Tortoise North American Pipeline Fund (TPYP)

Tortoise North American Pipeline Fund received a Five-Star Overall Morningstar Rating™ among 101 Energy Limited Partnership Funds based on three-year risk-adjusted performance ending 12/31/2018.

4Q 2018 QUARTERLY COMMENTARY

The Tortoise North American Pipeline Fund is an exchange traded fund that uses a passive management approach and seeks to track the total return performance of the Tortoise North American Pipeline Index℠.

Tortoise provides research-driven indices that can be used as a realistic basis for exchange-traded products and thought leadership in the universe of essential assets. Its indices are intended to fill a void in the market and provide benchmarks and investable asset class universes for use by investment professionals, research analysts and industry executives to analyze relative performance as well as to provide a basis for passively managed exchange-traded products.

The broader energy sector retreated substantially during the last quarter of the year, returning -23.7%, bringing the 2018 performance to -18.1%. The broader equity market declined as well due to trade tensions and interest rate fears, returning -13.5% in the fourth quarter and -4.4% for the year, and commodity prices were volatile with crude oil prices seeing both the peak and trough for the year in the last quarter. Continued U.S. production growth, increased production from the Organization of the Petroleum Exporting Countries (OPEC), specifically Saudi Arabia in anticipation of the Iranian sanctions, and uncertainty leading up to the OPEC meeting in Vienna on Dec. 5, all contributed to driving oil prices lower. The midstream segment pulled back too partly due to near-term uncertainty around simplification transactions and further evolution of the midstream segment.

North American pipeline sector update

Performance in the midstream sector declined along with broad energy. Midstream energy returned -13.6% for the fourth quarter and -10.5% for the year and MLPs returned -16.7% for the fourth quarter and -13.4% for the year. Despite market turmoil, midstream companies showed their resilience with nearly 95% of midstream MLPs increasing or maintaining their third quarter distribution over the prior quarter.

The MLP sector continues to evolve. We expect even higher distribution coverage and lower leverage going forward. Many companies have shifted to self-funding the equity portion of their capex programs, reducing reliance on capital markets access. As a result, we expect dramatically less equity supply issuance in 2019 and beyond as companies focus on return of capital to shareholders in the form of strong yield, debt pay-down, distribution growth and stock buybacks. Some companies are also selling non-core assets to arbitrage the valuation gap between private and public midstream assets.

We've deemed 2018 as the year of the transaction, with more than half of MLP companies participating in simplification transactions. In many cases, these transactions resulted in an elimination of incentive distribution rights (IDRs). These transactions benefited the sector, resulting in improved corporate governance and lower costs of capital. We expect this trend to continue and by the end of 2019 we anticipate more than 85% of MLPs will have eliminated IDRs.

With significant midstream investment needed to transport the record U.S. energy supply to areas of demand, including export facilities, several pipeline companies are planning to consolidate efforts to efficiently put capital to work. One example is a potential consolidation of two competing Permian Basin long-haul crude oil lines. If combined, the project would be owned by six different midstream companies and would ease concerns of over-investment in basin takeaway capacity. Our outlook for capital investments remains at approximately $139 billion for 2018 to 2020 in MLPs, pipelines and related organic projects.

Broad energy = S&P Energy Select Sector® Index
Pipeline companies = Tortoise North American Pipeline Index℠–The Tortoise North American Pipeline Fund seeks to track this index.
MLPs = Tortoise MLP Index®

Capital markets

Capital markets activity picked up slightly during the fourth quarter with MLPs and other pipeline companies raising approximately $7 billion in total capital, with nearly all of the issuance in debt. This brings total capital raised for the year to approximately $76 billion. Alternative options for raising capital remain available, including: joint venture, partnerships, PIPEs and sale of non-core assets.

