



Tortoise Select Opportunity Fund (TOPIX/TOPTX/TOPCX) received a Four-Star Overall Morningstar Rating™ among 91 Equity Energy Funds (based on a weighted average of the fund's three-, five- and ten year risk-adjusted return measure, if applicable) as of 12/31/2018.

# Tortoise Select Opportunity Fund (TOPIX/TOPTX/TOPCX)

## 4Q 2018 QUARTERLY COMMENTARY

### Investment strategy

The fund provides access to North American energy companies and their beneficiaries that Tortoise believes are, or will be, in a differentiated position to benefit from changing dynamics, catalysts and opportunities across the North American energy value chain that may occur over time.

### Process

Using a flexible strategy, Tortoise seeks to use its differentiated position and expertise within the energy sector to identify different opportunities across the North American energy value chain. Based on the prevailing market and economic conditions, Tortoise may shift the fund's proportional exposure to these opportunities over time.

**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.**

### Strategy update

This strategy's flexible mandate allows us to invest across the entire energy value chain to position the fund to take advantage of anticipated trends and position the portfolio away from themes that we believe are less opportunistic.

During the fourth quarter, our biggest move was to increase our allocation to midstream energy companies focused on the buildout of natural gas infrastructure as we believe this area has both positive fundamentals and attractive valuations. Conversely, we took gains on some companies focused on transporting liquids and buildout of Permian Basin infrastructure. In previous quarter, the portfolio focused on adding to upstream producers, but this quarter, that allocation was pulled back, particularly those in the Permian Basin, due to lower crude oil prices. We continued adding large integrated companies due to their increased free cash flow generation and growing shale basin growth. We also took gains on our prior allocation to refiners as basis differentials have narrowed. Lastly, we

added to our utilities allocation as we believe in the long-term growth of renewable energy.

## Key quarterly asset performance drivers

Top five contributors	Company type	Performance driver
Tallgrass Energy LP	Midstream natural gas/natural gas liquids pipeline company	Completion of simplification transaction
EQT Corporation	Upstream natural gas producer	Completed spin off from EQT Corp. Unlocked midstream value
Kinder Morgan Inc.	Midstream natural gas/natural gas liquids pipeline company	Reduced leverage to target levels
Cabot Oil & Gas Corp.	Upstream liquids producer	Improving natural gas prices and completion of strategic pipeline
Andeavor	Downstream refiner	Acquired by Marathon Petroleum for a premium

Bottom five contributors	Company type	Performance driver
Marathon Petroleum Corp	Downstream refiner	Weaker gasoline fundamentals and multiple compressions associated with additional risk of successful implementing International Maritime Organization IMO 2020
Valero Energy Corp	Downstream refiner	Weaker gasoline fundamentals and multiple compressions associated with additional risk of successful implementing International Maritime Organization IMO 2020
Occidental Petroleum Corp	Upstream liquids producer	Decline in west Texas basis pricing differentials
Continental Resources Inc.	Crude oil producer	Declined due to lower crude oil prices
Targa Resources Corp.	Midstream gathering and processing company	Weaker commodity prices negatively impacted commodity based contracts

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

1. ConocoPhillips	8.3%
2. Marathon Petroleum Corporation	7.6%
3. Cheniere Energy, Inc.	7.2%
4. Occidental Petroleum Corporation	6.6%
5. Valero Energy Corporation	6.1%
6. EQT Corporation	5.0%
7. The Williams Companies, Inc.	4.7%
8. EOG Resources, Inc.	4.5%
9. Targa Resources Corp.	4.2%
10. Energy Transfer LP	4.1%

The fund will generally have the following allocations and characteristics:

Allocation type	Anticipated broad range
Midstream	0 - 50%
Upstream	0 - 50%
Refining	0 - 30%
Oilfield services	0 - 30%
Petrochemicals	0 - 30%
Power	0 - 10%
Rail/other	0 - 10%
Cash	0 - 5%

## Targeted portfolio characteristics

- 15 - 40 holdings across energy value chain
- Sector ranges will vary over time based on targeted catalyst and trend exposure
- Value chain segment and company specific exposure will fluctuate based on areas of highest conviction

## Portfolio as of 12/31/2018 (unaudited)

Oil and gas production	44%
Natural gas pipelines	25%
Refining	16%
Gathering and processing	9%
Oilfield services	3%
Power	3%

Fund holdings are subject to change and are not recommendations to buy or sell any security.

