Cushing MLP Total Return Fund
Form 497
February 25, 2011

Prospectus Supplement
(to Prospectus dated May 17, 2010)

6,000,000 Common Shares

The Cushing MLP Total Return Fund

$10.00 per Common Share

The Cushing MLP Total Return Fund (the Fund) is offering 6,000,000 common shares of beneficial interest, par value $0.001 per share (Common Shares). The Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company. The Fund s investment objective is to obtain a high after-tax total return from a combination of capital appreciation and current income. No assurance can be given that the Fund s investment objective will be achieved.

The Fund s currently outstanding Common Shares are, and the Common Shares offered by this Prospectus Supplement and the accompanying Prospectus, subject to notice of issuance, will be, listed on the New York Stock Exchange (the NYSE) under the symbol SRV . The last reported sale price for the Fund s Common Shares on February 24, 2011 was $10.53 per share. The net asset value per share of the Fund s Common Shares at the close of business on February 24, 2011 was $8.71.

This investment involves risks. See Principal Risks of the Fund beginning on page S-12 of this Prospectus Supplement and on page 44 of the accompanying Prospectus before investing in Common Shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Prospectus Supplement or the accompanying Prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total(1)
Public offering price	$ 10.00	$ 60,000,000
Underwriting discount(2)	$ 0.40	$ 2,400,000
Proceeds, before expenses, to the Fund(3)	$ 9.60	$ 57,600,000

(1) The Fund has granted the underwriters an option to purchase up to an additional 900,000 Common Shares at the public offering price, less the underwriting discount, within 45 days of the date of this Prospectus Supplement solely to cover overallotments, if any. If such option is exercised in full, the total public offering price, total underwriting discount, and total proceeds, before expenses, to the Fund will be $69,000,000, $2,760,000 and $66,240,000, respectively. See Underwriting.

(2) The Fund has also agreed to reimburse the underwriters for certain out-of-pocket legal expenses incurred by them up to an aggregate of $50,000 with respect to this offering.

(3) Total offering expenses (other than underwriting discount) are estimated to be $200,000, which will be paid by the Fund.

The underwriters expect to deliver the Common Shares to purchasers on or about March 2, 2011.

RBC Capital Markets	**Ladenburg Thalmann & Co. Inc.**	**Baird**
BB&T Capital Markets	**Janney Montgomery Scott**	**Maxim Group LLC**
National Securities Corporation	**Stone & Youngberg LLC**	

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This Prospectus Supplement, dated February 25, 2011, together with the accompanying Prospectus, dated May 17, 2010, sets forth concisely the information that you should know before investing in the Fund s Common Shares. You should read this Prospectus Supplement and the accompanying Prospectus, which contain important information about the Fund, before deciding whether to invest, and you should retain them for future reference. This Prospectus Supplement and the accompanying Prospectus are part of a shelf registration statement filed with the SEC. This Prospectus Supplement describes the specific details regarding this offering, including the method of distribution. If information in this Prospectus Supplement is inconsistent with the accompanying Prospectus, you should rely on this Prospectus Supplement. Copies of the Fund s annual and semi-annual reports may be obtained upon request, without charge, by calling toll-free (800) 662-7232 and are also available through the Fund s website at *www.srvfund.com*. You may also call this toll-free telephone number to request other information about the Fund or to make shareholder inquiries. Information on, or accessible through, the Fund s website is not a part of, and is not incorporated into, this Prospectus Supplement or the accompanying Prospectus. The SEC maintains an internet website *(www.sec.gov)* that contains the Fund s annual and semi-annual reports and other information regarding the Fund.

The Fund s Common Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Capitalized terms used herein that are not otherwise defined shall have the meanings assigned to them in the accompanying Prospectus.

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You should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Fund is not making an offer to sell these securities in any jurisdiction in which the offer or sale is not permitted. In this Prospectus Supplement and in the accompanying Prospectus, unless otherwise indicated, Fund, us, our and we refer to The Cushing MLP Total Return Fund. This Prospectus Supplement may also include trademarks owned by other persons.

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CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement and the accompanying Prospectus, including documents incorporated by reference, contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar terms and the negative of such terms. By their nature, forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Many factors that could materially affect the Fund s actual results are the performance of the portfolio of securities held by the Fund, the conditions in the U.S. and international financial, petroleum and other markets, the price at which the Fund s Common Shares will trade in the public markets and other factors discussed in the Fund s periodic filings with the SEC.

Although the Fund believes that the expectations expressed in such forward-looking statements are reasonable, actual results could differ materially from those expressed or implied in such forward-looking statements. The Fund s future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Principal Risks of the Fund section of this Prospectus Supplement and the accompanying Prospectus. You are cautioned not to place undue reliance on these forward-looking statements. All forward-looking statements contained or incorporated by reference in this Prospectus Supplement or the accompanying Prospectus are made as of the date of this Prospectus Supplement or the accompanying Prospectus, as the case may be. Except for the Fund s ongoing obligations under the federal securities laws, the Fund does not intend, and the Fund undertakes no obligation, to update any forward-looking statement. The forward-looking statements contained in this Prospectus Supplement and the accompanying Prospectus are excluded from the safe harbor protection provided by section 27A of the Securities Act of 1933, as amended (the Securities Act).

Currently known risk factors that could cause actual results to differ materially from the Fund s expectations include, but are not limited to, the factors described in the Principal Risks of the Fund section of this Prospectus Supplement and the accompanying Prospectus. The Fund urges you to review carefully this section for a more detailed discussion of the risks of an investment in the Fund s securities.

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PROSPECTUS SUPPLEMENT SUMMARY

This is only a summary of information contained elsewhere in this Prospectus Supplement and the accompanying Prospectus. This summary does not contain all of the information that you should consider before investing in the Fund s Common Shares. You should carefully read the more detailed information contained in this Prospectus Supplement and the accompanying Prospectus, especially the information set forth in the accompanying Prospectus under the headings Investment Objective and Policies and Principal Risks of the Fund.

The Fund

The Cushing MLP Total Return Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 (the 1940 Act). Throughout this Prospectus Supplement and the accompanying Prospectus, The Cushing MLP Total Return Fund is referred to simply as the Fund or as we, us or our.

The Fund s investment objective is to obtain a high after-tax total return from a combination of capital appreciation and current income. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in master limited partnership (MLP) investments. There can be no assurance that the Fund s investment objective will be achieved.

NYSE Listed

The Fund s currently outstanding Common Shares are, and the Common Shares offered by this Prospectus Supplement and the accompanying Prospectus, subject to notice of issuance, will be, listed for trading on the NYSE under the symbol SRV. As of February 24, 2011, the last reported sale price of the Common Shares on the NYSE was $10.53.

Investment Adviser

The Fund s investments are managed by its investment adviser, Cushing MLP Asset Management, LP (the Investment Adviser), whose principal business address is 8117 Preston Road, Suite 440, Dallas, Texas 75225. The Investment Adviser serves as investment adviser to registered and unregistered funds, which invest primarily in securities of MLPs and Other Natural Resource Companies. The Investment Adviser is also the sponsor of The Cushing® 30 MLP Index (which is a fundamentally based MLP Index, comprised of 30 equally weighted publicly traded energy infrastructure MLPs with a focus on total return) and The Cushing® MLP High Income Index (which tracks the performance of 30 publicly traded MLPs with an emphasis on current yield).

The Investment Adviser considers itself one of the principal professional institutional investors in the MLP space based on the following:

An investment team with extensive experience in MLP analysis and investment, portfolio management, risk management, and private securities transactions.

A focus on bottom-up, fundamental analysis performed by its experienced investment team, which is core to the Investment Adviser s investment process.

The investment team s wide range of professional backgrounds, market knowledge, industry relationships, and experience in the analysis, financing, and structuring of MLP investments give the Investment Adviser insight into, and the ability to identify and capitalize on, investment opportunities in MLPs and Other Natural Resources Companies.

Its central location in Dallas, Texas affords proximity to major players and assets in the MLP space.