Merger and acquisition activity among MLPs and other pipeline companies also picked up during the last quarter with more than $30 billion in announced transactions, bringing the 2018 announced transactions to approximately $143 billion. There were two large transactions announced in the fourth quarter with Western Gas' simplification transaction and strategic deal between Western Gas Partners, LP, Western Gas Equity Partners, LP and Anadarko Petroleum Corporation, valued at approximately $11.5 billion being the largest. EnLink Midstream, LLC also announced a simplification transaction to acquire EnLink Midstream Partners, LP in a deal valued at approximately $10 billion.

Key quarterly asset performance drivers

Top five contributors	Company type	Performance driver
Tallgrass Energy LP	Midstream natural gas/natural gas liquids pipeline MLP	Completion of simplification transaction
Nisource Inc	Midstream natural gas local distribution company	Historically steady cash flows and improved demand due to cold start to winter
TC PipeLines, LP	Midstream natural gas/natural gas liquids pipeline company	Steady cash flows from regulated pipeline business
Spire Inc	Midstream natural gas local distribution company	Steady cash flow growth profile
Valero Energy Partners LP	Midstream refined product pipeline MLP	Acquired by parent company Valero Energy

Bottom five contributors	Company type	Performance driver
ONEOK, Inc	Midstream natural gas/natural gas liquids pipeline company	Relative underperformance following recent outsized performance
Targa Resources Corp.	Midstream gathering and processing company	Weaker commodity prices negatively impacted commodity based contracts
Williams Companies, Inc	Midstream gathering and processing company	Acquisition of WPZ closed in August with WMB trading down following the closing of the transaction
Kinder Morgan Inc	Midstream natural gas/natural gas liquids pipeline company	Strategic uncertainty around Canadian business
Energy Transfer LP	Midstream natural gas/natural gas liquids pipeline company	Traded down due to ownership consolidation following closing of simplification transaction

Portfolio as of 12/31/2018

By pipeline type

Natural gas pipelines	44%
Crude oil pipelines	21%
Gathering & processing	17%
Local gas distribution	13%
Refined product pipelines	5%

By structure type

Other pipeline C-corps/LLCs	67%
MLP affiliate/owners*	19%
MLPs	13%

*Includes LLCs and C-corps

Fund holdings are subject to change and are not recommendations to buy or sell any security. Totals may not equal 100% due to rounding.

Top 10 holdings (as of 12/31/2018)

1. Enbridge Inc.	8.0%	6. Pembina Pipeline Corporation	5.9%
2. Kinder Morgan, Inc.	7.7%	7. Cheniere Energy, Inc.	5.2%
3. The Williams Companies, Inc.	7.4%	8. Enterprise Products Partners L.P.	4.7%
4. ONEOK, Inc.	7.3%	9. Atmos Energy Corporation	4.3%
5. TransCanada Corporation	7.3%	10. Energy Transfer LP	4.1%

Performance (as of 12/31/2018)

	4Q 2018	1 year	3 year	Since inception[1]
TPYP market price (total return)	-13.78%	-11.15%	8.45%	-2.48%
TPYP NAV (total return)	-13.60%	-10.87%	7.79%	-2.46%
Tortoise North American Pipeline Index^{SM} (TNAPT)	-13.59%	-10.49%	8.45%	-1.90%

Source: Bloomberg for TNAPT

[1]Period from fund inception through 12/31/2018. The fund commenced operations on 6/29/2015.

Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. NAV prices are used to calculate market price performance prior to the date when the fund first traded on the New York Stock Exchange. Market performance is determined using the bid/ask midpoint at 4:00pm Eastern time, when the NAV is typically calculated. Market performance does not represent the returns you would receive if you traded shares at other times. For the fund's most recent month end performance, please call (844) TR-INDEX or (844) 874-6339.

As stated in the Prospectus, the total annual operating expenses are 0.40%. The advisor has agreed to pay all expenses incurred by the fund except for the advisory fee, interest, taxes, brokerage expenses and other fees, charges, taxes, levies or expenses (such as stamp taxes) incurred in connection with the execution of portfolio transactions or in connection with creation and redemption transactions.