## Performance (as of 12/31/2018)

Class		4Q 2018	1 year	3 year	5 year	Since inception <sup>1</sup>	Expense ratio	
							Gross	Net <sup>2</sup>
TOPIX	Institutional	-26.49%	-24.19%	-2.72%	-6.69%	-5.49%	1.42%	1.10%
TOPTX	Investor (excluding load)	-26.52%	-24.37%	-2.96%	-6.94%	-5.73%	1.67%	1.35%
TOPTX	Investor (maximum load)	-30.75%	-28.70%	-4.84%	-8.04%	-6.79%	1.67%	1.35%
TOPCX	C Class (excluding CDSC)	-26.65%	-24.84%	-3.67%	-7.61%	-6.40%	2.42%	2.10%
TOPCX	C Class (including CDSC)	-27.39%	-25.59%	-3.67%	-7.61%	-6.40%	2.42%	2.10%
SPXT	S&P 500 <sup>®</sup> Index	-13.52%	-4.38%	9.26%	8.49%	10.15%		
IXETR	S&P Energy Select Sector Index	-23.67%	-18.09%	1.36%	-5.65%	-4.12%		

Note: For periods over one year, performance reflected is for the average annual returns

<sup>1</sup>Period from fund inception through 12/31/2018. The fund commenced operations on 9/30/2013.

<sup>2</sup>Tortoise Capital Advisors, L.L.C. (the "Advisor") has contractually agreed to reimburse the fund for its operating expenses, in order to ensure that Total Annual Fund Operating Expenses (excluding Rule 12b-1 fees, acquired fund fees and expenses, brokerage commissions, leverage/borrowing interest, interest expense, taxes and extraordinary expenses) do not exceed 1.10% of the average daily net assets of the fund. Expenses reimbursed by the Advisor may be recouped by the Advisor for a period of 36 months following the date on which such reimbursement was made if such recoupment can be achieved without exceeding the expense limit in effect at the time the expense reimbursement occurred and at the time of the recoupment. The Operating Expenses Limitation Agreement will be in effect and cannot be terminated through at least 3/31/2019. Net expense ratios are as of the most recent prospectus and were applicable to investors.

**Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 855-TCA-Fund (855-822-3863).**

**Performance data shown reflecting the Investor Class (maximum load) reflects a sales charge of 5.75%. Performance data shown "excluding load" does not reflect the deduction of the maximum sales load. Performance data shown for the C Class (including CDSC) reflects a contingent deferred sales charge ("CDSC") of 1% for the first 12 months of investment. Performance data shown "excluding CDSC" does not reflect the deduction of the CDSC. If reflected, the load and the CDSC would reduce the performance quoted. Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced.**

## Disclosures

Tortoise Capital Advisors, L.L.C. is the advisor to the Tortoise Select Opportunity Fund. Tortoise Capital Advisors is an investment manager specializing in listed energy investments and is considered a pioneer in managing portfolios of MLP securities and other energy companies for individual, institutional and closed-end fund investors.

**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 855-TCA-FUND (855-822-3863) or visiting [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com). Read it carefully before investing.**

**Mutual fund 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 may involve greater risk and volatility than less concentrated investments. Risks include, but are not limited to, risks associated with the North American energy companies, including upstream energy companies, midstream energy companies, downstream energy companies, energy company beneficiaries, commodity price volatility risk, supply and demand risk, reserve and depletion risk, operations risk, regulatory risk, environmental risk, terrorism risk, natural disasters and climate change risks. The advisor does not anticipate that the fund will significantly invest in MLPs in all circumstances and market conditions, and may not be invested in MLPs at all. However, the fund may invest up to 25% of its total assets in MLPs. The tax benefits received by an investor investing in the fund differs 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 foreign companies 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. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher rated securities. The fund may also invest in derivatives including options, futures and swap agreements, which can be highly volatile, illiquid and difficult to value, and changes in the value of a derivative held by the fund may not correlate with the underlying instrument or the fund's other investments and can include additional risks such as liquidity risk, leverage risk and counterparty risk that are possibly greater than risks associated with investing directly in the underlying investments. The fund may engage in short sales and in doing so is subject to the risk that it may not always be able to borrow a security, or to close out a short position at a particular time or at an acceptable price.**

Diversification does not assure a profit nor protect against loss in a declining market. Free cash flow is a measure of a company's financial performance, calculated as operating cash flow minus capital expenditures.

The S&P 500<sup>®</sup> Index is an unmanaged market-value weighted index of stocks, which is widely regarded as the standard for measuring large-cap U.S. stock market performance. The S&P Energy Select Sector<sup>®</sup> Index is a modified market capitalization-based index of S&P 500<sup>®</sup> companies in the energy sector that develop and produce crude oil and natural gas and provide drilling and other energy related services. Returns include reinvested dividends. It is not possible to invest directly in an index.

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