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Investment Strategy

The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments (the 80% policy). For purposes of the Fund s 80% policy, MLP investments are investments that offer economic exposure to public and private MLPs in the form of common or subordinated units issued by MLPs, securities of entities holding primarily general partner or managing member interests in MLPs, debt securities of MLPs, and securities that are derivatives of interests in MLPs, which are I-Shares, and other derivative securities that have economic characteristics of MLP securities.

The Fund will generally seek to invest in 20 to 30 issuers with generally no more than 10% of Managed Assets (as defined below) in any one issue and no more than 15% of Managed Assets in any one issuer (for purposes of this limit, an issuer includes both an MLP and its controlling general partner or managing member), in each case, determined at the time of investment. Among other things, the Investment Adviser will use fundamental, proprietary research to seek to identify the most attractive MLPs with strong fundamental growth prospects and will seek to invest in initial public offerings (IPOs) and secondary market issuances, private investment in public equity (PIPE) transactions and private transactions, including pre-acquisition and pre-IPO equity issuances and investments in private companies. Generally, no more than 50% of the Fund s portfolio will be in PIPE or other private or restricted securities at the time of investment.

Portfolio Investments

Sector Allocation
(As of January 31, 2011)

Natural Gas Gathering	22	%
Natural Gas Transportation	19	%
Crude Oil Gathering/Transport	15	%
Upstream	11	%
Shipping	8	%
Products Pipeline/Storage	7	%
GP MLPs	6	%
MLP Bonds	5	%
Coal	3	%
Propane	3	%
Natural Gas Storage	1	%

Top Ten Holdings
(As of January 31, 2011)

	Market Value (Millions)	% of NAV	
Enbridge Energy Partners LP	$ 22.19	10.1	%
Markwest Energy Partners LP	18.52	8.4	
Penn Virginia GP Holdings	18.37	8.2	
Genesis Energy LP	16.63	7.6	
Targa Resources Partners LP	15.83	7.2	
Crosstex Energy LP	15.23	6.9	
Magellan Midstream Partners LP	14.13	6.4	
Energy Transfer Partners LP	13.48	6.1	

Enterprise Products Partners LP	13.07	5.9
Oneok Partners LP	12.15	5.5

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Who May Want to Invest

Investors should consider their own investment goals, time horizon and risk tolerance before investing in the Fund. An investment in the Fund may not be appropriate for all investors and is not intended to be a complete investment program. The Fund may be an appropriate investment for you if you are seeking:

The opportunity for an attractive total return through capital appreciation and current income, in a fund managed by an experienced team of portfolio and investment professionals.

Low correlation with broader equity or fixed income markets.

Exposure to a growing sub-sector of the natural resources universe, which sub-sector benefits from a tax-advantaged structure and which owns and operates integral infrastructure energy assets that are essential in meeting the growing demand from energy producers and consumers.

Access through a single investment vehicle to a portfolio of public, PIPE, and private securities issued by MLPs and securities of Other Natural Resources Companies (not otherwise available to the general public) researched and sourced by experienced investment professionals at the Investment Adviser.

However, an investment in the Fund involves certain associated investment risks. See Principal Risks of the Fund in this Prospectus Supplement and the accompanying Prospectus.

An Investment in the Fund vs. Direct Investment in MLPs

The Investment Adviser believes that an investment in the Fund has certain advantages over direct investment in MLPs, such as:

Exposure to the MLP asset class through an investment vehicle that will provide common shareholders with a single Internal Revenue Service (IRS) form 1099. Direct investors in MLPs receive an IRS schedule K-1 from each MLP in which they invest.

Access to an investment vehicle that will not require shareholders to file state income tax returns in any state in which such investor is not otherwise required to file a tax return. Direct investors in an MLP are considered limited partners and may be required to file state income tax returns in each state in which the MLP operates.

Ability for the Fund s common shareholders that are tax-exempt investors to avoid having the Fund s distributions classified as unrelated business taxable income (UBTI), unless such investor s Common Shares are debt-financed. A portion of income received by tax-exempt investors directly from MLPs is generally treated as UBTI.

Ability for non-U.S. shareholders to avoid being directly subject to regular net based U.S. federal income tax and return filing requirements with respect to investments in MLPs, provided such non-U.S. shareholder s investment in the Fund is not effectively connected with the conduct of a trade or business in the United States by such shareholder. Non-U.S. shareholders would generally be subject to regular net based U.S. federal income tax on income from direct investments in MLPs treated as effectively connected with a U.S. trade or business.

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Ability for the Fund s common shareholders to not be limited by the provisions of the Internal Revenue Code of 1986, as amended (the Code), containing the passive activity loss rules with respect to any losses resulting from the purchase and sale of Common Shares, because the Fund is taxed as a corporation. The passive activity loss rules limit the ability of certain direct investors in MLPs to use their allocable share of any losses generated by an MLP to offset income from other activities.

Distributions

The Fund has paid distributions to common shareholders every fiscal quarter since inception. Payment of future distributions is subject to approval by the Fund's Board of Trustees, as well as meeting the covenants of any outstanding borrowings and the asset coverage requirements of the Investment Company Act of 1940, as amended (the 1940 Act). The Fund's quarterly distribution for the quarter ending February 28, 2011 of $0.225 per Common Share was declared on January 14, 2011 and is payable on March 10, 2011 to shareholders of record on January 31, 2011. Such distribution will not be paid to Common Shares issued in this offering.

The Fund anticipates that, due to the tax characterization of cash distributions made by MLPs in which the Fund invests, a significant portion of the Fund's distributions to common shareholders will consist of tax-advantaged return of capital. However, no assurance can be given in this regard. See Distributions in the accompanying Prospectus.

The Offering

Common Shares Offered by the Fund
6,000,000
Common Shares Outstanding After this Offering
31,969,747

The number of Common Shares offered and outstanding after this offering assumes the underwriters overallotment option is not exercised. If the overallotment option is exercised in full, the Fund will issue an additional 900,000 Common Shares and will have 32,869,747 Common Shares outstanding after this offering.

Use of Proceeds. The Fund estimates that the net proceeds to the Fund from this offering will be approximately $57.4 million (or $66.0 million if the underwriters exercise their option to purchase additional Common Shares in full), after deducting underwriting discounts and commissions and estimated offering expenses. The Fund intends to invest the net proceeds of this offering in accordance with its investment objective and policies as stated in the accompanying Prospectus.

The Fund anticipates that it will be able to invest substantially all of the net proceeds of this offering in accordance with its investment objective and policies within three months after completion of this offering. Prior to the time the Fund is fully invested, the proceeds of this offering may temporarily be invested in cash, cash equivalents, or in debt securities that are rated AA or higher. Income received by the Fund from these temporary investments would likely be less than returns sought pursuant to the Fund s investment objective and policies. The Fund may also use the proceeds for working capital purposes, including the payment of distributions, interest and operating expenses, although the Fund currently has no intent to use proceeds for this purpose. See Use of Proceeds.

Risks

Additional Risks Associated with MLPs and Other Natural Resources Companies. In addition to the risks applicable to investments in MLPs and Other Natural Resources Companies described in the accompanying Prospectus, MLPs and Other Natural Resources Companies may be adversely affected by increased

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regulations, increased operating costs and reductions in the supply of and/or demand for crude oil and refined petroleum products as a result of environmental accidents, such as the 2010 Deepwater Horizon oil spill, and the reaction thereto. While the nature of additional regulations cannot be predicted at this time, such regulations may impose additional costs or limit certain operations by MLPs and Other Natural Resources Companies operating in various sectors.

