |
| Net assets applicable to common stockholders, end of period (000 s)                  | \$ 222,159   | \$ 225,410                         | \$ 330,458                         | \$ 384,471                         | \$ 329,676  |
| Average net assets (000 s)   | \$ 189,458   | \$ 288,672                         | \$ 413,380                         | \$ 366,900                         | \$ 334,232  |
| Ratio of Expenses to Average Net Assets <sup>(8)</sup>                               |  |                                    |                                    |                                    |   |
| Advisory fees  | 1.45 %   | 1.33 %                             | 1.25 %                             | 1.25 %                             | 1.18  |
| Other operating expenses   | 0.31   | 0.21                               | 0.16                               | 0.16                               | 0.20  |
| Total operating expenses, before fee waiver  | 1.76   | 1.54                               | 1.41                               | 1.41                               | 1.38  |
| Fee waiver   | (0.13)   | (0.13)                             | (0.17)                             | (0.17)                             | (0.16)  |
| Total operating expenses   | 1.63   | 1.41                               | 1.24                               | 1.24                               | 1.22  |
| Leverage expenses  | 0.39   | 0.21                               | 0.14                               | 0.16                               | 0.10  |
| Total expenses   | 2.02 %   | 1.62 %                             | 1.38 %                             | 1.40 %                             | 1.32  |

See accompanying Notes to Financial Statements.

2016 2nd Quarter Report | May 31, 2016

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Period from<br>July 31, 2012<br>through<br>November 30,<br>2012 |
|--|--|------------------------------------|------------------------------------|------------------------------------|---|
| Ratio of net investment income (loss) to average net assets before fee waiver <sup>(8)</sup> | (0.59)%  | (0.61)%                            | (0.61)%                            | (0.13)%                            | 0.38%   |
| Ratio of net investment income (loss) to average net assets after fee waiver <sup>(8)</sup>  | (0.46)%  | (0.48)%                            | (0.44)%                            | 0.04 %                             | 0.51%   |
| Portfolio turnover rate <sup>(6)</sup>   | 13.88 %  | 15.63 %                            | 43.21 %                            | 45.56 %                            | 15.63 %   |
| Credit facility borrowings, end of period (000 s)  | \$ 62,600  | \$ 61,800                          | \$ 56,200                          | \$ 56,300                          | \$ 49,000   |
| Asset coverage, per \$1,000 of principal amount of credit facility borrowings <sup>(9)</sup> | \$ 4,549   | \$ 4,647                           | \$ 6,880                           | \$ 7,829                           | \$ 7,729  |
| Asset coverage ratio of credit facility borrowings <sup>(9)</sup>                            | 455 %  | 465 %                              | 688 %                              | 783 %                              | 773 %   |

- (1) Commencement of operations.
- (2) Information presented relates to a share of common stock outstanding for the entire period.
- (3) The per common share data for the years ended November 30, 2015, 2014 and 2013 and the period from July 31, 2012 through November 30, 2012 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.
- (4) Less than \$0.01 for the years ended November 30, 2015 and 2014.
- (5) Represents the dilution per common share from underwriting and other offering costs for the period from July 31, 2012 through November 30, 2012.
- (6) Not annualized for periods less than one full year.
- (7) Total investment return is calculated assuming a purchase of common stock at the beginning of the period (or initial public offering price) and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to NDP's dividend reinvestment plan.
- (8) Annualized for periods less than one full year.
- (9) Represents value of total assets less all liabilities and indebtedness not represented by credit facility borrowings at the end of the period divided by credit facility borrowings outstanding at the end of the period.

See accompanying Notes to Financial Statements.

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## TPZ Financial Highlights

|  | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year Ended<br>November 30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year Ended<br>November 30,<br>2012 | Year E<br>Novem<br>2011 |
|--|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|-------------------------|
| <b>Per Common Share Data<sup>(1)</sup></b>                         |  |                                    |                                    |                                    |                                    |                         |
| Net Asset Value, beginning of period                               | \$ 21.23   | \$ 31.08                           | \$ 28.12                           | \$ 26.76                           | \$ 25.37                           | \$                      |
| Income (loss) from Investment Operations                           |  |                                    |                                    |                                    |                                    |                         |
| Net investment income <sup>(2)</sup>                               | 0.37   | 0.88                               | 0.81                               | 0.76                               | 0.72                               |                         |
| Net realized and unrealized gain (loss) <sup>(2)</sup>             | 0.97   | (7.87)                             | 3.65                               | 2.10                               | 2.17                               |                         |
| Total income (loss) from investment operations                     | 1.34   | (6.99)                             | 4.46                               | 2.86                               | 2.89                               |                         |
| Distributions to Common Stockholders                               |  |                                    |                                    |                                    |                                    |                         |
| Net investment income  | (0.79)   | (0.91)                             | (0.90)                             | (0.50)                             | (0.88)                             |                         |
| Net realized gain  |  | (1.95)                             | (0.60)                             | (1.00)                             | (0.62)                             |                         |
| Return of capital  |  |                                    |                                    |                                    |                                    |                         |
| Total distributions to common stockholders                         | (0.79)   | (2.86)                             | (1.50)                             | (1.50)                             | (1.50)                             |                         |
| Net Asset Value, end of period                                     | \$ 21.78   | \$ 21.23                           | \$ 31.08                           | \$ 28.12                           | \$ 26.76                           | \$                      |
| Per common share market value, end of period                       | \$ 18.86   | \$ 18.53                           | \$ 26.90                           | \$ 24.74                           | \$ 25.26                           | \$                      |
| Total investment return based on market value <sup>(3)(4)</sup>    | 6.63 %   | (22.54)%                           | 14.94 %                            | 3.80 %                             | 10.83 %                            |                         |
| Total investment return based on net asset value <sup>(3)(5)</sup> | 7.48 %   | (23.19)%                           | 16.84 %                            | 11.36 %                            | 11.90 %                            |                         |

## Supplemental Data and Ratios

|   |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
| Net assets applicable to common stockholders, end of period (000 s) | \$ 151,382 | \$ 147,563 | \$ 216,048 | \$ 195,484 | \$ 186,034 | \$ 173,400 |
| Average net assets (000 s)  | \$ 131,226 | \$ 187,752 | \$ 208,698 | \$ 193,670 | \$ 182,224 | \$ 173,400 |
| Ratio of Expenses to Average Net Assets <sup>(6)</sup>              |            |            |            |            |            |            |
| Advisory fees   | 1.31 %     | 1.20 %     | 1.12 %     | 1.13 %     | 1.13 %     | 1.13 %     |
| Other operating expenses  | 0.42       | 0.31       | 0.26       | 0.26       | 0.27       | 0.28       |
| Total operating expenses, before fee waiver                         | 1.73       | 1.51       | 1.38       | 1.39       | 1.40       | 1.41       |
| Fee waiver  |            | (0.01)     | (0.07)     | (0.12)     | (0.12)     | (0.18)     |
| Total operating expenses  | 1.73       | 1.50       | 1.31       | 1.27       | 1.28       | 1.23       |
| Leverage expenses   | 0.47       | 0.26       | 0.19       | 0.25       | 0.44       | 0.42       |
| Current foreign tax expense <sup>(7)</sup>                          |            |            |            |            |            | 0.00       |
| Total expenses  | 2.20 %     | 1.76 %     | 1.50 %     | 1.52 %     | 1.72 %     | 1.65 %     |

See accompanying Notes to Financial Statements.



|   | Period from<br>December 1, 2015<br>through<br>May 31,<br>2016<br>(unaudited) | Year<br>Ended<br>November<br>30,<br>2015 | Year Ended<br>November 30,<br>2014 | Year Ended<br>November 30,<br>2013 | Year<br>Ended<br>November<br>30,<br>2012 | Year<br>Ended<br>November<br>30,<br>2011 |
|---|--|--|------------------------------------|------------------------------------|--|--|
| Ratio of net investment income to average net assets before fee waiver <sup>(6)</sup>                         | 3.87 %   | 3.25 %                                   | 2.62 %                             | 2.62 %                             | 2.64 %                                   | 2.70 %                                   |
| Ratio of net investment income to average net assets after fee waiver <sup>(6)</sup>                          | 3.87 %   | 3.26 %                                   | 2.69 %                             | 2.74 %                             | 2.76 %                                   | 2.88 %                                   |
| Portfolio turnover rate <sup>(3)</sup>  | 13.10 %  | 30.99 %                                  | 18.39 %                            | 12.21 %                            | 13.67 %                                  | 8.78 %                                   |
| Credit facility borrowings, end of period (000 s)   | \$ 52,700  | \$ 49,900                                | \$ 42,400                          | \$ 37,400                          | \$ 16,400                                | \$ 13,000                                |
| Senior notes, end of period (000 s)   |  |  |                                    |                                    | \$ 20,000                                | \$ 20,000                                |
| Per common share amount of senior notes outstanding, end of period  |  |  |                                    |                                    | \$ 2.88                                  | \$ 2.88                                  |
| Per common share amount of net assets, excluding senior notes, end of period                                  | \$ 21.78   | \$ 21.23                                 | \$ 31.08                           | \$ 28.12                           | \$ 29.64                                 | \$ 28.25                                 |
| Asset coverage, per \$1,000 of principal amount of senior notes and credit facility borrowings <sup>(8)</sup> | \$ 3,873   | \$ 3,957                                 | \$ 6,095                           | \$ 6,227                           | \$ 6,111                                 | \$ 6,343                                 |
| Asset coverage ratio of senior notes and credit facility borrowings <sup>(8)</sup>                            | 387 %  | 396 %                                    | 610 %                              | 623 %                              | 611 %                                    | 634 %                                    |

(1) Information presented relates to a share of common stock outstanding for the entire period.

(2) The per common share data for the years ended November 30, 2015, 2014, 2013, 2012 and 2011 do not reflect the change in estimate of investment income and return of capital, for the respective year. See Note 2C to the financial statements for further disclosure.

(3) Not annualized for periods less than one full year.

(4) Total investment return is calculated assuming a purchase of common stock at the beginning of the period and a sale at the closing price on the last day of the period reported (excluding brokerage commissions). The calculation also assumes reinvestment of distributions at actual prices pursuant to TPZ's dividend reinvestment plan.

(5) Total investment return is calculated assuming a purchase of common stock at the beginning of period and a sale at net asset value on the last day of the period reported. The calculation also assumes reinvestment of distributions at actual prices pursuant to TPZ's dividend reinvestment plan.

(6) Annualized for periods less than one full year.

(7) TPZ accrued \$0, \$0, \$0, \$0, \$0, and \$4,530 for the period from December 1, 2015 through May 31, 2016 and the years ended November 30, 2015, 2014, 2013, 2012 and 2011, respectively, for current foreign tax expense. Ratio is less than 0.01% for the year ended November 30, 2011.

(8) Represents value of total assets less all liabilities and indebtedness not represented by senior notes and credit facility borrowings at the end of the period divided by senior notes and credit facility borrowings outstanding at the end of the period.

See accompanying Notes to Financial Statements.

## Notes to Financial Statements (unaudited)

May 31, 2016

### 1. General Organization

This report covers the following companies, each of which is listed on the New York Stock Exchange ( NYSE ): Tortoise Energy Infrastructure Corp. ( TYG ), Tortoise MLP Fund, Inc. ( NTG ), Tortoise Pipeline & Energy Fund, Inc. ( TTP ), Tortoise Energy Independence Fund, Inc. ( NDP ), and Tortoise Power and Energy Infrastructure Fund, Inc. ( TPZ ). These companies are individually referred to as a Fund or by their respective NYSE symbols, or collectively as the Funds, and each is a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the 1940 Act ). Each of TYG, NTG, TTP and NDP has a primary investment objective to seek a high level of total return with an emphasis on current distributions. TPZ has a primary investment objective to provide a high level of current income, with a secondary objective of capital appreciation.

### 2. Significant Accounting Policies

The Funds follow accounting and reporting guidance applicable to investment companies under U.S. generally accepted accounting principles ( GAAP ).

#### A. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the amount of income and expenses during the period reported. Actual results could differ from those estimates.

#### B. Security Valuation

In general, and where applicable, the Funds use readily available market quotations based upon the last updated sales price from the principal market to determine fair value. The Funds primarily own securities that are listed on a securities exchange or are traded in the over-the-counter market. The Funds value those securities at their last sale price on that exchange or over-the-counter market on the valuation date. If the security is listed on more than one exchange, the Funds use the price from the exchange that it considers to be the principal exchange on which the security is traded. Securities listed on the NASDAQ are valued at the NASDAQ Official Closing Price, which may not necessarily represent the last sale price. If there has been no sale on such exchange or over-the-counter market on such day, the security is valued at the mean between the last bid price and last ask price on such day. These securities are categorized as Level 1 in the fair value hierarchy as further described below.