Index returns are for illustrative purposes only. Unlike the fund return, index return is pre-expenses and taxes. Index performance returns do not reflect any management fees, transaction costs or expenses.

Disclosures

The fund's investment objective, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contains this and other important information about the fund and may be obtained by calling 844-TR-INDEX (844-874-6339) or visiting www.tortoiseadvisors.com. Read it carefully before investing.

Shares of Exchange Traded Funds (ETFs) are not individually redeemable and owners of the shares may acquire those shares from the ETF and tender those shares for redemption to the ETF in Creation Units only. See the ETF prospectus for additional information regarding Creation Units. Investors may purchase or sell ETF shares throughout the day through any brokerage account, which will result in typical brokerage commissions.

Investing involves risk. Principal loss is possible. The fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the fund is more exposed to individual stock volatility than a diversified fund. Investing in specific sectors such as energy pipelines may involve greater risk and volatility than less concentrated investments. Risks include, but are not limited to, risks associated with companies owning and/or operating energy pipelines, as well as Master Limited Partnerships (MLPs), MLP affiliates, capital markets, terrorism, natural disasters, climate change, operating, regulatory, environmental, supply and demand, and price volatility risks. The tax benefits received by an investor investing in the fund differ from that of a direct investment in an MLP by an investor. The value of the fund's investment in an MLP will depend largely on the MLP's treatment as a partnership for U.S. federal income tax purposes. If the MLP is deemed to be a corporation then its income would be subject to federal taxation, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. Investments in non-U.S. companies (including Canadian issuers) involve risk not ordinarily associated with investments in securities and instruments of U.S. issuers, including risks related to political, social and economic developments abroad, differences between U.S. and foreign regulatory and accounting requirements, tax risk and market practices, as well as fluctuations in foreign currencies. The fund invests in small and mid-cap companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. The fund is not actively managed and therefore the fund generally will not sell a security due to current or projected underperformance of a security, industry or sector, unless that security is removed from the index or the selling of the security is otherwise required upon a rebalancing of the index. There is no guarantee that the fund will achieve a high degree of correlation to the index and therefore achieve its investment objective. Shares may trade at prices different than net asset value per share.

The S&P Energy Select Sector® Index is a capitalization-weighted index of S&P 500® Index companies in the energy sector involved in the development or production of energy products. The Tortoise North American Pipeline Index^{SM} is a float-adjusted, capitalization-weighted index of pipeline companies domiciled in the U.S. and Canada. The Tortoise MLP Index® is a float-adjusted, capitalization-weighted index of energy master limited partnerships. The index is comprised of publicly traded companies organized in the form of limited partnerships or limited liability companies engaged in transportation, production, processing and/or storage of energy commodities.

The Tortoise North American Pipeline Index[SM] and the Tortoise MLP Index® (each an "Index") is 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) to calculate and maintain the Index. The Index is not sponsored by S&P Dow Jones Indices or its affiliates or its third party licensors (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices will not be liable for any errors or omission in calculating the Index. "Calculated by S&P Dow Jones Indices" and its related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by Tortoise Index Solutions, LLC and its affiliates. S&P® is a registered trademark of Standard & Poor's Financial Services LLC ("SPFS"), and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). No portion of this publication may be reproduced in any format or by any means including electronically or mechanically, by photocopying, or by any other form or manner whatsoever, without the prior written consent of Tortoise Index Solutions, LLC.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds and separate accounts) with at least a three-year history without adjustment for sales load. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36 - 59 months of total returns, 60% five-year rating/40% three-year rating for 60 - 119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 12/31/2018, TPYP was rated against 101 Energy Limited Partnership Funds over the three-year period. TPYP received five stars for this period. Past performance is no guarantee of future results.

Nothing in this commentary should be considered a solicitation to buy or an offer to sell any shares of the portfolio in any jurisdiction where the offer or solicitation would be unlawful under the securities laws of such jurisdiction. Nothing contained on this communication constitutes tax, legal or investment advice.

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