Dodd-Frank Act. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), which was signed into law in July 2010, has resulted in a significant revision of the U.S. financial regulatory framework. The Dodd-Frank Act covers a broad range of topics, including, among many others, a reorganization of federal financial regulators; a process designed to ensure financial systematic stability and the resolution of potentially insolvent financial firms; new rules for derivatives trading; the creation of a consumer financial protection watchdog; the registration and regulation of private funds; the regulation of credit rating agencies; and new federal requirements for residential mortgage loans. Such regulations may change the way in which derivative instruments are regulated and/or traded and may impact the availability, liquidity and cost of derivative instruments. While many provisions of the Dodd-Frank Act must be implemented through future rulemaking, and any regulatory or legislative activity may not necessarily have a direct, immediate effect upon the Fund, it is possible that, implementation of these measures or any future measures, could potentially limit or completely restrict the ability of the Fund to use certain derivative instruments as a part of its investment strategy, increase the costs of using these instruments or make them less effective. Limits or restrictions applicable to the counterparties with which the Fund engages in derivative transactions could also prevent the Fund from using these instruments or affect the pricing or other factors relating to these instruments, or may change availability of certain investments. There can be no assurance that such legislation or regulation will not have a material adverse effect on the Fund or will not impair the ability of the Fund to utilize certain derivatives transactions or achieve its investment objective. In addition, the regulation of various types of derivative instruments pursuant to the Dodd-Frank Act may adversely affect MLPs and other issuers in which the Fund invests that utilize derivatives strategies for hedging or other purposes. The ultimate impact of the Dodd-Frank Act, and any resulting regulation, is not yet certain and issuers in which the Fund invests may also be affected by the new legislation and regulation in ways that are currently unforeseeable.

2012 U.S. Federal Budget. The proposed U.S. federal budget for fiscal year 2012 calls for the elimination over ten years of approximately $46 billion in tax incentives widely used by oil, gas and coal companies and the imposition of new fees on certain energy producers. The elimination of such tax incentives and imposition of such fees could adversely affect MLPs and Other Natural Resources Companies in which the Fund invests and/or the natural resources sector generally.

Limitations on Use of Net Operating Loss. In the event that the Fund experiences an ownership change for purposes of Section 382 of the Code, which generally is any change in ownership of more than 50% of the Fund s common stock over a three-year period, the Fund s ability to use net operating loss and capital loss carryovers to offset future taxable income could be substantially limited. Although the Fund does not expect that this offering of Common Shares should cause an ownership change for purposes of Section 382 of the Code, it is possible that future issuances or sales of Common Shares or other securities or certain other direct or indirect changes in ownership when combined with this and prior issuances may result in an ownership change.

Purchase at a Premium to NAV. The Fund s Common Shares have recently been trading at a substantial premium to NAV per share which may not be sustainable. If the Common Shares are trading at a premium to net asset value at the time you purchase Common Shares, the NAV per share of the Common Shares purchased will be less than the purchase price paid. Please see Price Range of Common Shares in this Prospectus Supplement and the accompanying Prospectus for further information about the historical NAV, share prices and premium or discount to NAV of the Fund s Common Shares.

Tax Matters

The Fund is treated as a regular corporation, or C corporation, for U.S. federal income tax purposes. Accordingly, the Fund generally is subject to U.S. federal income tax on its taxable income at the graduated rates applicable to corporations (currently at a maximum rate of 35%). See Tax Matters in the accompanying Prospectus and Tax Updates in this Prospectus Supplement.

See Principal Risks of the Fund and other information in this Prospectus Supplement and the accompanying Prospectus for a discussion of factors you should consider carefully before deciding to invest in the Fund s Common Shares.

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FINANCIAL HIGHLIGHTS

The selected data below sets forth the per share operating performance and ratios for the periods presented. The financial information was derived from and should be read in conjunction with the financial statements of the Fund and notes thereto, which are included in this Prospectus Supplement. The financial information for the fiscal years ended November 30, 2010, November 30, 2009 and November 30, 2008 and for the period from August 27, 2007 (commencement of operations) to November 30, 2007 has been audited by Deloitte & Touche LLP, the Fund s independent registered public accounting firm, whose unqualified report on such financial statements is included in this Prospectus Supplement.

	Year Ended November 30, 2010	Year Ended November 30, 2009	Year Ended November 30, 2008	Period from August 27, 2007[1] through November 30, 2007
Per Common Share Data[2]				
Net Asset Value, beginning of period	$5.74	$3.98	$18.17	$
Public offering price				20.00
Underwriting discounts and offering costs on issuance of Common Shares	(0.05)	(0.01)		(0.94)
Income from Investment Operations:				
Net Investment Income	1.07	1.09	1.15	0.30
Net realized and unrealized gain (loss) on investments	2.17	1.69	(14.05)	(0.89)
Total increase (decrease) from investment operations	3.24	2.78	(12.90)	(0.59)
Less Distributions to Common Shareholders:				
Net Investment Income				
Return of Capital	(0.90)	(1.01)	(1.29)	(0.30)
Total distributions to common shareholders	(0.90)	(1.01)	(1.29)	(0.30)
Net Asset Value, end of period	$8.03	$5.74	$3.98	$18.17
Per Common Share market value, end of period	$9.42	$7.37	$10.36	$16.71
Total Investment Return Based on Market Value	42.26%	(16.89)%	(31.18)%	(14.84)%[3]
Supplemental Data and Ratios				
Net assets applicable to common shareholders, end of period (000 s)	$208,002	$64,511	$37,779	$159,103
Ratio of expenses (including current and deferred income tax benefit/(expense)) to average net assets before waiver[4][5]	3.08%	4.32%	5.18%	(4.53)%
Ratio of expenses (including current and deferred income tax benefit/(expense)) to average net assets after waiver[4][5][6]	3.05%	3.74%	4.75%	(5.18)%

Ratio of expenses (excluding current and deferred income tax benefit/(expense)) to average net assets before waiver(4)(5)(6)	3.08 %	4.32 %	2.99 %	2.69 %
Ratio of expenses (excluding current and deferred income tax benefit/(expense)) to average net assets after waiver(4)(5)	3.05 %	3.74 %	2.56 %	2.04 %
Ratio of net investment income to average net assets before waiver(4)(5)(6)	1.66 %	0.22 %	(1.93)%	(0.48)%
Ratio of net investment income to average net assets after waiver(4)(5)(6)	1.69 %	0.80 %	(1.49)%	0.17 %
Ratio of net investment income to average net assets after current and deferred income tax benefit/(expense), before waiver(4)(5)	1.66 %	0.22 %	(4.12)%	6.74 %
Ratio of net investment income to average net assets after current and deferred income tax benefit/(expense), after waiver(4)(5)	1.69 %	0.80 %	(3.69)%	7.39 %
Portfolio turnover rate	300.70 %	526.39 %	95.78 %	15.15 %

(1) Commencement of operations.

(2) Information presented relates to a Common Share outstanding for the entire period.

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(3) Not Annualized. Total investment return is calculated assuming a purchase of Common Shares at the initial public offering price and a sale at the closing price on the last day of the period reported. The calculation also assumes reinvestment of dividends at actual prices pursuant to the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions.

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

(5) For the year ended November 30, 2010, the Fund accrued $0 in net current and deferred tax expense. For the year ended November 30, 2009, the Fund accrued $0 in net current and deferred tax expense. For the year ended November 30, 2008, the Fund accrued $3,153,649 in net current and deferred tax expense. For the period from August 27, 2007 through November 30, 2007, the Fund accrued $3,153,649 in net current and deferred income tax benefit.

(6) This ratio excludes current and deferred income tax benefit/expense on net investment income.

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SUMMARY OF FUND EXPENSES

The following tables are intended to assist you in understanding the various costs and expenses directly or indirectly associated with investing in the Fund s Common Shares as a percentage of net assets attributable to Common Shares. Amounts are for the current fiscal year after giving effect to anticipated net proceeds of this offering, assuming that the Fund incurs the estimated offering expenses.

The following table assumes the Fund has borrowed in the amount equal to 33 1/3% of the Fund s Managed Assets (i.e., 50% of its net assets attributable to the Fund s Common Shares) and shows the Fund s expenses as a percentage of net assets attributable to its Common Shares.

Shareholder Transaction Expenses:		
Sales Load Paid by Investors (as a percentage of offering price)[1]	4.00	%
Offering Expenses Borne by the Fund (as a percentage of offering price)[2]	0.35	%
Dividend Reinvestment Plan Fees[3]		

	Percentage of Net Assets Attributable to Common Shares (Assumes Leverage Is Used)[4][5]	
Annual Expenses:		
Management Fees	1.88	%
Interest Payments on Borrowed Funds[4]	0.38	%
Other Expenses[6]	0.58	%
Total Annual Expenses	2.84	%

(1) The Fund has also agreed to reimburse the underwriters for certain out-of-pocket legal expenses incurred by them up to an aggregate of $50,000 with respect to this offering.