Restricted securities are subject to statutory or contractual restrictions on their public resale, which may make it more difficult to obtain a valuation and may limit a Fund's ability to dispose of them. Investments in private placement securities and other securities for which market quotations are not readily available are valued in good faith by using certain fair value procedures. Such fair value procedures consider factors such as discounts to publicly traded issues, time until conversion date, securities with similar yields, quality, type of issue, coupon, duration and rating. If events occur that affect the value of a Fund's portfolio securities before the net asset value has been calculated (a significant event), the portfolio securities so affected are generally priced using fair value procedures.

An equity security of a publicly traded company acquired in a private placement transaction without registration under the Securities Act of 1933, as amended (the 1933 Act), is subject to restrictions on resale that can affect the security's liquidity and fair value. If such a security is convertible into publicly-traded common shares, the security generally will be valued at the common share market price adjusted by a percentage discount due to the restrictions and categorized as Level 2 in the fair value hierarchy. To the extent that such securities are convertible or otherwise become freely tradable within a time frame that may be reasonably determined, an amortization schedule may be used to determine the discount. If the security has characteristics that are dissimilar to the class of security that trades on the open market, the security will generally be valued and categorized as Level 3 in the fair value hierarchy.

Exchange-traded options are valued at the last reported sale price on any exchange on which they trade. If no sales are reported on any exchange on the measurement date, exchange-traded options are valued at the mean between the last highest bid and last lowest asked prices obtained as of the closing of the exchanges on which the option is traded. The value of Flexible Exchange Options (FLEX Options) are determined (i) by an evaluated price as determined by a third-party valuation service; or (ii) by using a quotation provided by a broker-dealer.

The Funds generally value debt securities at evaluated bid prices obtained from an independent third-party valuation service that utilizes a pricing matrix based upon yield data for securities with similar characteristics, or based on a direct written broker-dealer quotation from a dealer who has made a market in the security. Debt securities with 60 days or less to maturity at time of purchase are valued on the basis of amortized cost, which approximates market value.

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Interest rate swap contracts are valued by using industry-accepted models, which discount the estimated future cash flows based on a forward rate curve and the stated terms of the interest rate swap agreement by using interest rates currently available in the market, or based on dealer quotations, if available, and are categorized as Level 2 in the fair value hierarchy.

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**Tortoise Capital Advisors**

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**Notes to Financial Statements** (unaudited) (continued)

Various inputs are used in determining the fair value of the Funds' investments and financial instruments. These inputs are summarized in the three broad levels listed below:

- Level 1 quoted prices in active markets for identical investments
- Level 2 other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)
- Level 3 significant unobservable inputs (including a Fund's own assumptions in determining the fair value of investments)
- The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following tables provide the fair value measurements of applicable assets and liabilities by level within the fair value hierarchy as of May 31, 2016. These assets and liabilities are measured on a recurring basis.

| <b>TYG:</b><br><b>Description</b>          | <b>Level 1</b>          | <b>Level 2</b> | <b>Level 3</b>       | <b>Total</b>            |
|--|-------------------------|----------------|----------------------|-------------------------|
| <b>Assets</b>                              |                         |                |                      |                         |
| Investments:                               |                         |                |                      |                         |
| Common Stock <sup>(a)</sup>                | \$ 16,082,028           | \$             | \$                   | \$ 16,082,028           |
| Master Limited Partnerships <sup>(a)</sup> | 2,498,991,018           |                |                      | 2,498,991,018           |
| Preferred Stock <sup>(a)</sup>             | 15,319,200              |                | 22,871,450           | 38,190,650              |
| Warrants <sup>(a)</sup>                    |                         |                | 8,836,527            | 8,836,527               |
| Short-Term Investment <sup>(b)</sup>       | 135,717                 |                |                      | 135,717                 |
| <b>Total Assets</b>                        | <b>\$ 2,530,527,963</b> | <b>\$</b>      | <b>\$ 31,707,977</b> | <b>\$ 2,562,235,940</b> |

|                              |    |            |    |            |
|------------------------------|----|------------|----|------------|
| <b>Liabilities</b>           |    |            |    |            |
| Interest Rate Swap Contracts | \$ | \$ 665,163 | \$ | \$ 665,163 |

| <b>NTG:</b><br><b>Description</b>          | <b>Level 1</b>          | <b>Level 2</b> | <b>Level 3</b>       | <b>Total</b>            |
|--|-------------------------|----------------|----------------------|-------------------------|
| <b>Assets</b>                              |                         |                |                      |                         |
| Investments:                               |                         |                |                      |                         |
| Common Stock <sup>(a)</sup>                | \$ 24,151,550           | \$             | \$                   | \$ 24,151,550           |
| Master Limited Partnerships <sup>(a)</sup> | 1,421,109,659           |                |                      | 1,421,109,659           |
| Preferred Stock <sup>(a)</sup>             | 7,780,500               |                | 12,878,987           | 20,659,487              |
| Warrants <sup>(a)</sup>                    |                         |                | 4,975,864            | 4,975,864               |
| Short-Term Investment <sup>(b)</sup>       | 145,376                 |                |                      | 145,376                 |
| <b>Total Assets</b>                        | <b>\$ 1,453,187,085</b> | <b>\$</b>      | <b>\$ 17,854,851</b> | <b>\$ 1,471,041,936</b> |

| <b>TTP:</b><br><b>Description</b>                                | <b>Level 1</b>        | <b>Level 2</b> | <b>Level 3</b>      | <b>Total</b>          |
|--|-----------------------|----------------|---------------------|-----------------------|
| <b>Assets</b>  |                       |                |                     |                       |
| Investments:   |                       |                |                     |                       |
| Common Stock <sup>(a)</sup>                                      | \$ 184,321,375        | \$             | \$                  | \$ 184,321,375        |
| Master Limited Partnerships and Related Companies <sup>(a)</sup> | 79,297,905            |                |                     | 79,297,905            |
| Preferred Stock <sup>(a)</sup>                                   | 1,540,500             |                | 2,215,875           | 3,756,375             |
| Warrants <sup>(a)</sup>  |                       |                | 856,106             | 856,106               |
| Short-Term Investment <sup>(b)</sup>                             | 88,741                |                |                     | 88,741                |
| <b>Total Assets</b>  | <b>\$ 265,248,521</b> | <b>\$</b>      | <b>\$ 3,071,981</b> | <b>\$ 268,320,502</b> |

|                      |            |            |    |            |
|----------------------|------------|------------|----|------------|
| <b>Liabilities</b>   |            |            |    |            |
| Written Call Options | \$ 290,904 | \$ 114,574 | \$ | \$ 405,478 |

| <b>NDP:</b><br><b>Description</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>   |
|-----------------------------------|----------------|----------------|----------------|----------------|
| <b>Assets</b>                     |                |                |                |                |
| Investments:                      |                |                |                |                |
| Common Stock <sup>(a)</sup>       | \$ 218,243,485 | \$             | \$             | \$ 218,243,485 |

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|  |                |            |              |                |
|--|----------------|------------|--------------|----------------|
| Master Limited Partnerships and Related Companies <sup>(a)</sup> | 64,403,864     |            |              | 64,403,864     |
| Preferred Stock <sup>(a)</sup>                                   | 1,439,100      |            | 2,099,195    | 3,538,295      |
| Warrants <sup>(a)</sup>  |                |            | 811,043      | 811,043        |
| Short-Term Investment <sup>(b)</sup>                             | 155,942        |            |              | 155,942        |
| Total Assets   | \$ 284,242,391 | \$         | \$ 2,910,238 | \$ 287,152,629 |
| <b>Liabilities</b>   |                |            |              |                |
| Written Call Options   | \$ 1,421,343   | \$ 711,239 | \$           | \$ 2,132,582   |

Tortoise Capital Advisors

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## Notes to Financial Statements (unaudited) (continued)

| TPZ:<br>Description  | Level 1              | Level 2               | Level 3             | Total                 |
|--|----------------------|-----------------------|---------------------|-----------------------|
| <b>Assets</b>  |                      |                       |                     |                       |
| Investments:   |                      |                       |                     |                       |
| Corporate Bonds <sup>(a)</sup>                                   | \$                   | \$ 107,981,974        | \$                  | \$ 107,981,974        |
| Common Stock <sup>(a)</sup>                                      | 30,390,917           |                       |                     | 30,390,917            |
| Master Limited Partnerships and Related Companies <sup>(a)</sup> | 58,725,180           |                       |                     | 58,725,180            |
| Preferred Stock <sup>(a)</sup>                                   | 3,006,668            |                       | 1,771,229           | 4,777,897             |
| Warrants <sup>(a)</sup>  |                      |                       | 684,308             | 684,308               |
| Short-Term Investment <sup>(b)</sup>                             | 45,232               |                       |                     | 45,232                |
| <b>Total Assets</b>  | <b>\$ 92,167,997</b> | <b>\$ 107,981,974</b> | <b>\$ 2,455,537</b> | <b>\$ 202,605,508</b> |
| <b>Liabilities</b>   |                      |                       |                     |                       |
| Interest Rate Swap Contracts                                     | \$                   | \$ 367,035            | \$                  | \$ 367,035            |

(a) All other industry classifications are identified in the Schedule of Investments.

(b) Short-term investment is a sweep investment for cash balances.

The Funds utilize the beginning of reporting period method for determining transfers between levels. During the period ended May 31, 2016, Rice Midstream Partners LP common units held by TYG, NTG, TTP, NDP, and TPZ in the amount of \$10,725,914, \$5,680,382, \$558,987, \$527,870, and \$367,430, respectively, were transferred from Level 2 to Level 1 when they converted into registered and unrestricted common units of Rice Midstream Partners LP. There were no other transfers between levels for the Funds during the period ended May 31, 2016.

The following tables present each Fund's assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the period from December 1, 2015 through May 31, 2016:

| <b>Preferred Stock</b>      | <b>TYG</b>    | <b>NTG</b>    | <b>TTP</b>   | <b>NDP</b>   | <b>TPZ</b>   |
|-----------------------------|---------------|---------------|--------------|--------------|--------------|
| Balance beginning of period | \$            | \$            | \$           | \$           | \$           |
| Purchases                   | 19,265,393    | 10,848,405    | 1,866,506    | 1,768,223    | 1,491,965    |
| Return of capital           | (436,368)     | (245,720)     | (42,277)     | (40,051)     | (33,793)     |
| Sales                       |               |               |              |              |              |
| Total realized gains        |               |               |              |              |              |
| Change in unrealized gains  | 4,042,425     | 2,276,302     | 391,646      | 371,023      | 313,057      |
| Balance end of period       | \$ 22,871,450 | \$ 12,878,987 | \$ 2,215,875 | \$ 2,099,195 | \$ 1,771,229 |

| <b>Warrants</b>             | <b>TYG</b>   | <b>NTG</b>   | <b>TTP</b> | <b>NDP</b> | <b>TPZ</b> |
|-----------------------------|--------------|--------------|------------|------------|------------|
| Balance beginning of period | \$           | \$           | \$         | \$         | \$         |
| Purchases                   | 3,145,347    | 1,771,155    | 304,734    | 288,687    | 243,585    |
| Return of capital           |              |              |            |            |            |
| Sales                       |              |              |            |            |            |
| Total realized gains        |              |              |            |            |            |
| Change in unrealized gains  | 5,691,180    | 3,204,709    | 551,372    | 522,356    | 440,723    |
| Balance end of period       | \$ 8,836,527 | \$ 4,975,864 | \$ 856,106 | \$ 811,043 | \$ 684,308 |

|  | <b>TYG</b>   | <b>NTG</b>   | <b>TTP</b> | <b>NDP</b> | <b>TPZ</b> |
|--|--------------|--------------|------------|------------|------------|
| Change in unrealized gains on investments still held at May 31, 2016 | \$ 9,733,605 | \$ 5,481,011 | \$ 943,018 | \$ 893,379 | \$ 753,780 |

The Funds own units of preferred stock of Targa Resources Corp. that were issued in a private placement transaction that closed on March 16, 2016. The preferred stock provides the purchaser an option to convert into common stock after 12 years. In addition, the preferred stock can be repurchased by the issuer at a price of \$1,100 per share after five years and \$1,050 per share after six years. As part of the transaction, each Fund was issued two classes of warrants. The warrants are restricted from exercise for one year following issuance.