(2) Amount reflects estimated offering expenses of $200,000 borne by the Fund.

(3) Investors who hold Common Shares in a dividend reinvestment account and request a sale of Common Shares through the dividend reinvestment plan agent are subject to a $15.00 sales fee and pay a brokerage commission of $0.12 per Common Share sold.

(4) Assumes a cost on leveraging of 0.75%. This rate is an estimate and may differ based on varying market conditions that may exist when Leverage Instruments, as such term is defined on page 8 of the accompanying Prospectus, are issued or other borrowing commences and depending on the type of leverage used. If the Fund leverages in an amount greater than 33 1/3% of Managed Assets, this amount could increase.

(5) The Fund currently borrows money, however, at times the Fund may not borrow or otherwise use leverage. Consequently, the table presented below in this footnote also shows the Fund s expenses as a percentage of the same amount of net assets attributable to its Common Shares, but unlike the table above, assumes that the Fund does not borrow money. Consequently, the table below does not reflect any interest on borrowed funds or other costs and expenses of borrowing. The footnotes used in the table below correspond to the footnotes appearing below this footnote (5). In accordance with these assumptions, the Fund s expenses would be as follows:

	Percentage of Net Assets Attributable to Common Shares	
Annual Expenses:		
Management Fees	1.25	%
Interest Payments on Borrowed Funds	None	
Other Expenses[5]	0.58	%
Total Annual Expenses	1.83	%

(6) The costs of this offering are not included as an Annual Expense in the expenses shown in this table, but are included in the Shareholder Transaction Expenses table above. Other Expenses are based on estimated amounts for the current fiscal year.

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The purpose of the table above and the example below is to assist prospective investors in understanding the various costs and expenses that an investor in the Fund will bear directly or indirectly.

Example

As required by relevant SEC regulations, the following example illustrates the expenses (including the estimated offering expenses) that an investor would pay on a $1,000 investment in the Fund s Common Shares, assuming total annual expenses of 2.84% of net assets attributable to the Fund s Common Shares, underwriting discounts and commissions of $40, estimated offering expenses of 0.35% per share, the Fund issues Leverage Instruments in an amount equal to 33 1/3% of Managed Assets (i.e., 50% of net assets attributable to the Fund s Common Shares), and a 5% annual return:

1 Year	3 Years	5 Years	10 Years
$71	$126	$185	$342

The Example should not be considered a representation of future expenses or returns. Actual expenses may be greater or less than those shown. Moreover, the Fund s actual rate of return may be greater or less than the hypothetical 5% return shown in the example. The example assumes that the estimated Other Expenses set out in the Annual Expenses table are accurate and that all dividends and distributions are reinvested at net asset value. In the event that the Fund does not use any leverage, an investor would pay the following expenses based on the assumptions in the example and total annual expenses of 1.83% of net assets attributable to the Fund s Common Shares: 1 Year, $61, 3 Years, $98, 5 Years, $137, and 10 Years, $246. For additional information with respect to the Fund s expenses, see Management of the Fund in the accompanying Prospectus and other information in this Prospectus Supplement and the accompanying Prospectus.

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USE OF PROCEEDS

The Fund estimates that the net proceeds to the Fund from the sale of the 6,000,000 Common Shares in this offering will be approximately $57.4 million (or $66.0 million if the underwriters exercise their option to purchase additional Common Shares in full), after deducting underwriting discounts and commissions and estimated offering expenses.

The Fund intends to invest the net proceeds of this offering in accordance with its investment objective and policies as stated in the accompanying Prospectus. The Fund anticipates that it will be able to invest substantially all of the net proceeds of this offering in accordance with its investment objective and policies within three months after completion of this offering. Prior to the time the Fund is fully invested, the proceeds of this offering may temporarily be invested in cash, cash equivalents, or debt securities that are rated AA or higher. Income received by the Fund from these temporary investments would likely be less than returns sought pursuant to the Fund s investment objective and policies. The Fund may also use the proceeds for working capital purposes, including the payment of distributions, interest and operating expenses, although the Fund currently has no intent to use proceeds for this purpose. A delay in the anticipated use of proceeds could lower returns and lower the Fund s distributions for the Common Shares offered in this Prospectus Supplement.

CAPITALIZATION

The following table sets forth the Fund's capitalization as of November 30, 2010:

(i) On an actual basis;

(ii) on an adjusted basis, to give effect to: the issuance of an aggregate of 55,337 Common Shares pursuant to the Fund s dividend reinvestment plan since November 30, 2010 and the application of the net proceeds from such issuances of Common Shares; and

(iii) as further adjusted, to reflect the assumed sale of 6,000,000 Common Shares at $10.00 per share in this offering, less the aggregate underwriting discount of $2,400,000 and offering expenses payable by the Fund of approximately $200,000, and the application of the estimated net proceeds from this offering as set forth under Use of Proceeds.

As of November 30, 2010			
	(In thousands, except per share data)		
	Actual	As Adjusted	As Further Adjusted
		(Unaudited)	(Unaudited)
Short-Term Debt:			
Borrowings[1]	$69,800	$69,800	$69,800
Common Shareholder s Equity:			
Common shares of beneficial interest, par value $0.001 per share; 92,500,000 shares authorized, 25,914,410 shares issued and outstanding (actual), 25,969,747 shares issued and outstanding (as adjusted) and 31,969,747 shares issued and outstanding (as further adjusted)	$26	$26	$32
Additional paid-in capital	$258,034	$258,565	$315,959
Accumulated net investment loss, net of income taxes	$629	$629	$629

Accumulated realized loss, net of income taxes	$(117,869)	$(117,869)	$(117,869)
Net unrealized gain on investments, net of income taxes	$67,183	$67,183	$67,183
Net assets applicable to common shareholders	$208,002	$208,534	$265,934
Net asset value per Common Share	$8.03	$8.03	$8.32

(1) As of November 30, 2010, there was approximately $69.8 million outstanding under the Fund s fully-collateralized borrowing arrangement with Credit Suisse.

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PRINCIPAL RISKS OF THE FUND

Investing in the Fund s Common Shares involves risk, including the risk that you may receive little or no return on your investment or even that you may lose part or all of your investment. Therefore, before investing in Common Shares you should consider carefully the risk factors described under Principal Risks of the Fund in the accompanying Prospectus in addition to the risk factors described in this Prospectus Supplement.

Additional Risks Associated with MLPs and Other Natural Resources Companies

In addition to the risks applicable to investments in MLPs and Other Natural Resources Companies described in the accompanying Prospectus, MLPs and Other Natural Resources Companies may be adversely affected by increased regulations, increased operating costs and reductions in the supply of and/or demand for crude oil and refined petroleum products as a result of environmental accidents, such as the 2010 Deepwater Horizon oil spill, and the reaction thereto. While the nature of additional regulations cannot be predicted at this time, such regulations may impose additional costs or limit certain operations by MLPs and Other Natural Resources Companies operating in various sectors.

Dodd-Frank Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), which was signed into law in July 2010, has resulted in a significant revision of the U.S. financial regulatory framework. The Dodd-Frank Act covers a broad range of topics, including, among many others, a reorganization of federal financial regulators; a process designed to ensure financial systematic stability and the resolution of potentially insolvent financial firms; new rules for derivatives trading; the creation of a consumer financial protection watchdog; the registration and regulation of private funds; the regulation of credit rating agencies; and new federal requirements for residential mortgage loans. Such regulations may change the way in which derivative instruments are regulated and/or traded and may impact the availability, liquidity and cost of derivative instruments. While many provisions of the Dodd-Frank Act must be implemented through future rulemaking, and any regulatory or legislative activity may not necessarily have a direct, immediate effect upon the Fund, it is possible that, implementation of these measures or any future measures, could potentially limit or completely restrict the ability of the Fund to use certain derivative instruments as a part of its investment strategy, increase the costs of using these instruments or make them less effective. Limits or restrictions applicable to the counterparties with which the Fund engages in derivative transactions could also prevent the Fund from using these instruments or affect the pricing or other factors relating to these instruments, or may change availability of certain investments. There can be no assurance that such legislation or regulation will not have a material adverse effect on the Fund or will not impair the ability of the Fund to utilize certain derivatives transactions or achieve its investment objective. In addition, the regulation of various types of derivative instruments pursuant to the Dodd-Frank Act may adversely affect MLPs and other issuers in which the Fund invests that utilize derivatives strategies for hedging or other purposes. The ultimate impact of the Dodd-Frank Act, and any resulting regulation, is not yet certain and issuers in which the Fund invests may also be affected by the new legislation and regulation in ways that are currently unforeseeable.

2012 U.S. Federal Budget

The proposed U.S. federal budget for fiscal year 2012 calls for the elimination over ten years of approximately $46 billion in tax incentives widely used by oil, gas and coal companies and the imposition of new fees on certain energy producers. The elimination of such tax incentives and imposition of such fees could adversely affect MLPs and Other Natural Resources Companies in which the Fund invests and/or the natural resources sector generally.

Limitations on Use of Net Operating Loss

In the event that the Fund experiences an ownership change for purposes of Section 382 of the Code, which generally is any change in ownership of more than 50% the Fund s common stock over a three-year period, the Fund s ability to use net operating loss and capital loss carryovers to offset future taxable income could be substantially limited. Although the Fund does not expect that this offering of Common Shares should cause an ownership change for purposes of Sec- tion 382 of the Code, it is possible that future issuances or sales of Common Shares or other securities or certain other direct or indirect changes in ownership when combined with this and prior issuances may result in an ownership change.

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Purchase at a Premium to Net Asset Value

The Fund s Common Shares have recently been trading at a substantial premium to NAV per share which may not be sustainable. If the Common Shares are trading at a premium to net asset value at the time you purchase Common Shares, the NAV per share of the Common Shares purchased will be less than the purchase price paid. Please see Price Range of Common Shares in this Prospectus Supplement for further information about the historical NAV, share prices and premium or discount to NAV of the Fund s Common Shares.

TAX UPDATES

Tax Rates

Federal legislation has reduced the federal income tax rate on qualified dividend income to the rate applicable to long-term capital gains, which is generally 15% for individuals, provided a holding period requirement and certain other requirements are met. This reduced rate of tax on dividends is currently scheduled to revert to ordinary income tax rates for taxable years beginning after December 31, 2012, and the 15% federal income tax rate for long-term capital gains is scheduled to revert to 20% for such taxable years.

Tax Characterization of Distributions

The Fund anticipates that, due to the tax characterization of cash distributions made by MLPs in which the Fund invests, a significant portion of the Fund s distributions to common shareholders will consist of tax-advantaged return of capital. However, no assurance can be given in this regard. In addition, although distributions that are treated as returns of capital are generally not taxable, they reduce basis in the investment, resulting in potential increased gain (or decreased loss) upon disposition. Shareholders that participate in the Fund s dividend reinvestment plan will be treated for U.S. federal income tax purposes as having (i) received a distribution equal to the reinvested amount (taxable as described in the accompanying Prospectus under Tax Matters U.S. Shareholders Distributions and Tax Matters Non-U.S. Shareholders Distributions) and (ii) reinvested such amount in Common Shares. Generally, such reinvested amount will equal the fair market value of the Common Shares received.

Foreign Account Tax Compliance Act

Recently enacted legislation will require, after December 31, 2012, withholding at a rate of 30 percent on dividends in respect of, and gross proceeds from the sale of, the Fund s Common Shares held by or through certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury to report, on an annual basis, information with respect to shares in the institution held by certain United States persons and by certain non-US entities that are wholly or partially owned by United States persons. Accordingly, the entity through which the Fund s Common Shares are held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and gross proceeds from the sale of, the Fund s Common Shares held by an investor that is a non-financial non-US entity will be subject to withholding at a rate of 30 percent, unless such entity either (i) certifies to us that such entity does not have any substantial United States owners or (ii) provides certain information regarding the entity s substantial United States owners, which the Fund will in turn provide to the Secretary of the Treasury. If you are a non-U.S. holder of Common Shares, you are encouraged to consult with your tax advisors regarding the possible implications of the legislation on your investment in the Fund s Common Shares.

Medicare Tax

For taxable years beginning after December 31, 2012, a U.S. person that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the United States person s net investment income for the relevant taxable year and (2) the excess of the United States person s modified gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual s circumstances). A holder s net investment income will generally include its gross dividend income and its net gains from the disposition of the Fund s Common Shares, unless such dividends or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a United States stockholder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the Common Shares.

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Information Reporting

Recently enacted legislation provides that payments made to corporations after December 31, 2011, will not be exempt from certain information reporting requirements.

RECENT DEVELOPMENTS

Change in Investment Adviser s Name

On January 19, 2011, the Investment Adviser changed its name to Cushing MLP Asset Management, LP . No changes were made to the firm s ownership or legal structure.

Legal Proceedings

On February 10, 2009, Terri Bachow filed a class action against the Investment Adviser, Jerry V. Swank, Mark W. Fordyce (formally an advisory affiliate of the Investment Adviser), Swank Capital, LLC and the independent trustees of the Fund. The plaintiff s claims related to the treatment and valuation of a deferred tax asset carried by the Fund under FASB Accounting Standards Codification No. 740 (formerly, FASB Statement of Financial Accounting Standards No. 109). On September 13, 2010, the court entered an order approving an agreed upon settlement to the lawsuit which provided for the dismissal of the suit with prejudice, the granting of broad releases of the named defendants and all affiliated entities and a payment to the plaintiff by the Fund s insurance carrier of $3.6 million, including payment of attorney s fees for plaintiff s counsel.

Issuance of Shares

On July 14, 2010, the Fund sold 8,625,000 Common Shares in a registered public offering at a price of $8.08 per share. After this sale, the Fund s total Common Shares outstanding were 25,850,726. Since November 30, 2010, the Fund has issued 55,337 Common Shares pursuant to the Fund s Dividend Reinvestment Plan.

The following information regarding the Fund s authorized shares is as of November 30, 2010.

Title of Class	Amount Authorized	Amount Held by Fund or for its Account	Amount Outstanding Exclusive of Amount Held by Fund
Common shares of beneficial interest	Unlimited	None	25,969,747

Effects of Leverage

The Fund may use leverage through fully-collateralized borrowing arrangements, the issuance of preferred shares, commercial paper or notes, other forms of borrowing or both. The amount of the leverage utilized by the Fund may vary over time. As of November 30, 2010, there was approximately $69.8 million outstanding under the Fund s fully-collateralized borrowing arrangement with Credit Suisse. Assuming the utilization of leverage in the amount of 33 1/3% of the Fund s Managed Assets (i.e., 50% of its net assets attributable to the Fund s Common Shares) and an annual interest rate of 0.75% on borrowings payable on such leverage based on market rates as of November 30, 2010, the annual return that the Fund must earn (net of expenses) in order to cover such interest expense is 0.38%. The Fund s actual cost of leverage will be based on market rates, which may vary over time, and such actual costs of leverage may be higher or lower than that assumed in the previous example.

The following table is designed to assist the investor in understanding the effects of leverage by illustrating the effect on the return to a holder of the Fund s Common Shares of leverage in the amount of approximately 33 1/3% of the Fund s Managed Assets (i.e., 50% of its net assets attributable to the Fund s Common Shares), assuming hypothetical annual returns of the Fund s portfolio of minus 10% to plus 10%. As the table shows, leverage generally increases the return to holders of Common Shares when portfolio return is positive and greater than the cost of leverage and decreases the return when the portfolio return is negative or less than the cost of leverage. The figures appearing in the table are hypothetical and actual returns may be greater or less than those appearing in the table. See Principal Risks of the Fund in the accompanying Prospectus.

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Assumed Portfolio Total Return (Net of Expenses)	(10)%	(5)%	0 %	5 %	10 %
Common Share Total Return	(15.38)%	(7.88)%	(0.38)%	7.13 %	14.63 %

Common Share total return is composed of two elements: Distributions on Common Shares paid by the Fund (the amount of which is largely determined by the Fund s net investment income after paying dividends or interest on its outstanding leverage) and gains or losses on the value of the securities the Fund owns. As required by SEC rules, the table above assumes that the Fund is more likely to suffer capital losses than to enjoy capital appreciation. For example, to assume a total return of 0%, the Fund must assume that the distributions it receives on its investments are entirely offset by losses in the value of those securities.