A discounted cash flow model is being utilized to determine fair value and the Funds estimate the discount rate to apply to expected future cash flows. Unobservable inputs used to determine the discount rate include an illiquidity spread due to the shares being issued in the private market and a seniority spread due to the purchased private preferred units being lower in the capital structure than the issuer's public preferred stock. An

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increase (decrease) in the illiquidity spread or seniority spread would lead to a corresponding decrease (increase) in fair value of the preferred stock. An option pricing model is utilized to determine fair value of each class of warrants. In using this methodology, the Funds estimate future volatility of the underlying common stock price. An increase (decrease) in estimated future volatility would lead to a corresponding increase (decrease) in fair value of the warrants.

## Notes to Financial Statements (unaudited) (continued)

The following tables summarize the fair value and significant unobservable inputs that the Funds used to value its portfolio investments categorized as Level 3 as of May 31, 2016:

| Assets at Fair Value | TYG           | NTG           | TTP          | NDP          | TPZ          |
|----------------------|---------------|---------------|--------------|--------------|--------------|
| Preferred Stock      | \$ 22,871,450 | \$ 12,878,987 | \$ 2,215,875 | \$ 2,099,195 | \$ 1,771,229 |
| Warrants             | \$ 8,836,527  | \$ 4,975,864  | \$ 856,106   | \$ 811,043   | \$ 684,308   |

| Assets at Fair Value | Valuation Technique        | Unobservable Input          | Input |
|----------------------|----------------------------|-----------------------------|-------|
| Preferred Stock      | Discounted cash flow model | Illiquidity spread          | 1.25% |
| Preferred Stock      | Discounted cash flow model | Seniority spread            | 0.25% |
| Warrants             | Option pricing model       | Estimated future volatility | 40%   |

## C. Securities Transactions and Investment Income

Securities transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses are reported on an identified cost basis. Interest income is recognized on the accrual basis, including amortization of premiums and accretion of discounts. Dividend income and distributions are recorded on the ex-dividend date. Distributions received from investments generally are comprised of ordinary income and return of capital. The Funds estimate the allocation of distributions between investment income and return of capital at the time such distributions are received based on historical information or regulatory filings. These estimates may subsequently be revised based on actual allocations received from the portfolio companies after their tax reporting periods are concluded, as the actual character of these distributions is not known until after the fiscal year-end of the Funds.

Subsequent to November 30, 2015, the Funds reallocated the amount of investment income and return of capital they recognized for the period from December 1, 2014 through November 30, 2015 based on the 2015 tax reporting information received from the individual MLPs. These reclassifications amounted to:

|            | Increase (Decrease) in Net Investment Income |            | Increase (Decrease) in Unrealized Appreciation |            | Increase (Decrease) in Realized Gains |            |
|------------|--|------------|--|------------|---------------------------------------|------------|
|            | Amount                                       | Per Share  | Amount   | Per Share  | Amount                                | Per Share  |
| <b>TYG</b> |  |            |  |            |                                       |            |
| Pre-tax    | \$ (20,252,692)                              | \$ (0.418) | \$ 18,195,282                                  | \$ 0.376   | \$ 2,057,410                          | \$ 0.042   |
| After-tax  | \$ (12,751,095)                              | \$ (0.263) | \$ 11,455,750                                  | \$ 0.236   | \$ 1,295,345                          | \$ 0.027   |
| <b>NTG</b> |  |            |  |            |                                       |            |
| Pre-tax    | \$ (4,884,523)                               | \$ (0.104) | \$ 4,388,558                                   | \$ 0.093   | \$ 495,965                            | \$ 0.011   |
| After-tax  | \$ (3,088,973)                               | \$ (0.066) | \$ 2,775,324                                   | \$ 0.059   | \$ 313,649                            | \$ 0.007   |
| TTP        | \$ (536,081)                                 | \$ (0.054) | \$ 477,917                                     | \$ 0.048   | \$ 58,164                             | \$ 0.006   |
| NDP        | \$ 150,585                                   | \$ 0.010   | \$ (140,284)                                   | \$ (0.009) | \$ (10,301)                           | \$ (0.001) |
| TPZ        | \$ (390,734)                                 | \$ (0.056) | \$ 280,361                                     | \$ 0.040   | \$ 110,373                            | \$ 0.016   |

Subsequent to the period ended February 29, 2016, the Funds reallocated the amount of investment income and return of capital they recognized in the current fiscal year based on their revised 2016 estimates, after considering the final allocations for 2015. These reclassifications amounted to:

|            | Increase (Decrease) in Net Investment Income |            | Increase (Decrease) in Unrealized Appreciation |            | Increase in Realized Gains |           |
|------------|--|------------|--|------------|----------------------------|-----------|
|            | Amount                                       | Per Share  | Amount   | Per Share  | Amount                     | Per Share |
| <b>TYG</b> |  |            |  |            |                            |           |
| Pre-tax    | \$ (1,126,340)                               | \$ (0.023) | \$ (915,462)                                   | \$ (0.019) | \$ 2,041,802               | \$ 0.042  |
| After-tax  | \$ (709,143)                                 | \$ (0.015) | \$ (576,375)                                   | \$ (0.012) | \$ 1,285,518               | \$ 0.027  |
| <b>NTG</b> |  |            |  |            |                            |           |
| Pre-tax    | \$ (97,321)                                  | \$ (0.002) | \$ (72,136)                                    | \$ (0.002) | \$ 169,457                 | \$ 0.004  |
| After-tax  | \$ (61,546)                                  | \$ (0.001) | \$ (45,619)                                    | \$ (0.001) | \$ 107,165                 | \$ 0.002  |
| TTP        | \$ (211,762)                                 | \$ (0.021) | \$ 206,806                                     | \$ 0.021   | \$ 4,956                   | \$ 0.000  |
| NDP        | \$ 15,781                                    | \$ 0.001   | \$ (15,781)                                    | \$ (0.001) | \$                         | \$        |
| TPZ        | \$ (60,781)                                  | \$ (0.009) | \$ 18,738                                      | \$ 0.003   | \$ 42,043                  | \$ 0.006  |

In addition, the Funds may be subject to withholding taxes on foreign-sourced income. The Funds accrue such taxes when the related income is earned.





**Notes to Financial Statements** (unaudited) (continued)**D. Foreign Currency Translation**

For foreign currency, investments in foreign securities, and other assets and liabilities denominated in a foreign currency, the Funds translate these amounts into U.S. dollars on the following basis: (i) market value of investment securities, assets and liabilities at the current rate of exchange on the valuation date, and (ii) purchases and sales of investment securities, income and expenses at the relevant rates of exchange on the respective dates of such transactions. The Funds do not isolate the portion of gains and losses on investments that is due to changes in the foreign exchange rates from that which is due to changes in market prices of securities.

**E. Federal and State Income Taxation**

Each of TYG and NTG, as corporations, are obligated to pay federal and state income tax on its taxable income. Currently, the highest regular marginal federal income tax rate for a corporation is 35%. Each of TYG and NTG may be subject to a 20% federal alternative minimum tax ( AMT ) on its federal alternative minimum taxable income to the extent that its AMT exceeds its regular federal income tax.

TTP, NDP and TPZ each qualify as a regulated investment company ( RIC ) under the Internal Revenue Code ( IRC ). As a result, TTP, NDP and TPZ generally will not be subject to U.S. federal income tax on income and gains that they distribute each taxable year to stockholders if they meet certain minimum distribution requirements. RICs are required to distribute substantially all of their income, in addition to meeting certain asset diversification requirements, and are subject to a 4% non-deductible U.S. federal excise tax on certain undistributed income unless the fund makes sufficient distributions to satisfy the excise tax avoidance requirement.

The Funds invest in master limited partnerships ( MLPs ), which generally are treated as partnerships for federal income tax purposes. As a limited partner in the MLPs, each Fund reports its allocable share of the MLP's taxable income in computing its own taxable income. The Funds' tax expense or benefit, if applicable, is included in the Statements of Operations based on the component of income or gains (losses) to which such expense or benefit relates. For TYG and NTG, deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized.

The Funds recognize the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained upon examination by the tax authorities based on the technical merits of the tax position. The Funds' policy is to record interest and penalties on uncertain tax positions as part of tax expense. As of May 31, 2016, the Funds had no uncertain tax positions and no penalties or interest was accrued. The Funds do not expect any change in their unrecognized tax positions in the next twelve months. The tax years ended on the following dates remain open to examination by federal and state tax authorities:

TYG November 30, 2012 through 2015

NTG November 30, 2010 through 2015

TTP, NDP and TPZ November 30, 2012 through 2015

**F. Distributions to Stockholders**

Distributions to common stockholders are recorded on the ex-dividend date. The Funds may not declare or pay distributions to its common stockholders if it does not meet asset coverage ratios required under the 1940 Act or the rating agency guidelines for its debt and preferred stock following such distribution. The amount of any distributions will be determined by the Board of Directors. The character of distributions to common stockholders made during the year may differ from their ultimate characterization for federal income tax purposes.

As RICs, TTP, NDP and TPZ each intend to make cash distributions of its investment company taxable income and capital gains to common stockholders. In addition, on an annual basis, TTP, NDP and TPZ each may distribute additional capital gains in the last calendar quarter if necessary to meet minimum distribution requirements and thus avoid being subject to excise taxes. Distributions paid to stockholders in excess of investment company taxable income and net realized gains will be treated as return of capital to stockholders.

Distributions to mandatory redeemable preferred ( MRP ) stockholders are accrued daily based on applicable distribution rates for each series and paid periodically according to the terms of the agreements. The Funds may not declare or pay distributions to its preferred stockholders if it does not meet a 200% asset coverage ratio for its debt or the rating agency basic maintenance amount for the debt following such distribution. The character of distributions to preferred stockholders made during the year may differ from their ultimate characterization for federal income tax purposes.

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For tax purposes, distributions to stockholders for the year ended November 30, 2015 were characterized as follows:

|                           | TYG    |           | NTG    |           | TTP*   |           | NDP    | TPZ    |
|---------------------------|--------|-----------|--------|-----------|--------|-----------|--------|--------|
|                           | Common | Preferred | Common | Preferred | Common | Preferred | Common | Common |
| Qualified dividend income | 100%   | 100%      | 56%    | 100%      | 22%    | 22%       | 0%     | 6%     |
| Ordinary dividend income  |        |           |        |           |        |           |        | 26%    |
| Return of capital         |        |           | 44%    |           |        |           | 100%   |        |
| Long-term capital gain    |        |           |        |           | 78%    | 78%       |        | 68%    |

\* For Federal income tax purposes, distributions of short-term capital gains are included in qualified dividend income.

**Notes to Financial Statements** (unaudited) (continued)

The tax character of distributions paid to common and preferred stockholders for the current year will be determined subsequent to November 30, 2016.

**G. Offering and Debt Issuance Costs**

Offering costs related to the issuance of common stock are charged to additional paid-in capital when the stock is issued. Debt issuance costs related to senior notes and MRP Stock are capitalized and amortized over the period the debt or MRP Stock is outstanding.

**TYG:**

Offering costs (excluding underwriter discounts and commissions) of \$202,354 related to the issuance of common stock were recorded to additional paid-in capital during the period ended May 31, 2016. Capitalized costs (excluding underwriter commissions) were reflected during the period ended May 31, 2016 for Series LL Notes (\$1,238) and Series MM Notes (\$1,858) that were issued in April 2015.

**NTG:**

Offering costs (excluding underwriter discounts and commissions) of \$46,340 related to the issuance of common stock were recorded to additional paid-in capital during the period ended May 31, 2016. Capitalized costs (excluding underwriter commissions) were reflected during the period ended May 31, 2016 for Series L Notes (\$42,136) and Series M Notes (\$21,068) that were issued in December 2015 and for MRP C Shares (\$12,594) and MRP D Shares (\$100,749) that were issued in December 2015.

There were no offering or debt issuance costs recorded during the period ended May 31, 2016 for TTP, NDP or TPZ.

**H. Derivative Financial Instruments**

The Funds have established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. The Funds do not hold or issue derivative financial instruments for speculative purposes. All derivative financial instruments are recorded at fair value with changes in fair value during the reporting period, and amounts accrued under the agreements, included as unrealized gains or losses in the accompanying Statements of Operations. Derivative instruments that are subject to an enforceable master netting arrangement allow a Fund and the counterparty to the instrument to offset any exposure to the other party with amounts owed to the other party. The fair value of derivative financial instruments in a loss position are offset against the fair value of derivative financial instruments in a gain position, with the net fair value appropriately reflected as an asset or liability within the accompanying Statements of Assets & Liabilities.