Board and Committee Meetings

During the Fund s fiscal year ended November 30, 2010, the Board of Trustees of the Fund held 4 meetings, the Fund s Audit Committee held 2 meetings and the Nominating, Corporate Governance and Compensation Committee held 2 meetings.

Compensation of Trustees

The Trustees received from the Fund, for services as a Trustee of the Fund, the amounts set out below for the Fund s fiscal year ended November 30, 2010.

	Aggregate Compensation from the Fund	Pension or Retirement Benefits Accrued as Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation from the Fund and Fund Complex[(1)]
Non-Interested Trustees				
Brian R. Bruce	$ 33,000	None	None	$ 33,000
Edward N. McMillan	$ 33,000	None	None	$ 33,000
Ronald P. Trout	$ 33,000	None	None	$ 33,000
Interested Trustee				
Jerry V. Swank	None	None	None	None

(1) The Fund complex consists of two funds, including the Fund.

Trustee Qualifications

The Board of Trustees has determined that each Trustee should serve as such based on several factors (none of which alone is decisive). Among the factors the Board of Trustees considered when concluding that an individual should serve on the Board of Trustees were the following: (i) availability and commitment to attend meetings and perform the responsibilities of a Trustee, (ii) personal and professional background, (iii) educational background, (iv) financial expertise, and (v) ability, judgment, attributes and expertise. In respect of each current Trustee, the individual s professional accomplishments and prior experience, including, in some cases, in fields related to the operations of the Fund, were a significant factor in the determination that the individual should serve as a Trustee of the Fund.

Following is a summary of various qualifications, experiences and skills of each Trustee (in addition to business experience during the past five years as set forth in the table in the accompanying Prospectus on pages 65-66) that contributed to the Board of Trustees conclusion that an individual should serve on the Board of Trustees. References to the qualifications, attributes and skills of Trustees do not constitute the holding out of any Trustee as being an expert under Section 7 of the Securities Act or the rules and regulations of the SEC.

Brian R. Bruce. Mr. Bruce has served as a Trustee of the Fund since its inception in 2007, and has served as a Trustee of the Cushing MLP Premier Fund (Premier) since 2010. Through his experience as a trustee of and chairman of the audit committee of the Fund, Premier and certain other registered investment companies, as a professor at Southern Methodist University s Cox School of Business and Director of the ENCAP Investments & LCM Group Alternative Asset Management Center and as a chief executive officer, and formerly chief investment officer, of investment management firms, Mr. Bruce is experienced in financial, accounting, regulatory and investment matters.

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Edward N. McMillan. Mr. McMillan has served as a Trustee of the Fund since its inception in 2007, and has served as a Trustee of Premier since 2010. Through his experience as lead independent trustee of the Fund and Premier, 35 years of investment management experience, including as president of a small cap equity management firm, and prior service as chairman of the board of four registered investment companies, Mr. McMillan is experienced in financial, regulatory and investment matters.

Ronald P. Trout. Mr. Trout has served as a Trustee of the Fund since its inception in 2007, and has served as a Trustee of Premier since 2010. Through his experience as a trustee of the Fund and Premier, as founding partner and senior vice president of an investment management firm and his service on the board of a publicly traded natural resources company, Mr. Trout is experienced in financial, regulatory and investment matters.

Jerry V. Swank. Mr. Swank has served as a Trustee of the Fund since its inception in 2007, and has served as a Trustee of Premier since 2010. Through his experience as a trustee and chairman of the board of trustees of the Fund and Premier, managing partner of the Investment Adviser and founder of Swank Capital, LLC and his extensive professional experience with investment firms and as an oil and gas research consultant, Mr. Swank is experienced in financial, regulatory and investment matters.

Board of Trustees Leadership Structure

The primary responsibility of the Board of Trustees is to represent the interests of the Fund and to provide oversight of the management of the Fund. The Fund s day-to-day operations are managed by the Investment Adviser and other service providers who have been approved by the Board of Trustees. The Board of Trustees is currently comprised of four Trustees, three of whom are classified under the 1940 Act as non-interested persons of the Fund (Independent Trustees) and one of whom is classified as an interested person of the Fund (Interested Trustee). Generally, the Board of Trustees acts by majority vote of all the Trustees, including a majority vote of the Independent Trustees if required by applicable law.

An Interested Trustee, Mr. Jerry V. Swank, currently serves as Chairman of the Board of Trustees. The Chairman of the Board of Trustees presides at meetings of the Board of Trustees and acts as a liaison with service providers, officers, attorneys and other Trustees generally between meetings, and performs such other functions as may be requested by the Board of Trustees from time to time.

The Independent Trustees have selected Mr. Edward N. McMillan as lead Independent Trustee. The lead Independent Trustee participates in the planning of Board of Trustees meetings, seeks to encourage open dialogue and independent inquiry among the trustees and management, and performs such other functions as may be requested by the Independent Trustees from time to time.

The Board of Trustees will meet regularly four times each year to discuss and consider matters concerning the Fund, and will also holds special meetings to address matters arising between regular meetings. Regular meetings generally take place in-person; other meetings may take place in-person or by telephone. The Independent Trustees are advised by independent legal counsel and intend to regularly meet outside the presence of Fund management.

The Trustees have determined that the efficient conduct of the Trustees affairs makes it desirable to delegate responsibility for certain specific matters to committees of the Board of Trustees. The committees will meet as often as necessary, either in conjunction with regular meetings of the Board of Trustees or otherwise. The committees of the Board of Trustees are the Audit Committee and the Nominating, Corporate Governance and Compensation Committee. The membership of each Committee consists of all of the Independent Trustees, which the Board of

Trustees believes allows them to participate in the full range of the Board of Trustees oversight duties.

The Board of Trustees has determined that this leadership structure, including a Chairman of the Board of Trustees who is an Interested Trustee, a Lead Independent Trustee, a supermajority of Independent Trustees and Committee membership limited to Independent Trustees, is appropriate in light of the characteristics and circumstances of the Fund. In reaching this conclusion, the Board of Trustees considered, among other things, the role of the Investment Adviser in the day-to-day management of Fund affairs, the extent to which the work of the Board of Trustees will be conducted through the Committees, the projected net assets of the Fund and the management, distribution and other service arrangements of the Fund. The Board of Trustees also believes that

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its structure, including the presence of one Trustee who is an executive officer of the Investment Adviser, facilitates an efficient flow of information concerning the management of the Fund to the Independent Trustees.

Board of Trustees Rule in Risk Oversight

The Fund has retained the Investment Adviser to provide investment advisory services and certain administrative services. The Investment Adviser is primarily responsible for the management of risks that may arise from Fund investments and operations. Certain employees of the Investment Adviser serve as the Fund s officers, including the Fund s President, Chief Executive Officer, Chief Financial Officer, General Counsel and Chief Compliance Officer. The Board of Trustees oversees the performance of these functions by the Investment Adviser, both directly and through the Committee structure the Board of Trustees has established. The Board of Trustees will receive from the Investment Adviser reports on a regular and as-needed basis relating to the Fund s investment activities and to the actual and potential risks of the Fund, including reports on investment risks, compliance with applicable laws, and the Fund s financial accounting and reporting. In addition, the Board of Trustees will meet periodically with the portfolio managers of the Fund to receive reports regarding the portfolio management of the Fund and its performance and investment risks.

In addition, the Board of Trustees has appointed a Chief Compliance Officer (CCO). The CCO oversees the development of compliance policies and procedures of the Fund that are reasonably designed to minimize the risk of violations of the federal securities laws (Compliance Policies). The CCO reports directly to the Independent Trustees, and will provide presentations to the Board of Trustees at its quarterly meetings and an annual report on the application of the Compliance Policies. The Board of Trustees will discuss relevant risks affecting the Fund with the CCO at these meetings. The Board of Trustees has approved the Compliance Policies and will review the CCO s reports. Further, the Board of Trustees will annually review the sufficiency of the Compliance Policies, as well as the appointment and compensation of the CCO.

Officers of the Fund

Name and Year of Birth	Position with Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past Five Years
John Alban (1963)	Treasurer (Chief Financial Officer)	Officer since 2010	Chief Financial Officer of the Investment Adviser (2010 Present); CAO of NGP Energy Capital Management (2007 2009); COO of Spinnerhawk Capital Management, L.P. (2005 2007)
Barry Greenberg (1963)	General Counsel and Chief Compliance Officer	Officer since 2010	General Counsel and Chief Compliance Officer of the Investment Adviser (2010 Present); Partner, Akin Gump Strauss Hauer & Feld LLP (2005 2010); Vice President, Legal and Compliance, American Beacon Advisors, Inc. (1995 2005); Attorney and Branch Chief, U.S. Securities and Exchange Commission

			(1988 1995).
Daniel L. Spears (1972)	Executive Vice President and Secretary	Officer since 2010	Partner and Portfolio Manager of the Investment Adviser (2006 Present); Investment banker at Banc of America Securities, LLC (1998 to 2006).

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Investment Management Agreement

The continuation of the Investment Management Agreement was most recently approved by the Fund s Board of Trustees on August 3, 2010. A discussion regarding the basis for approval by the Fund s Board of Trustees of the Investment Management Agreement is available in the Fund s annual report to shareholders for the year ended November 30, 2010.

Investment Management Fee.

	Fiscal Year Ended November 30,		
	2010	2009	2008
The Investment Manager received approximate management fees of	$2,467,110	$557,839	$1,615,353

Portfolio Managers

Jerry V. Swank and Daniel L. Spears are the Fund s portfolio managers. The following tables provide information regarding other accounts managed by the portfolio managers as of the fiscal year ended November 30, 2010.

Other Accounts Managed by the Portfolio Managers.

	Registered Investment Companies (Including the Fund)		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Total Assets in the Accounts	Number of Accounts	Total Assets in the Accounts	Number of Accounts	Total Assets in the Accounts
Jerry V. Swank	2	$ 217 million	4	$ 584 million	0	$ 0
Daniel L. Spears	2	$ 217 million	1	$ 123 million	0	$ 0

Other Accounts That Pay Performance-Based Advisory Fees Managed by the Portfolio Managers.

	Registered Investment Companies (Including the Fund)		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Total Assets in the Accounts	Number of Accounts	Total Assets in the Accounts	Number of Accounts	Total Assets in the Accounts
Jerry V. Swank	0	$ 0	3	$ 579 million	0	$ 0
Daniel L. Spears	0	$ 0	1	$ 123 million	0	$ 0

Ownership of Securities.

Jerry V. Swank: $100,001 $500,000

Daniel L. Spears: $10,001 $50,000

Ownership of Securities

As of December 31, 2010, the Trustees of the Fund owned Common Shares of the Fund in the following amounts:

Name of Trustee	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in All Funds Overseen by Trustees in Family of Registered Investment Companies(1)
Brian R. Bruce	\$ 10,001 \$50,000	\$ 10,001 \$50,000
Edward N. McMillan	\$ 50,001 \$100,000	\$ 50,001 \$100,000
Ronald P. Trout	\$ 10,001 \$50,000	\$ 10,001 \$50,000
Jerry V. Swank	over \$100,000	over \$100,000

(1) The family of investment companies consists of two funds, including the Fund.

As of December 31, 2010, the Trustees and officers of the Fund as a group owned less than 1% of the outstanding Common Shares of the Fund. There are no control persons of the Fund.

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Principal Shareholders

As of January 31, 2011, to the knowledge of the Fund, no person beneficially owned more than 5% of the voting securities of the one class of securities of the Fund.

Price Range of Common Shares

The following table sets forth for the quarters indicated, the high and low sale prices on the NYSE per share of our Common Shares and the net asset value and the premium or discount from net asset value per share at which the Common Shares were trading, expressed as a percentage of net asset value, at each of the high and low sale prices provided.

Quarter Ended	Market Price		Corresponding Net Asset Value (NAV) per Share		Corresponding Premium or Discount as a % of NAV	
	High	Low	High	Low	High	Low
Fiscal Year Ending November 30, 2010						
First Fiscal Quarter	$ 9.90	$ 7.33	$ 6.74	$ 5.74	46.88 %	27.70 %
Second Fiscal Quarter	$ 9.44	$ 7.87	$ 7.24	$ 6.17	30.39 %	27.55 %
Third Fiscal Quarter	$ 8.68	$ 8.00	$ 6.63	$ 6.20	30.92 %	29.03 %
Fourth Fiscal Quarter	$ 9.91	$ 8.33	$ 8.43	$ 7.48	17.56 %	11.37 %

On February 24, 2011, the last reported price for the Fund s Common Shares was $10.53 per share and the NAV of the Fund s Common Shares was $8.71 per share, resulting in a premium to NAV of 20.90%. The Fund cannot predict whether its shares will trade in the future at a premium to or discount from NAV, or the level of any premium or discount. Shares of closed-end investment companies frequently trade at a discount from NAV. The Fund s Common Shares have in the past traded below their NAV.

Portfolio Transactions and Brokerage

Commissions Paid. Unless otherwise disclosed below, the Fund paid no commissions to affiliated brokers during the last three fiscal years. The Fund paid the following commissions to brokers during the fiscal years shown:

Fiscal Year Ended November 30,	All Brokers	Affiliated Brokers
2010	$ 2,025,928	$ 0
2009	$ 1,315,955	$ 0
2008	$ 582,968	$ 0

Fiscal Year 2010 Percentages:	
Commissions with affiliate to total transactions	0%
Value of brokerage transactions with affiliate to total transactions	0%

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UNDERWRITING

RBC Capital Markets, LLC and Ladenburg Thalmann & Co. Inc. are acting as the representatives (the Representatives) of the underwriters and the joint book-running managers of this offering. Under the terms of an underwriting agreement dated the date of this Prospectus Supplement, the underwriters set forth below have agreed to purchase from the Fund the number of Common Shares set forth opposite their name.

Underwriter	Shares
RBC Capital Markets, LLC	1,696,113
Ladenburg Thalmann & Co. Inc.	1,696,113
Robert W. Baird & Co. Incorporated	848,057
BB&T Capital Markets, a division of Scott & Stringfellow, LLC	254,417
Janney Montgomery Scott LLC	254,417
Maxim Group LLC	254,417
National Securities Corporation	254,417
Stone & Youngberg LLC	466,431
Wunderlich Securities, Inc.	254,417
D.A. Davidson & Co.	21,201
Total	6,000,000

The underwriting agreement provides that the underwriters obligations to purchase the Common Shares depend on the satisfaction of the conditions contained in the underwriting agreement and that if any of the Common Shares are purchased by the underwriters, all of the Common Shares must be purchased. The conditions contained in the underwriting agreement include the condition that all the representations and warranties made by the Fund to the underwriters are true, that there has been no material adverse change in the condition of the Fund or in the financial markets and that the Fund deliver to the underwriters customary closing documents.

The following table summarizes the underwriting discount the Fund will pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters option to purchase additional Common Shares. The underwriting discount is the difference between the initial price to the public and the amount the underwriters pay the Fund to purchase the Common Shares.

	No Exercise	Full Exercise
Per Common Share	$ 0.40	$ 0.40
Total	$ 2,400,000	$ 2,760,000

The Fund will pay all expenses of this offering that it incurs. Total expenses of this offering payable by the Fund, other than the underwriting discount, will be approximately $200,000. As a part of these expenses, the Fund has agreed to reimburse the underwriters for certain out-of-pocket legal expenses incurred by them up to an aggregate of $50,000 with respect to this offering.

The Fund has been advised by the underwriters that the underwriters propose to offer the Common Shares directly to the public at the initial price to the public set forth on the cover page of this Prospectus Supplement and to selected dealers at this price to the public less a concession not to exceed $0.24 per Common Share.

The Fund and the Investment Adviser have each agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act or to contribute to payments that may be required to be made with respect to these liabilities.