TYG and TPZ use interest rate swap contracts in an attempt to manage interest rate risk. Cash settlements under the terms of the interest rate swap contracts and the termination of such contracts are recorded as realized gains or losses in the accompanying Statements of Operations.

TTP and NDP seek to provide current income from gains earned through an option strategy that normally consists of writing (selling) call options on selected equity securities held in the portfolio (covered calls). The premium received on a written call option is initially recorded as a liability and subsequently adjusted to the then current fair value of the option written. Premiums received from writing call options that expire unexercised are recorded as a realized gain on the expiration date. Premiums received from writing call options that are exercised are added to the proceeds from the sale of the underlying security to calculate the realized gain (loss). If a written call option is repurchased prior to its exercise, the realized gain (loss) is the difference between the premium received and the amount paid to repurchase the option.

**I. Indemnifications**

Under each of the Funds' organizational documents, its officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds may enter into contracts that provide general indemnification to other parties. A Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred, and may not occur. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

**J. Cash and Cash Equivalents**

Cash and cash equivalents include short-term, liquid investments with an original maturity of three months or less and include money market fund accounts.

**K. Recent Accounting Pronouncements**

In April 2015, the Financial Accounting Standards Board (FASB) issued ASU 2015-03 Interest Imputation of Interest (Subtopic 835-30), Simplifying the Presentation of Debt Issuance Costs. ASU 2015-03 requires that debt issuance costs related to a note be reported in the balance sheet as a direct deduction from the face amount of that note. ASU 2015-03 is effective for periods beginning on or after December 15, 2015 and must be

applied retrospectively.

In May 2015, the FASB issued ASU 2015-07 Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) . ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for periods beginning on or after December 15, 2015 and must be applied retrospectively.

Management is currently evaluating the impact of these pronouncements on the financial statements.

**Tortoise Capital Advisors**

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**Notes to Financial Statements** (unaudited) (continued)**3. Concentration Risk**

Each of the Funds concentrates its investments in the energy sector. Funds that primarily invest in a particular sector may experience greater volatility than companies investing in a broad range of industry sectors. A Fund may, for defensive purposes, temporarily invest all or a significant portion of its assets in investment grade securities, short-term debt securities and cash or cash equivalents. To the extent a Fund uses this strategy, it may not achieve its investment objective.

**4. Agreements**

The Funds have each entered into an Investment Advisory Agreement with Tortoise Capital Advisors, L.L.C. (the Adviser). The Funds each pay the Adviser a fee based on the Fund's average monthly total assets (including any assets attributable to leverage and excluding any net deferred tax asset) minus accrued liabilities (other than net deferred tax liability, debt entered into for purposes of leverage and the aggregate liquidation preference of outstanding preferred stock) (Managed Assets), in exchange for the investment advisory services provided. Average monthly Managed Assets is the sum of the daily Managed Assets for the month divided by the number of days in the month. Accrued liabilities are expenses incurred in the normal course of each Fund's operations. Waived fees are not subject to recapture by the Adviser. The annual fee rates paid to the Adviser as of May 31, 2016 are as follows:

TYG 0.95% up to \$2,500,000,000, 0.90% between \$2,500,000,000 and \$3,500,000,000, and 0.85% above \$3,500,000,000.

NTG 0.95%, less a fee waiver of 0.05% during calendar year 2015.

TTP 1.10%, less a fee waiver of 0.10% during calendar year 2015, and 0.05% during calendar year 2016.

NDP 1.10%, less a fee waiver of 0.10% during calendar years 2015 and 2016.

TPZ 0.95%.

In addition, the Adviser has contractually agreed to waive all fees due under the Investment Advisory Agreements for TYG and NTG related to the net proceeds received from the issuance of additional common stock under at-the-market equity programs for a six month period following the date of issuance.

U.S. Bancorp Fund Services, LLC serves as each Fund's administrator. Each Fund pays the administrator a monthly fee computed at an annual rate of 0.04% of the first \$1,000,000,000 of the Fund's Managed Assets, 0.01% on the next \$500,000,000 of Managed Assets and 0.005% on the balance of the Fund's Managed Assets.

U.S. Bank, N.A. serves as the Funds' custodian. Each Fund pays the custodian a monthly fee computed at an annual rate of 0.004% of the Fund's U.S. Dollar-denominated assets and 0.015% of the Fund's Canadian Dollar-denominated assets, plus portfolio transaction fees.

**5. Income Taxes****TYG and NTG:**

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting and tax purposes. Components of TYG's and NTG's deferred tax assets and liabilities as of May 31, 2016 are as follows:

|                                  | TYG          | NTG           |
|----------------------------------|--------------|---------------|
| Deferred tax assets:             |              |               |
| Net operating loss carryforwards | \$ 1,384,025 | \$ 33,225,719 |
| Capital loss carryforwards       | 4,581,873    | 25,706,716    |
| AMT credit                       |              | 779,797       |

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|   |                |                |
|---|----------------|----------------|
|   | 5,965,898      | 59,712,232     |
| Deferred tax liabilities:                     |                |                |
| Basis reduction of investment in MLPs         | 269,741,956    | 143,030,540    |
| Net unrealized gains on investment securities | 164,054,041    | 51,720,213     |
|   | 433,795,997    | 194,750,753    |
| Total net deferred tax liability              | \$ 427,830,099 | \$ 135,038,521 |

At May 31, 2016, a valuation allowance on deferred tax assets was not deemed necessary because each of TYG and NTG believe it is more likely than not that there is an ability to realize its deferred tax assets through future taxable income. Any adjustments to TYG's or NTG's estimates of future taxable income will be made in the period such determination is made.

**Notes to Financial Statements** (unaudited) (continued)

Total income tax benefit for each of TYG and NTG differs from the amount computed by applying the federal statutory income tax rate of 35% to net investment loss and net realized and unrealized gains (losses) on investments for the period ended May 31, 2016, as follows:

|   | TYG           | NTG           |
|---|---------------|---------------|
| Application of statutory income tax rate      | \$ 21,750,608 | \$ 32,068,426 |
| State income taxes, net of federal tax effect | 1,267,749     | 1,612,584     |
| Permanent differences                         | 2,116,052     | 602,335       |
| Total income tax expense                      | \$ 25,134,409 | \$ 34,283,345 |

Total income taxes are computed by applying the federal statutory rate plus a blended state income tax rate.

For the period ended May 31, 2016, the components of income tax expense (benefit) for TYG and NTG include the following:

|                                      | TYG           | NTG           |
|--------------------------------------|---------------|---------------|
| Current tax expense                  |               |               |
| Federal                              | \$ 40,035,850 | \$            |
| State                                | 3,706,350     |               |
| Total current tax expense            | 43,742,200    |               |
| Deferred tax expense (benefit)       |               |               |
| Federal                              | (17,582,955)  | 32,641,923    |
| State (net of federal tax effect)    | (1,024,836)   | 1,641,422     |
| Total deferred tax expense (benefit) | (18,607,791)  | 34,283,345    |
| Total income tax expense             | \$ 25,134,409 | \$ 34,283,345 |

TYG acquired all of the net assets of Tortoise Energy Capital Corporation ( TYY ) and Tortoise North American Energy Corporation ( TYN ) on June 23, 2014 in a tax-free reorganization under Section 368(a)(1)(C) of the IRC. As of November 30, 2015, TYG and NTG had net operating losses for federal income tax purposes of approximately \$5,222,000 (from TYN) and \$154,134,000, respectively. The net operating losses may be carried forward for 20 years. If not utilized, these net operating losses will expire in the year ending November 30, 2027 for TYG and in the years ending November 30, 2032 through 2034 for NTG. Utilization of TYG's net operating losses from TYN is further subject to Section 382 limitations of the IRC, which limit tax attributes subsequent to ownership changes.

As of November 30, 2015, NTG had a capital loss carryforward of approximately \$4,100,000, which may be carried forward for 5 years. If not utilized, this capital loss will expire in the year ending November 30, 2020. The capital losses for the year ended November 30, 2015 have been estimated based on information currently available. Such estimate is subject to revision upon receipt of the 2015 tax reporting information from the individual MLPs. For corporations, capital losses can only be used to offset capital gains and cannot be used to offset ordinary income. The amount of deferred tax asset for net operating losses and capital loss carryforwards at May 31, 2016 includes amounts for the period from December 1, 2015 through May 31, 2016. As of November 30, 2015, NTG had \$779,797 of AMT credits available, which may be credited in the future against regular income tax and carried forward indefinitely.

**TTP, NDP and TPZ:**

It is the intention of TTP, NDP and TPZ to each continue to qualify as a RIC under Subchapter M of the IRC and distribute all of its taxable income. Accordingly, no provision for federal income taxes is required in the financial statements.

The amount and character of income and capital gain distributions to be paid, if any, are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. These differences are primarily due to return of capital distributions from underlying investments, wash sales, straddles, swaps, differences in the timing of recognition of gains or losses on investments and distributions in excess of current earnings. These reclassifications have no impact on net assets or results of operations. Permanent book and tax basis differences, if any, may result in reclassifications of undistributed (accumulated) net investment income (loss), undistributed (accumulated) net realized gain (loss) and additional paid-in capital.

As of November 30, 2015, the components of accumulated earnings (deficit) on a tax basis were as follows:



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|  | <b>TTP</b>      | <b>NDP</b>      | <b>TPZ</b>    |
|--|-----------------|-----------------|---------------|
| Unrealized appreciation (depreciation) | \$ (36,353,798) | \$ (63,195,576) | \$ 18,042,410 |
| Undistributed long-term capital gain   | 575,313         |                 | 51,694        |
| Capital loss carryforwards             |                 | (24,293,488)    |               |
| Qualified late year ordinary losses    |                 | (1,276,184) (1) |               |
| Other temporary differences            | (1,797,447) (2) | (3,446,068) (2) | (20,847)      |
| Accumulated earnings (deficit)         | \$ (37,575,932) | \$ (92,211,316) | \$ 18,073,257 |

(1) Qualified late year ordinary losses are net ordinary losses incurred between January 1 and the end of NDP's fiscal year on November 30, 2015, per IRC Sec. 852(b)(8). Such losses may be deferred until the first day of NDP's next fiscal year.

(2) Primarily related to losses deferred under straddle regulations per IRC Sec. 1092.

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## Notes to Financial Statements (unaudited) (continued)

As of November 30, 2015, NDP had a short-term capital loss carryforward of approximately \$9,400,000 and a long-term capital loss carryforward of approximately \$14,900,000, which may be carried forward for an unlimited period under the Regulated Investment Company Modernization Act of 2010. To the extent NDP realizes future net capital gains, those gains will be offset by any unused capital loss carryforwards. Capital loss carryforwards will retain their character as either short-term or long-term capital losses. Thus, such losses must be used first to offset gains of the same character; for example, long-term loss carryforwards will first offset long-term gains, before they can be used to offset short-term gains. The capital losses for the year ended November 30, 2015 have been estimated based on information currently available. Such estimate is subject to revision upon receipt of the 2015 tax reporting information from the individual MLPs.

As of May 31, 2016, the aggregate cost of investments, aggregate gross unrealized appreciation and aggregate gross unrealized depreciation on a federal income tax basis were as follows:

|   | TYG              | NTG            | TTP            | NDP             | TPZ            |
|---|------------------|----------------|----------------|-----------------|----------------|
| Cost of investments                                       | \$ 1,390,439,766 | \$ 941,252,078 | \$ 261,460,037 | \$ 303,403,470  | \$ 173,514,565 |
| Gross unrealized appreciation of investments              | \$ 1,203,003,753 | \$ 555,084,405 | \$ 30,614,142  | \$ 25,123,673   | \$ 38,861,375  |
| Gross unrealized depreciation of investments              | (31,207,579)     | (25,294,547)   | (23,753,677)   | (41,374,514)    | (9,770,432)    |
| Net unrealized appreciation (depreciation) of investments | \$ 1,171,796,174 | \$ 529,789,858 | \$ 6,860,465   | \$ (16,250,841) | \$ 29,090,943  |

## 6. Restricted Securities

Certain of the Funds' investments are restricted and are valued as determined in accordance with fair value procedures, as more fully described in Note 2. The following table shows the principal amount or shares, acquisition date(s), acquisition cost, fair value and the percent of net assets which the securities comprise at May 31, 2016.

**TYG:**

| Investment Security                                  | Investment      |         | Acquisition Date | Acquisition Cost | Fair Value    | Fair Value as Percent of Net Assets |
|--|-----------------|---------|------------------|------------------|---------------|-------------------------------------|
|  | Type            | Shares  |                  |                  |               |                                     |
| Targa Resources Corp., 9.500%                        | Preferred Stock | 21,758  | 03/16/16         | \$19,265,393     | \$ 22,871,450 | 1.7 %                               |
| Targa Resources Corp., Series A, \$18.88, 03/16/2023 | Warrants        | 305,483 | 03/16/16         | 2,320,856        | 6,509,269     | 0.5                                 |
| Targa Resources Corp., Series B, \$25.11, 03/16/2023 | Warrants        | 147,302 | 03/16/16         | 824,491          | 2,327,258     | 0.1                                 |
|  |                 |         |                  | \$22,410,740     | \$ 31,707,977 | 2.3 %                               |

**NTG:**

| Investment Security                                  | Investment      |         | Acquisition Date | Acquisition Cost | Fair Value    | Fair Value as Percent of Net Assets |
|--|-----------------|---------|------------------|------------------|---------------|-------------------------------------|
|  | Type            | Shares  |                  |                  |               |                                     |
| Targa Resources Corp., 9.500%                        | Preferred Stock | 12,252  | 03/16/16         | \$10,848,405     | \$ 12,878,987 | 1.4 %                               |
| Targa Resources Corp., Series A, \$18.88, 03/16/2023 | Warrants        | 172,018 | 03/16/16         | 1,306,882        | 3,665,381     | 0.4                                 |
| Targa Resources Corp., Series B, \$25.11, 03/16/2023 | Warrants        | 82,946  | 03/16/16         | 464,273          | 1,310,483     | 0.2                                 |
|  |                 |         |                  | \$12,619,560     | \$ 17,854,851 | 2.0 %                               |

TTP:

| Investment Security                                     | Investment         |        |                  | Acquisition Cost | Fair Value   | Fair Value as Percent of Net Assets |
|---|--------------------|--------|------------------|------------------|--------------|-------------------------------------|
|   | Type               | Shares | Acquisition Date |                  |              |                                     |
| Targa Resources Corp.,<br>9.500%                        | Preferred<br>Stock | 2,108  | 03/16/16         | \$ 1,866,506     | \$ 2,215,875 | 1.1 %                               |
| Targa Resources Corp.,<br>Series A, \$18.88, 03/16/2023 | Warrants           | 29,596 | 03/16/16         | 224,854          | 630,635      | 0.3                                 |
| Targa Resources Corp.,<br>Series B, \$25.11, 03/16/2023 | Warrants           | 14,271 | 03/16/16         | 79,880           | 225,471      | 0.1                                 |
|   |                    |        |                  | \$ 2,171,240     | \$ 3,071,981 | 1.5 %                               |

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## Notes to Financial Statements (unaudited) (continued)

## NDP:

| Investment Security                                     | Investment Type | Shares | Acquisition Date | Acquisition Cost | Fair Value   | Fair Value as Percent |   |
|---|-----------------|--------|------------------|------------------|--------------|-----------------------|---|
|   |                 |        |                  |                  |              | of Net Assets         |   |
| Targa Resources Corp.,<br>9.500%                        | Preferred Stock | 1,997  | 03/16/16         | \$ 1,768,223     | \$ 2,099,195 | 0.9                   | % |
| Targa Resources Corp.,<br>Series A, \$18.88, 03/16/2023 | Warrants        | 28,038 | 03/16/16         | 213,013          | 597,437      | 0.3                   |   |
| Targa Resources Corp.,<br>Series B, \$25.11, 03/16/2023 | Warrants        | 13,520 | 03/16/16         | 75,674           | 213,606      | 0.1                   |   |
|   |                 |        |                  | \$2,056,910      | \$2,910,238  | 1.3                   | % |

## TPZ:

| Investment Security  | Investment Type | Principal Amount/Shares | Acquisition Date(s) | Acquisition Cost | Fair Value    | Fair Value as Percent |   |
|--|-----------------|-------------------------|---------------------|------------------|---------------|-----------------------|---|
|  |                 |                         |                     |                  |               | of Net Assets         |   |
| Black Hills Energy,<br>5.900%, 04/01/2017*                       | Corporate Bond  | \$5,770,000             | 04/21/10            | \$ 5,544,521     | \$ 5,918,393  | 3.9                   | % |
| Cheniere Corp.,<br>7.000%, 06/30/2024*                           | Corporate Bond  | \$2,000,000             | 05/19/15            | 2,025,000        | 2,050,000     | 1.4                   |   |
| DCP Midstream LLC,<br>9.750%, 03/15/2019*                        | Corporate Bond  | \$3,000,000             | 08/07/09-08/16/12   | 3,674,870        | 3,195,000     | 2.1                   |   |
| Duquesne Light Holdings, Inc.,<br>6.400%, 09/15/2020*            | Corporate Bond  | \$3,000,000             | 11/30/11            | 3,180,330        | 3,413,499     | 2.3                   |   |
| Duquesne Light Holdings, Inc.,<br>5.900%, 12/01/2021*            | Corporate Bond  | \$2,000,000             | 11/18/11-12/05/11   | 2,074,420        | 2,255,038     | 1.5                   |   |
| Florida Gas Transmission Co., LLC,<br>5.450%, 07/15/2020*        | Corporate Bond  | \$1,500,000             | 07/08/10-01/04/11   | 1,551,220        | 1,599,809     | 1.1                   |   |
| Gibson Energy Inc.,<br>6.750%, 07/15/2021*                       | Corporate Bond  | \$4,500,000             | 06/26/13-07/01/13   | 4,459,760        | 4,466,250     | 2.9                   |   |
| Midcontinent Express Pipeline, LLC,<br>6.700%, 09/15/2019*       | Corporate Bond  | \$6,000,000             | 09/09/09-03/02/10   | 6,055,570        | 5,666,400     | 3.7                   |   |
| Rockies Express Pipeline, LLC,<br>6.000%, 01/15/2019*            | Corporate Bond  | \$4,000,000             | 08/03/15            | 4,130,000        | 4,150,000     | 2.7                   |   |
| Ruby Pipeline, LLC,<br>6.000%, 04/01/2022*                       | Corporate Bond  | \$1,500,000             | 09/17/12            | 1,616,250        | 1,433,988     | 1.0                   |   |
| Southern Star Central Corp.,<br>5.125%, 07/15/2022*              | Corporate Bond  | \$3,000,000             | 06/17/14            | 3,041,250        | 2,880,000     | 1.9                   |   |
| Southern Star Central Gas Pipeline, Inc.,<br>6.000%, 06/01/2016* | Corporate Bond  | \$2,000,000             | 08/24/09            | 1,970,000        | 2,000,000     | 1.3                   |   |
| Targa Resources Corp.,<br>9.500%                                 | Preferred Stock | 1,685                   | 03/16/16            | 1,491,966        | 1,771,229     | 1.2                   |   |
| Targa Resources Corp.,<br>Series A, \$18.88, 03/16/2023          | Warrants        | 23,657                  | 03/16/16            | 179,733          | 504,086       | 0.3                   |   |
| Targa Resources Corp.,<br>Series B, \$25.11, 03/16/2023          | Warrants        | 11,407                  | 03/16/16            | 63,851           | 180,222       | 0.1                   |   |
|  |                 |                         |                     | \$41,058,741     | \$ 41,483,914 | 27.4                  | % |

\*Security is eligible for resale under Rule 144A under the 1933 Act.

## 7. Investment Transactions

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For the period ended May 31, 2016, the amount of security transactions (other than U.S. government securities and short-term investments), is as follows:

|           | <b>TYG</b>     | <b>NTG</b>     | <b>TTP</b>    | <b>NDP</b>    | <b>TPZ</b>    |
|-----------|----------------|----------------|---------------|---------------|---------------|
| Purchases | \$ 445,939,872 | \$ 294,276,463 | \$ 53,028,713 | \$ 36,440,373 | \$ 26,973,731 |
| Sales     | \$ 653,644,253 | \$ 348,444,547 | \$ 77,266,250 | \$ 45,026,954 | \$ 24,355,328 |

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## Notes to Financial Statements (unaudited) (continued)

## 8. Senior Notes

TYG, NTG and TTP each have issued private senior notes (collectively, the Notes), which are unsecured obligations and, upon liquidation, dissolution or winding up of a Fund, will rank: (1) senior to all of the Fund's outstanding preferred shares, if any; (2) senior to all of the Fund's outstanding common shares; (3) on parity with any unsecured creditors of the Fund and any unsecured senior securities representing indebtedness of the Fund and (4) junior to any secured creditors of the Fund. Holders of the Notes are entitled to receive periodic cash interest payments until maturity. The Notes are not listed on any exchange or automated quotation system.

The Notes are redeemable in certain circumstances at the option of a Fund, subject to payment of any applicable make-whole amounts or early redemption premiums. The Notes for a Fund are also subject to a mandatory redemption if the Fund fails to meet asset coverage ratios required under the 1940 Act or the rating agency guidelines if such failure is not waived or cured. At May 31, 2016, each of TYG, NTG and TTP were in compliance with asset coverage covenants and basic maintenance covenants for its senior notes.

Details of each Fund's outstanding Notes, including estimated fair value, as of May 31, 2016 are included below. The estimated fair value of each series of fixed-rate Notes was calculated, for disclosure purposes, by discounting future cash flows by a rate equal to the current U.S. Treasury rate with an equivalent maturity date, plus either 1) the spread between the interest rate on recently issued debt and the U.S. Treasury rate with a similar maturity date or 2) if there has not been a recent debt issuance, the spread between the AAA corporate finance debt rate and the U.S. Treasury rate with an equivalent maturity date plus the spread between the fixed rates of the Notes and the AAA corporate finance debt rate. The estimated fair value of floating rate Notes approximates the carrying amount because the interest rate fluctuates with changes in interest rates available in the current market. The estimated fair values in the following tables are Level 2 valuations within the fair value hierarchy.

| Series    | Maturity Date      | Interest Rate | Payment Frequency | Notional/Carrying | Estimated     |
|-----------|--------------------|---------------|-------------------|-------------------|---------------|
|           |                    |               |                   | Amount            | Fair Value    |
| Series W  | June 15, 2016      | 3.88%         | Quarterly         | \$ 12,500,000     | \$ 12,612,971 |
| Series G  | December 21, 2016  | 5.85%         | Quarterly         | 30,000,000        | 30,996,539    |
| Series M  | September 27, 2017 | 2.75%         | Semi-Annual       | 13,000,000        | 13,163,986    |
| Series BB | September 27, 2017 | 2.75%         | Semi-Annual       | 12,000,000        | 12,151,372    |
| Series I  | May 12, 2018       | 4.35%         | Quarterly         | 10,000,000        | 10,418,255    |
| Series X  | June 15, 2018      | 4.55%         | Quarterly         | 12,500,000        | 13,183,275    |
| Series N  | September 27, 2018 | 3.15%         | Semi-Annual       | 10,000,000        | 10,239,064    |
| Series CC | September 27, 2019 | 3.48%         | Semi-Annual       | 15,000,000        | 15,562,749    |
| Series J  | December 19, 2019  | 3.30%         | Semi-Annual       | 15,000,000        | 15,615,730    |
| Series Y  | June 14, 2020      | 2.77%         | Semi-Annual       | 12,500,000        | 12,739,793    |
| Series LL | June 14, 2020      | 1.83% (1)     | Quarterly         | 20,000,000        | 20,000,000    |
| Series O  | September 27, 2020 | 3.78%         | Semi-Annual       | 15,000,000        | 15,789,472    |
| Series Z  | June 14, 2021      | 2.98%         | Semi-Annual       | 12,500,000        | 12,800,523    |
| Series R  | January 22, 2022   | 3.77%         | Semi-Annual       | 25,000,000        | 26,543,078    |
| Series DD | September 27, 2022 | 4.21%         | Semi-Annual       | 13,000,000        | 14,051,602    |
| Series II | December 18, 2022  | 3.22%         | Semi-Annual       | 10,000,000        | 10,296,564    |
| Series K  | December 19, 2022  | 3.87%         | Semi-Annual       | 10,000,000        | 10,712,394    |
| Series S  | January 22, 2023   | 3.99%         | Semi-Annual       | 10,000,000        | 10,752,882    |
| Series P  | September 27, 2023 | 4.39%         | Semi-Annual       | 12,000,000        | 13,153,279    |
| Series FF | November 20, 2023  | 4.16%         | Semi-Annual       | 10,000,000        | 10,750,402    |
| Series JJ | December 18, 2023  | 3.34%         | Semi-Annual       | 20,000,000        | 20,680,315    |
| Series T  | January 22, 2024   | 4.16%         | Semi-Annual       | 25,000,000        | 27,243,347    |
| Series L  | December 19, 2024  | 3.99%         | Semi-Annual       | 20,000,000        | 21,673,342    |
| Series AA | June 14, 2025      | 3.48%         | Semi-Annual       | 10,000,000        | 10,425,414    |
| Series MM | June 14, 2025      | 1.88% (2)     | Quarterly         | 30,000,000        | 30,000,000    |
| Series NN | June 14, 2025      | 3.20%         | Semi-Annual       | 30,000,000        | 30,576,313    |
| Series KK | December 18, 2025  | 3.53%         | Semi-Annual       | 10,000,000        | 10,454,241    |

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|           |               |       |             |               |               |
|-----------|---------------|-------|-------------|---------------|---------------|
| Series OO | April 9, 2026 | 3.27% | Semi-Annual | 30,000,000    | 30,336,716    |
|           |               |       |             | \$455,000,000 | \$472,923,618 |

- (1) Floating rate resets each quarter based on 3-month LIBOR plus 1.20%. The current rate is effective for the period from March 14, 2016 through June 13, 2016. The weighted-average interest rate for the period from December 1, 2015 through May 31, 2016 was 1.75%.
- (2) Floating rate resets each quarter based on 3-month LIBOR plus 1.25%. The current rate is effective for the period from March 14, 2016 through June 13, 2016. The weighted-average interest rate for the period from December 1, 2015 through May 31, 2016 was 1.80%.

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## Notes to Financial Statements (unaudited) (continued)

During the period ended May 31, 2016, TYG redeemed Notes with an aggregate principal amount of \$90,000,000. TYG's Series Q Notes (\$10,000,000), Series EE Notes (\$5,000,000), and Series U Notes (\$35,000,000), each with a floating interest rate based on 3-month LIBOR plus 1.35%, were redeemed in full on December 18, 2015. TYG's Series GG Notes (\$20,000,000) with a floating interest rate based on 3-month LIBOR plus 1.35% and TYG's Series HH Notes (\$20,000,000) with a floating interest rate based on 3-month LIBOR plus 1.30% were redeemed in full on January 15, 2016. TYG paid a total premium of \$900,000 upon redemption of the Notes.

## NTG:

| Series   | Maturity Date     | Interest Rate | Payment Frequency | Notional/Carrying Amount | Estimated Fair Value |
|----------|-------------------|---------------|-------------------|--------------------------|----------------------|
| Series C | December 15, 2017 | 3.73%         | Quarterly         | \$ 57,000,000            | \$ 58,776,962        |
| Series I | April 17, 2018    | 2.77%         | Semi-Annual       | 10,000,000               | 10,126,802           |
| Series G | May 12, 2018      | 4.35%         | Quarterly         | 10,000,000               | 10,418,255           |
| Series K | September 9, 2019 | 1.93% (1)     | Quarterly         | 35,000,000               | 35,000,000           |
| Series D | December 15, 2020 | 4.29%         | Quarterly         | 112,000,000              | 120,715,976          |
| Series J | April 17, 2021    | 3.72%         | Semi-Annual       | 30,000,000               | 31,480,166           |
| Series L | April 17, 2021    | 2.08% (2)     | Quarterly         | 20,000,000               | 20,000,000           |
| Series M | April 17, 2021    | 3.06%         | Semi-Annual       | 10,000,000               | 10,183,762           |
|          |                   |               |                   | \$284,000,000            | \$296,701,923        |

(1) Floating rate resets each quarter based on 3-month LIBOR plus 1.30%. The current rate is effective for the period from March 9, 2016 through June 8, 2016. The weighted-average rate for the period from December 1, 2015 through May 31, 2016 was 1.84%.

(2) Floating rate resets each quarter based on 3-month LIBOR plus 1.45%. The current rate is effective for the period from April 18, 2016 through July 17, 2016. The weighted-average rate for the period from December 9, 2015 (date of issuance) through May 31, 2016 was 2.04%.

During the period ended May 31, 2016, NTG issued Notes with an aggregate principal amount of \$30,000,000. Series L Notes (\$20,000,000) and Series M Notes (\$10,000,000) were each issued on December 9, 2015. NTG's Series B Notes, with a notional amount of \$24,000,000 and a fixed interest rate of 3.14%, were paid in full upon maturity on December 8, 2015. NTG's Series E Notes, with a notional amount of \$25,000,000 and a floating interest rate based on a 3-month LIBOR plus 1.70%, were paid in full upon maturity on December 9, 2015. On December 18, 2015, NTG partially redeemed its Series H Notes with a floating interest rate based on 3-month LIBOR plus 1.35% in the amount of \$25,000,000. On January 15, 2016, NTG redeemed the remaining portion of its Series H Notes in the amount of \$20,000,000. NTG paid a total premium of \$450,000 upon redemption of the Notes.

## TTP:

| Series   | Maturity Date     | Interest Rate | Payment Frequency | Notional/Carrying Amount | Estimated Fair Value |
|----------|-------------------|---------------|-------------------|--------------------------|----------------------|
| Series C | December 15, 2018 | 3.49%         | Quarterly         | \$ 6,000,000             | \$ 6,210,441         |
| Series F | December 12, 2020 | 3.01%         | Semi-Annual       | 6,000,000                | 6,168,933            |
| Series D | December 15, 2021 | 4.08%         | Quarterly         | 16,000,000               | 17,166,407           |
| Series G | December 12, 2022 | 1.68% (1)     | Quarterly         | 6,000,000                | 6,000,000            |
|          |                   |               |                   | \$34,000,000             | \$35,545,781         |

(1) Floating rate resets each quarter based on 3-month LIBOR plus 1.05%. The current rate is effective for the period from March 14, 2016 through June 12, 2016. The weighted-average interest rate for the period from December 1, 2015 through May 31, 2016 was 1.60%.

TTP's Series A Notes, with a notional amount of \$10,000,000 and a floating interest rate based on 3-month LIBOR plus 1.75%, were paid in full upon maturity on December 18, 2015. TTP's Series E Notes, with a notional amount of \$10,000,000 and a floating interest rate based on 3-month LIBOR plus 1.00%, were redeemed in full on January 15, 2016. TTP paid a total premium of \$100,000 upon redemption of the Notes.

## 9. Mandatory Redeemable Preferred Stock

TYG, NTG and TTP each have issued and outstanding MRP Stock at May 31, 2016. The MRP Stock has rights determined by the Board of Directors. Except as otherwise indicated in the Funds' Charter or Bylaws, or as otherwise required by law, the holders of MRP Stock have voting rights equal to the holders of common stock (one vote per MRP share) and will vote together with the holders of shares of common stock as a



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single class except on matters affecting only the holders of preferred stock or the holders of common stock. The 1940 Act requires that the holders of any preferred stock (including MRP Stock), voting separately as a single class, have the right to elect at least two directors at all times.

Under the Investment Company Act of 1940, a fund may not declare dividends or make other distributions on shares of common stock or purchases of such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding MRP Stock would be less than 200%. The MRP Stock is also subject to a mandatory redemption if a Fund fails to meet an asset coverage ratio of at least 225% as determined in accordance with the 1940 Act or a rating agency basic maintenance amount if such failure is not waived or cured. At May 31, 2016, each of TYG, NTG and TTP were in compliance with asset coverage covenants and basic maintenance covenants for its MRP Stock.

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**Notes to Financial Statements** (unaudited) (continued)

Details of each Fund's outstanding MRP Stock, including estimated fair value, as of May 31, 2016 is included below. The estimated fair value of each series of TYG, NTG and TTP MRP Stock was calculated for disclosure purposes by discounting future cash flows at a rate equal to the current U.S. Treasury rate with an equivalent maturity date, plus either 1) the spread between the interest rate on recently issued preferred stock and the U.S. Treasury rate with a similar maturity date or 2) if there has not been a recent preferred stock issuance, the spread between the AA corporate finance debt rate and the U.S. Treasury rate with an equivalent maturity date plus the spread between the fixed rates of the MRP Stock and the AA corporate finance debt rate. The estimated fair values of each series of the TYG, NTG and TTP MRP Stock are Level 2 valuations within the fair value hierarchy.

**TYG:**

TYG has 65,000,000 shares of preferred stock authorized and 16,500,000 shares of MRP Stock outstanding at May 31, 2016. On December 8, 2015, TYG deposited with its paying agent funds to provide for the redemption of 5,000,000 shares (\$50,000,000 aggregate liquidation preference) of MRP C Stock. On February 11, 2016, TYG deposited with its paying agent funds to provide for the redemption of 8,000,000 shares (\$80,000,000 aggregate liquidation preference) of MRP B Stock. TYG paid a total premium of \$800,000 upon redemption of the MRP B Stock. TYG's MRP Stock has a liquidation value of \$10.00 per share plus any accumulated but unpaid distributions, whether or not declared. Holders of the MRP D Stock and MRP E Stock are entitled to receive cash interest payments semi-annually at a fixed rate until maturity. The TYG MRP Stock is not listed on any exchange or automated quotation system.

| Series   | Mandatory Redemption Date | Fixed Rate | Shares Outstanding | Aggregate Liquidation Preference | Estimated Fair Value |
|----------|---------------------------|------------|--------------------|----------------------------------|----------------------|
| Series D | December 17, 2021         | 4.01%      | 8,500,000          | \$85,000,000                     | \$88,571,160         |
| Series E | December 17, 2024         | 4.34%      | 8,000,000          | 80,000,000                       | 84,766,245           |
|          |                           |            | 16,500,000         | \$ 165,000,000                   | \$ 173,337,405       |

TYG's MRP Stock is redeemable in certain circumstances at the option of TYG, subject to payment of any applicable make-whole amounts.

**NTG:**

NTG has 10,000,000 shares of preferred stock authorized and 4,400,000 shares of MRP Stock outstanding at May 31, 2016. On December 8, 2015, NTG issued \$5,000,000 of MRP C Stock with a fixed distribution rate of 3.73% maturing December 8, 2020 and \$40,000,000 of MRP D Stock with a fixed distribution rate of 4.19% maturing on December 8, 2022. The MRP A Stock with an aggregate liquidation preference of \$25,000,000 and a fixed distribution rate of 3.69% was paid in full upon maturity on December 15, 2015. NTG's MRP Stock has a liquidation value of \$25.00 per share plus any accumulated but unpaid distributions, whether or not declared. Holders of NTG MRP Stock are entitled to receive cash interest payments each quarter at a fixed rate until maturity. The NTG MRP Stock is not listed on any exchange or automated quotation system.

| Series   | Mandatory Redemption Date | Fixed Rate | Shares Outstanding | Aggregate Liquidation Preference | Estimated Fair Value |
|----------|---------------------------|------------|--------------------|----------------------------------|----------------------|
| Series B | December 15, 2017         | 4.33%      | 2,600,000          | \$ 65,000,000                    | \$ 67,050,537        |
| Series C | December 8, 2020          | 3.73%      | 200,000            | 5,000,000                        | 5,116,545            |
| Series D | December 8, 2022          | 4.19%      | 1,600,000          | 40,000,000                       | 41,414,518           |
|          |                           |            | 4,400,000          | \$ 110,000,000                   | \$ 113,581,600       |

NTG's MRP Stock is redeemable in certain circumstances at the option of NTG, subject to payment of any applicable make-whole amounts.

**TTP:**

TTP has 10,000,000 shares of preferred stock authorized and 640,000 shares of MRP Stock outstanding at May 31, 2016. TTP's MRP Stock has a liquidation value of \$25.00 per share plus any accumulated but unpaid distributions, whether or not declared. Holders of TTP MRP Stock are

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entitled to receive cash interest payments each quarter at a fixed rate until maturity. The TTP MRP Stock is not listed on any exchange or automated quotation system.

| <b>Series</b> | <b>Mandatory Redemption Date</b> | <b>Fixed Rate</b> | <b>Shares Outstanding</b> | <b>Aggregate Liquidation Preference</b> | <b>Estimated Fair Value</b> |
|---------------|----------------------------------|-------------------|---------------------------|---|-----------------------------|
| Series A      | December 15, 2018                | 4.29%             | 640,000                   | \$ 16,000,000                           | \$ 16,643,030               |

TTP's MRP Stock is redeemable in certain circumstances at the option of TTP, subject to payment of any applicable make-whole amounts.

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2016 2nd Quarter Report | May 31, 2016

## Notes to Financial Statements (unaudited) (continued)

## 10. Credit Facilities

The following table shows key terms, average borrowing activity and interest rates for the period during which the facility was utilized during the period from December 1, 2015 through May 31, 2016, as well as the principal balance and interest rate in effect at May 31, 2016 for each of the Funds' credit facilities:

|   | TYG                                  | TYG                                  | NTG                                  | TTP                                  | NDP                               | TPZ                                  |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|
| Lending syndicate agent                   | U.S. Bank, N.A.                      | Scotia Bank, N.A.                    | Bank of America, N.A.                | Scotia Bank, N.A.                    | BNP Paribas Prime Brokerage, Inc. | Scotia Bank, N.A.                    |
| Type of facility                          | Unsecured, revolving credit facility | Unsecured, revolving credit facility | Unsecured, revolving credit facility | Unsecured, revolving credit facility | Revolving margin loan             | Unsecured, revolving credit facility |
| Borrowing capacity                        | \$157,500,000                        | \$100,000,000                        | \$117,000,000                        | \$35,000,000                         | \$85,000,000                      | \$60,000,000                         |
| Maturity date                             | June 13, 2017                        | June 23, 2016                        | June 13, 2017                        | 364-day rolling evergreen            | 270-day rolling evergreen         | 179-day rolling evergreen            |
| Interest rate                             | 1-month LIBOR plus 1.20%             | 1-month LIBOR plus 1.20%             | 1-month LIBOR plus 1.20%             | 1-month LIBOR plus 1.125%            | 1-month LIBOR plus 0.80%          | 1-month LIBOR plus 0.80%             |
| Non-usage fee                             | 0.15%                                | 0.15%*                               | 0.15%                                | 0.15%                                | N/A                               | 0.20%                                |
| <b>For the period ended May 31, 2016:</b> |                                      |                                      |                                      |                                      |                                   |                                      |
| Average principal balance                 | \$26,700,000                         | \$53,500,000                         | \$39,900,000                         | \$13,400,000***                      | \$59,900,000                      | \$52,000,000                         |
| Average interest rate                     | 1.63%                                | 1.62%                                | 1.62%                                | 1.81%***                             | 1.22%                             | 1.22%                                |
| <b>As of May 31, 2016:</b>                |                                      |                                      |                                      |                                      |                                   |                                      |
| Principal balance outstanding             | \$24,000,000                         | \$60,000,000                         | \$45,900,000                         | \$15,100,000***                      | \$62,600,000                      | \$52,700,000                         |
| Interest rate                             | 1.67%                                | 1.67%                                | 1.67%                                | 1.80%***                             | 1.27%                             | 1.22%                                |

\*Non-usage fee is waived if the outstanding balance on the facility is at least \$60,000,000.

\*\*Non-usage fee is waived if the outstanding balance on the facility is at least \$42,000,000.

\*\*\*TTP's credit facility allows for interest rates to be fixed on all or a portion of the outstanding principal balance. Amounts reflect activity on the credit facility for the period from December 1, 2015 through May 31, 2016 and include \$7,000,000 of the outstanding principal balance that has a fixed rate of 2.03% for the period from June 30, 2015 through June 30, 2017.

For the period from December 1, 2015 through May 16, 2016 (the date the facility was terminated), TPZ had a revolving margin loan facility with BNP Paribas Prime Brokerage, Inc. The terms of the agreement provided for a \$65,000,000 facility. Outstanding balances accrued interest at a variable rate equal to one-month LIBOR plus 0.80%. The average principal balance and interest rate for the period during which this margin loan facility was utilized was approximately \$50,000,000 and 1.22%, respectively.

Under the terms of the credit facilities, the Funds must maintain asset coverage required under the 1940 Act. If a Fund fails to maintain the required coverage, it may be required to repay a portion of an outstanding balance until the coverage requirement has been met. At May 31, 2016, each Fund was in compliance with credit facility terms.

## 11. Derivative Financial Instruments

The Funds have adopted the disclosure provisions of FASB Accounting Standard Codification 815, Derivatives and Hedging (ASC 815). ASC 815 requires enhanced disclosures about the Funds' use of and accounting for derivative instruments and the effect of derivative instruments on the Funds' results of operations and financial position. Tabular disclosure regarding derivative fair value and gain/loss by contract type (e.g., interest rate contracts, foreign exchange contracts, credit contracts, etc.) is required and derivatives accounted for as hedging instruments under ASC 815 must be disclosed separately from those that do not qualify for hedge accounting. Even though the Funds may use derivatives in an attempt to achieve an economic hedge, the Funds' derivatives are not accounted for as hedging instruments under ASC 815 because investment companies account for their derivatives at fair value and record any changes in fair value in current period earnings.

***Interest Rate Swap Contracts***

TYG and TPZ have each entered into interest rate swap contracts in an attempt to protect it from increasing interest expense on its leverage resulting from increasing interest rates. A decline in interest rates may result in a decline in the value of the swap contracts, which may result in a decline in the net assets of TYG and TPZ. At the time the interest rate swap contracts reach their scheduled termination, there is a risk that TYG and TPZ will not be able to obtain a replacement transaction, or that the terms of the replacement would not be as favorable as on the expiring transaction. In addition, if TYG or TPZ is required to terminate any swap contract early due to a decline in net assets below a threshold amount (\$450,000,000 for TYG and \$60,000,000 for TPZ) or failing to maintain a required 300% asset coverage of the liquidation value of the outstanding debt, then TYG or TPZ could be required to make a payment to the extent of any net unrealized depreciation of the terminated swaps, in addition to redeeming all or some of its outstanding debt. TYG and TPZ each segregate a portion of its assets as collateral for the amount of any net liability of its interest rate swap contracts.

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## Notes to Financial Statements (unaudited) (continued)

Details of the interest rate swap contracts outstanding for TYG as of May 31, 2016, are as follows:

| Counterparty            | Maturity Date | Notional Amount | Fixed Rate  | Floating Rate             | Unrealized Depreciation |
|-------------------------|---------------|-----------------|-------------|---------------------------|-------------------------|
|                         |               |                 | Paid by TYG | Received by TYG           |                         |
| The Bank of Nova Scotia | 09/02/2016    | \$ 5,000,000    | 1.258%      | 1-month U.S. Dollar LIBOR | \$ (10,900)             |
| The Bank of Nova Scotia | 09/02/2018    | 5,000,000       | 1.815%      | 1-month U.S. Dollar LIBOR | (93,728)                |
| The Bank of Nova Scotia | 09/02/2021    | 10,000,000      | 2.381%      | 1-month U.S. Dollar LIBOR | (560,535)               |
|                         |               | \$20,000,000    |             |                           | \$ (665,163)            |

Details of the interest rate swap contracts outstanding for TPZ as of May 31, 2016, are as follows:

| Counterparty           | Maturity Date | Notional Amount | Fixed Rate  | Floating Rate             | Unrealized Depreciation |
|------------------------|---------------|-----------------|-------------|---------------------------|-------------------------|
|                        |               |                 | Paid by TPZ | Received by TPZ           |                         |
| Wells Fargo Bank, N.A. | 01/05/2017    | \$ 2,500,000    | 1.34%       | 3-month U.S. Dollar LIBOR | \$ (10,986)             |
| Wells Fargo Bank, N.A. | 08/07/2017    | 6,000,000       | 1.89%       | 3-month U.S. Dollar LIBOR | (77,538)                |
| Wells Fargo Bank, N.A. | 08/06/2018    | 6,000,000       | 1.95%       | 3-month U.S. Dollar LIBOR | (125,522)               |
| Wells Fargo Bank, N.A. | 11/29/2019    | 6,000,000       | 1.33%       | 3-month U.S. Dollar LIBOR | (32,390)                |
| Wells Fargo Bank, N.A. | 08/06/2020    | 3,000,000       | 2.18%       | 3-month U.S. Dollar LIBOR | (120,599)               |
|                        |               | \$23,500,000    |             |                           | \$ (367,035)            |

TYG and TPZ are exposed to credit risk on the interest rate swap contracts if the counterparty should fail to perform under the terms of the interest rate swap contracts. The amount of credit risk is limited to the net appreciation of the interest rate swap contracts, if any, as no collateral is pledged by the counterparty. In addition, if the counterparty to the interest rate swap contracts defaults, the Fund would incur a loss in the amount of the receivable and would not receive amounts due from the counterparty to offset the interest payments on the Fund's leverage.

The average notional amount of all open swap agreements for TYG and TPZ for the period ended May 31, 2016 was approximately \$20,000,000 and \$24,000,000, respectively.

The following table presents TYG's and TPZ's interest rate swap contracts, each of which is subject to a netting agreement, on a gross and a net basis at May 31, 2016:

| Description | Gross Amounts of Recognized Liabilities | Gross Amounts of Assets & Liabilities | Net Amounts of Liabilities Presented in the Statements | Gross Amounts Not Offset in the Statement of Assets & Liabilities |                          |
|-------------|---|---------------------------------------|--|---|--------------------------|
|             |   |                                       |  | Financial Instruments   | Cash Collateral Received |

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|                                   |            |    |            |    |    | <b>Net<br/>Amount</b> |
|-----------------------------------|------------|----|------------|----|----|-----------------------|
| TYG: Interest Rate Swap Contracts | \$ 665,163 | \$ | \$ 665,163 | \$ | \$ | \$ 665,163            |
| TPZ: Interest Rate Swap Contracts | \$ 367,035 | \$ | \$ 367,035 | \$ | \$ | \$ 367,035            |

**Written Call Options**

Transactions in written option contracts for TTP and NDP for the period ended May 31, 2016, are as follows:

|  | TTP                    |             | NDP                    |              |
|--|------------------------|-------------|------------------------|--------------|
|  | Number of<br>Contracts | Premium     | Number of<br>Contracts | Premium      |
| Options outstanding at November 30, 2015 | 7,061                  | \$ 527,888  | 41,185                 | \$ 1,900,591 |
| Options written                          | 36,878                 | 2,593,935   | 222,827                | 12,021,032   |
| Options closed*                          | (33,519)               | (2,344,497) | (187,410)              | (9,738,082)  |
| Options exercised                        | (1,284)                | (86,206)    | (6,539)                | (230,724)    |
| Options expired                          | (3,437)                | (305,846)   | (33,323)               | (1,985,486)  |
| Options outstanding at May 31, 2016      | 5,699                  | \$ 385,274  | 36,740                 | \$ 1,967,331 |

\*The aggregate cost of closing written option contracts was \$1,869,140 for TTP and \$9,717,020 for NDP, resulting in net realized gains of \$475,357 and \$21,063 for TTP and NDP, respectively.

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**Notes to Financial Statements** (unaudited) (continued)

The following table presents the types and fair value of derivatives by location as presented on the Statements of Assets & Liabilities at May 31, 2016:

| <b>Liabilities</b>  |                                |                   |
|---|--------------------------------|-------------------|
| <b>Derivatives not accounted for as hedging instruments under ASC 815</b> | <b>Location</b>                | <b>Fair Value</b> |
| TYG: Interest rate swap contracts   | Interest rate swap contracts   | \$ 665,163        |
| TTP: Written equity call options  | Options written, at fair value | \$ 405,478        |
| NDP: Written equity call options  | Options written, at fair value | \$ 2,132,582      |
| TPZ: Interest rate swap contracts   | Interest rate swap contracts   | \$ 367,035        |

The following table presents the effect of derivatives on the Statements of Operations for the period ended May 31, 2016:

| <b>Derivatives not accounted for as hedging instruments under ASC 815</b> | <b>Location of Gains (Losses) on Derivatives</b> | <b>Net Realized Gain (Loss) on Derivatives</b> | <b>Net Unrealized Depreciation of Derivatives</b> |
|---|--|--|---|
| TYG: Interest rate swap contracts   | Interest rate swaps                              | \$ (162,613)                                   | \$ (101,595)                                      |
| TTP: Written equity call options  | Options  | \$ 781,203                                     | \$ (126,383)                                      |
| NDP: Written equity call options  | Options  | \$ 2,006,548                                   | \$ (631,823)                                      |
| TPZ: Interest rate swap contracts   | Interest rate swaps                              | \$ (154,175)                                   | \$ (9,271)  |

**12. Subsequent Events**

**TYG:**  
On June 23, 2016, TYG entered into an amendment to its credit facility with Scotia Bank, N.A. that extends the credit facility through June 22, 2018. The terms of the amendment provide for an unsecured, revolving credit facility of \$90,000,000. During the extension, outstanding balances generally will accrue interest at a variable annual rate equal to one-month LIBOR plus 1.20 percent and unused portions of the credit facility will accrue a non-usage fee equal to an annual rate of 0.15 percent. The non-usage fee is waived if the outstanding balance on the facility is at least \$63,000,000.

During the period from June 1, 2016 through the date the financial statements were issued, TYG issued 323,341 shares of common stock under its at-the-market equity offering program for gross proceeds of approximately \$9.9 million.

TYG has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no additional items require recognition or disclosure.

**NTG:**  
NTG has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no items require recognition or disclosure.

**TTP:**  
TTP has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no items require recognition or disclosure.

**NDP:**  
On June 2, 2016, NDP replaced its existing margin loan facility with an unsecured 179-day rolling evergreen credit facility with Scotia Bank, N.A. The terms of the agreement provide for an unsecured, revolving credit facility of \$80,000,000. Outstanding variable rate loan balances generally will



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accrue interest at a variable annual rate equal to one-month LIBOR plus 0.80 percent and unused portions of the credit facility will accrue a non-usage fee equal to an annual rate of 0.20 percent. The non-usage fee is waived if the outstanding balance on the facility is at least \$56,000,000.

NDP has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no additional items require recognition or disclosure.

### **TPZ:**

On June 30, 2016, TPZ paid a distribution in the amount of \$0.125 per common share, for a total of \$868,917. Of this total, the dividend reinvestment amounted to \$13,062.

TPZ has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no additional items require recognition or disclosure.

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**Additional Information** (unaudited)**Stockholder Proxy Voting Results**

The annual meeting of stockholders for each Fund was held on May 19, 2016. The matters considered at the meeting by each fund, together with the actual vote tabulations relating to such matters are as follows:

1. To elect two directors of the Fund, to hold office for a term of three years and until their successors are duly elected and qualified.

| H. Kevin Birzer* | TYG              | NTG              | TTP            | NDP               | TPZ              |
|------------------|------------------|------------------|----------------|-------------------|------------------|
| Affirmative      | 8,060,000        | 2,600,000        | 640,000        | 11,944,981        | 5,480,521        |
| Withheld         |                  |                  |                | 371,088           | 142,955          |
| <b>TOTAL</b>     | <b>8,060,000</b> | <b>2,600,000</b> | <b>640,000</b> | <b>12,316,069</b> | <b>5,623,476</b> |

| Alexandra A. Herger | TYG               | NTG               | TTP              | NDP               | TPZ              |
|---------------------|-------------------|-------------------|------------------|-------------------|------------------|
| Affirmative         | 33,654,659        | 35,127,260        | 8,492,431        | 11,942,052        | 5,472,357        |
| Withheld            | 510,609           | 764,453           | 602,510          | 374,017           | 151,119          |
| <b>TOTAL</b>        | <b>34,165,268</b> | <b>35,891,713</b> | <b>9,094,941</b> | <b>12,316,069</b> | <b>5,623,476</b> |

\*For each of TYG, NTG, and TTP, only preferred stockholders are entitled to vote on this director.

Each of Conrad S. Ciccotello and Terry C. Matlack continued as a director with a term expiring on the date of the 2017 annual meeting of stockholders. Each of Charles E. Heath and Rand C. Berney continued as a director with a term expiring on the date of the 2018 annual meeting of stockholders.

2. To ratify the selection of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending November 30, 2016.

|              | TYG               | NTG               | TTP              | NDP               | TPZ              |
|--------------|-------------------|-------------------|------------------|-------------------|------------------|
| Affirmative  | 33,749,895        | 35,563,959        | 9,014,410        | 12,016,805        | 5,551,998        |
| Against      | 150,992           | 143,054           | 53,383           | 230,681           | 47,852           |
| Abstain      | 264,381           | 184,700           | 27,148           | 68,583            | 23,626           |
| <b>TOTAL</b> | <b>34,165,268</b> | <b>35,891,713</b> | <b>9,094,941</b> | <b>12,316,069</b> | <b>5,623,476</b> |

Based upon votes required for approval, each of these matters passed.

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**Additional Information** (unaudited) (continued)**Director and Officer Compensation**

The Funds do not compensate any of its directors who are interested persons, as defined in Section 2(a)(19) of the 1940 Act, nor any of its officers. For the period from December 1, 2015 through May 31, 2016, the aggregate compensation paid by the Funds to the independent directors was as follows:

| <b>TYG</b> | <b>NTG</b> | <b>TTP</b> | <b>NDP</b> | <b>TPZ</b> |
|------------|------------|------------|------------|------------|
| \$124,500  | \$92,000   | \$44,000   | \$44,000   | \$35,500   |

The Funds did not pay any special compensation to any of its directors or officers.

**Forward-Looking Statements**

This report contains forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect each Fund's actual results are the performance of the portfolio of investments held by it, the conditions in the U.S. and international financial, petroleum and other markets, the price at which shares of each Fund will trade in the public markets and other factors discussed in filings with the SEC.

**Proxy Voting Policies**

A description of the policies and procedures that each Fund uses to determine how to vote proxies relating to portfolio securities owned by the Fund and information regarding how each Fund voted proxies relating to the portfolio of securities during the 12-month period ended June 30, 2015 are available to stockholders (i) without charge, upon request by calling the Adviser at (913) 981-1020 or toll-free at (866) 362-9331 and on the Adviser's Web site at [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com); and (ii) on the SEC's Web site at [www.sec.gov](http://www.sec.gov).

**Form N-Q**

Each Fund files its complete schedule of portfolio holdings for the first and third quarters of each fiscal year with the SEC on Form N-Q. Each Fund's Form N-Q is available without charge upon request by calling the Adviser at (866) 362-9331 or by visiting the SEC's Web site at [www.sec.gov](http://www.sec.gov). In addition, you may review and copy each Fund's Form N-Q at the SEC's Public Reference Room in Washington D.C. You may obtain information on the operation of the Public Reference Room by calling (800) SEC-0330.

Each Fund's Form N-Qs are also available through the Adviser's Web site at [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).

**Statement of Additional Information**

The Statement of Additional Information (SAI) includes additional information about each Fund's directors and is available upon request without charge by calling the Adviser at (866) 362-9331 or by visiting the SEC's Web site at [www.sec.gov](http://www.sec.gov).

**Certifications**

Each Fund's Chief Executive Officer has submitted to the New York Stock Exchange the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the SEC, as an exhibit to its most recently filed Form N-CSRS, the certification of its Chief Executive Officer and Principal Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

**Privacy Policy**

In order to conduct its business, each Fund collects and maintains certain nonpublic personal information about its stockholders of record with respect to their transactions in shares of each Fund's securities. This information includes the stockholder's address, tax identification or Social Security number, share balances, and distribution elections. We do not collect or maintain personal information about stockholders whose share balances of our securities are held in street name by a financial institution such as a bank or broker.

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We do not disclose any nonpublic personal information about you, the Funds' other stockholders or the Funds' former stockholders to third parties unless necessary to process a transaction, service an account, or as otherwise permitted by law.

To protect your personal information internally, we restrict access to nonpublic personal information about the Funds' stockholders to those employees who need to know that information to provide services to our stockholders. We also maintain certain other safeguards to protect your nonpublic personal information.

### **Repurchase Disclosure**

Notice is hereby given in accordance with Section 23(c) of the 1940 Act, that each Fund may from time to time purchase shares of its common stock in the open market.

**Tortoise Capital Advisors**

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**Office of the Company  
and of the Investment Adviser**

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**Board of Directors of  
Tortoise Energy Infrastructure Corp.  
Tortoise MLP Fund, Inc.  
Tortoise Pipeline & Energy Fund, Inc.  
Tortoise Energy Independence Fund, Inc.  
Tortoise Power and Energy Infrastructure Fund, Inc.**

H. Kevin Birzer, Chairman  
Tortoise Capital Advisors, L.L.C.

Terry Matlack  
Tortoise Capital Advisors, L.L.C.

Rand C. Berney  
Independent

Conrad S. Ciccotello  
Independent

Charles E. Heath  
Independent

Alexandra Herger  
Independent

**Administrator**

U.S. Bancorp Fund Services, LLC  
615 East Michigan St.  
Milwaukee, Wis. 53202

**Custodian**

U.S. Bank, N.A.  
1555 North Rivercenter Drive, Suite 302  
Milwaukee, Wis. 53212

**Transfer, Dividend Disbursing  
and Reinvestment Agent**

Computershare Trust Company, N.A. /  
Computershare Inc.  
P.O. Box 30170  
College Station, Tex. 77842-3170  
(800) 426-5523  
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**Legal Counsel**

Husch Blackwell LLP  
4801 Main St.  
Kansas City, Mo. 64112

**Investor Relations**

(866) 362-9331  
info@tortoiseadvisors.com

**Stock Symbols**

Listed NYSE Symbols: TYG, NTG, TTP, NDP, TPZ

This report is for stockholder information. This is not a prospectus intended for use in the purchase or sale of fund shares. **Past performance is no guarantee of future results and your investment may be worth more or less at the time you sell.**

11550 Ash Street, Suite 300

Leawood, KS 66211

[www.tortoiseadvisors.com](http://www.tortoiseadvisors.com)

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**Item 2. Code of Ethics.**

Not applicable for semi-annual reports.

**Item 3. Audit Committee Financial Expert.**

Not applicable for semi-annual reports.

**Item 4. Principal Accountant Fees and Services.**

Not applicable for semi-annual reports.

**Item 5. Audit Committee of Listed Registrants.**

Not applicable for semi-annual reports.

**Item 6. Investments.**

(a) Schedule of Investments is included as part of the report to shareholders filed under Item 1.

(b) Not applicable.

**Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.**

Not applicable for semi-annual reports.

**Item 8. Portfolio Managers of Closed-End Management Investment Companies.**

There have been no changes in the portfolio managers identified in response to this Item in the Registrant's most recent annual report on Form N-CSR.

**Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.**

| <i>Period</i>                | <i>(a)<br/>Total Number of<br/>Shares (or Units)<br/>Purchased</i> | <i>(b)<br/>Average Price Paid<br/>per Share (or Unit)</i> | <i>(c)<br/>Total Number of<br/>Shares (or Units)<br/>Purchased as Part of<br/>Publicly Announced<br/>Plans or Programs</i> | <i>(d)<br/>Maximum Number (or<br/>Approximate Dollar<br/>Value) of Shares (or<br/>Units) that May Yet<br/>Be Purchased Under<br/>the Plans or Programs</i> |
|------------------------------|--|---|--|--|
| Month #1<br>12/1/15-12/31/15 | 0  | 0   | 0  | 0  |
| Month #2<br>1/1/16-1/31/16   | 0  | 0   | 0  | 0  |
| Month #3<br>2/1/16-2/29/16   | 0  | 0   | 0  | 0  |
| Month #4<br>3/1/16-3/31/16   | 0  | 0   | 0  | 0  |
| Month #5<br>4/1/16-4/30/16   | 0  | 0   | 0  | 0  |
| Month #6<br>5/1/16-5/31/16   | 0  | 0   | 0  | 0  |
| Total                        | 0  | 0   | 0  | 0  |



**Item 10. Submission of Matters to a Vote of Security Holders.**

None.

**Item 11. Controls and Procedures.**

(a) The Registrant's Chief Executive Officer and its Principal Financial Officer have concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report, based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the Registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the Registrant's second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

**Item 12. Exhibits.**

(a)(1) *Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the Registrant intends to satisfy the Item 2 requirements through filing of an exhibit.* Not applicable.

(2) *Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.* Filed herewith.

(3) *Any written solicitation to purchase securities under Rule 23c-1 under the Act sent or given during the period covered by the report by or on behalf of the Registrant to 10 or more persons.* None.

(b) *Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* Furnished herewith.

(c) *Notices to the Registrant's common shareholders in accordance with the order under Section 6(c) of the 1940 Act granting an exemption from Section 19(b) of the 1940 Act and Rule 19b-1 under the 1940 Act, dated September 12, 2011<sup>1</sup>.*

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<sup>1</sup> The Registrant is relying on exemptive relief from the Securities and Exchange Commission permitting it to make periodic distributions of long-term capital gains with respect to its outstanding common shares as frequently as twelve times each year. This relief is conditioned, in part, on Registrant making the disclosures to the holders of the Registrant's common shares, in addition to the information required by Section 19(a) of the 1940 Act and Rule 19a-1 thereunder. The Registrant is likewise obligated to file with the Commission the information contained in any such notice to shareholders and, in that regard, has attached hereto copies of each such notice made during the period.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Tortoise Pipeline & Energy Fund, Inc.  
By (Signature and Title) /s/ P. Bradley Adams  
P. Bradley Adams, Chief Executive Officer

Date July 21, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ P. Bradley Adams  
P. Bradley Adams, Chief Executive Officer

Date July 21, 2016

By (Signature and Title) /s/ Brent Behrens  
Brent Behrens, Principal Financial Officer and Treasurer

Date July 21, 2016

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