The Fund has granted to the underwriters an option to purchase up to an aggregate of 900,000 additional Common Shares at the initial price to the public less the underwriting discount set forth on the cover page of this Prospectus Supplement exercisable solely to cover over-allotments, if any. Such option may be exercised in whole or in part at any time until 45 days after the date of this Prospectus Supplement. If this option is exercised, each underwriter will be committed, subject to satisfaction of the conditions specified in the underwriting agreement, to purchase a number of additional Common Shares proportionate to each underwriter s

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initial commitment as indicated in the preceding table, and the Fund will be obligated, pursuant to the option, to sell these shares to the underwriters.

During a period of 60 days from the date of the Prospectus Supplement (the Lock-Up Period), the Fund, its trustees and officers and the Investment Adviser have agreed that subject to certain exceptions, they will not, without the prior written consent of the Representatives, directly or indirectly, (1) offer, pledge, sell, contract to sell, sell any option, rights or warrant to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of the Fund s Common Shares or any securities convertible into or exercisable or exchangeable for the Fund s Common Shares or file any registration statement under the Securities Act with respect to any of the foregoing or (2) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Fund s Common Shares, whether any such swap or transaction described in clause (1) or (2) above is to be settled by delivery of Common Shares or such other securities, in cash or otherwise. The restrictions described in this paragraph do not apply to the sale of the Common Shares to the underwriters or Common Shares issued (or purchased in the open market) pursuant to the Fund s dividend reinvestment plan. If (x) during the last 17 days of the Lock-Up Period, the Fund issues an earnings release or material news or a material event relating to the Fund or the Investment Adviser occurs, or (y) the Fund announces that it will release earnings results or becomes aware that material news or a material event will occur during the 16-day period beginning on the last day of such Lock-Up Period, such Lock-Up Period will automatically be extended and the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the date of the earnings release or the occurrence of the material news or material event, as applicable, unless the underwriters waive such extensions. The Representatives, in their sole discretion, may release the Common Shares subject to lock-up agreements in whole or in part at any time with or without notice. When determining whether or not to release Common Shares from lock-up agreements, the Representatives will consider, among other factors, the reasons for requesting the release, the number of Common Shares for which the release is being requested and market conditions at the time.

In connection with this offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act of 1934, as amended (the Exchange Act).

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
Over-allotment transactions involve sales by the underwriters of Common Shares in excess of the number of Common Shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of Common Shares over-allotted by the underwriters is not greater than the number of shares they may purchase in their option to purchase additional Common Shares. In a naked short position, the number of Common Shares involved is greater than the number of Common Shares in the underwriters option to purchase additional Common Shares. The underwriters may close out any short position by either exercising their option and/or purchasing Common Shares in the open market.
Syndicate covering transactions involve purchases of the Common Shares in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of the Common Shares to close out the short position, the underwriters will consider, among other things, the price of Common Shares available for purchase in the open market as compared to the price at which they may purchase Common Shares through their option. If the underwriters sell more Common Shares than could be covered by their option to purchase additional Common Shares, which is referred to in this Prospectus Supplement as a naked short position, the position can only be closed out by buying Common Shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the Common Shares in the open

market after pricing that could adversely affect investors who purchase in this offering.

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Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the Common Shares originally sold by the syndicate member are purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions. Similar to other purchase transactions, the underwriters purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Common Shares or preventing or retarding a decline in the market price of the Common Shares. As a result, the price of the Common Shares may be higher than the price that might otherwise exist in the open market.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the Common Shares or preventing or retarding a decline in the market price of the Common Shares. As a result, the price of the Common Shares may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NYSE or otherwise and, if commenced, may be discontinued at any time.

Neither the Fund, the Investment Adviser nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Common Shares. In addition, neither the Fund, the Investment Adviser nor any of the underwriters make any representation that the underwriters will engage in these stabilizing transactions or that any transaction, if commenced, will not be discontinued without notice.

The sum of all compensation to the underwriters in connection with this offering of Common Shares, including the underwriting discount, will not exceed 8.0% of the total public offering price of the Common Shares sold in this offering.

In connection with this offering, certain of the underwriters or securities dealers may distribute this Prospectus Supplement and the accompanying Prospectus electronically.

The underwriters and their affiliates have provided in the past to the Fund, the Investment Adviser and their affiliates, and may from time to time in the future provide, certain commercial banking, financial advisory, investment banking and other services, for which they will be entitled to receive separate fees. The underwriters and their affiliates may from time to time in the future engage in transactions with the Fund, the Investment Adviser and their affiliates and perform services for the Fund or its portfolio companies in the ordinary course of business.

The principal business address of RBC Capital Markets, LLC is Three World Financial Center, 200 Vesey Street, 8th Floor, New York, NY 10281, and the principal address of Ladenburg Thalmann & Co. Inc. is 520 Madison Ave., 9th Floor, New York, New York 10022.

LEGAL MATTERS

Certain legal matters will be passed on by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, as special counsel to the Fund in connection with the offering of Common Shares. Certain legal matters will be passed on by Vinson & Elkins L.L.P., New York, New York, as special counsel to the underwriters in connection with the offering of Common Shares.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP, the Fund s independent registered public accounting firm, has audited the Fund s financial statements as of and for the Fund s fiscal year ended November 30, 2010, as set forth in their report, which is included in this Prospectus Supplement. The Fund s financial statements are included in this Prospectus Supplement in reliance upon such report of Deloitte and Touche LLP given their authority as experts in accounting and auditing. Deloitte & Touche LLP s principal business address is located at 2200 Ross Avenue, Dallas, Texas 75201.

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ADDITIONAL INFORMATION

The Fund is subject to the informational requirements of the 1934 Act and the 1940 Act and in accordance with those requirements is required to file reports, proxy statements and other information with the Securities and Exchange Commission. Any such reports and other information, including the Fund and Investment Adviser s code of ethics, can be inspected and copied at the Securities and Exchange Commission s Public Reference Room, Washington, D.C. 20549-0102. Information on the operation of such public reference facilities may be obtained by calling the Securities and Exchange Commission at (202) 551-8090. Copies of such materials can be obtained from the Securities and Exchange Commission s Public Reference Room, at prescribed rates, or by electronic request at *publicinfo@sec.gov*. The Securities and Exchange Commission maintains a website at *www.sec.gov* containing reports and information statements and other information regarding registrants, including the Fund, that file electronically with the Securities and Exchange Commission. Reports, proxy statements and other information concerning the Fund can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005. Copies of the Fund s annual and semi-annual reports may be obtained, without charge, upon request mailed to Jerry Swank, The Cushing MLP Total Return Fund, 8117 Preston Road, Suite 440, Dallas, Texas 75225 or by calling toll free at (800) 662-7232 and also are made available on the Fund s website at *www.srvfund.com*. You may also call this toll-free telephone number to request other information about the Fund or to make shareholder inquiries. Information on, or accessible through, the Fund s website is not a part of, and is not incorporated into, this Prospectus Supplement or the accompanying Prospectus.

Additional information regarding the Fund is contained in the registration statement on Form N-2, including amendments, exhibits and schedules to the registration statement relating to such shares filed by the Fund with the Securities and Exchange Commission in Washington, D.C. This Prospectus Supplement and the accompanying Prospectus does not contain all of the information set out in the registration statement, including any amendments, exhibits and schedules to the registration statement. For further information with respect to the Fund and the Common Shares offered hereby, reference is made to the registration statement. Statements contained in this Prospectus Supplement and the accompanying Prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each such statement being qualified in all respects by such reference. A copy of the registration statement may be inspected without charge at the Securities and Exchange Commission s principal office in Washington, D.C., and copies of all or any part of the registration statement may be obtained from the Securities and Exchange Commission upon the payment of certain fees prescribed by the Securities and Exchange Commission.

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FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees of

The Cushing MLP Total Return Fund:

We have audited the accompanying statement of assets and liabilities of The Cushing MLP Total Return Fund (the Fund), including the schedule of investments, as of November 30, 2010, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the three years in the period then ended and for the period from August 27, 2007 (commencement of operations) to November 30, 2007. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2010, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of The Cushing MLP Total Return Fund as of November 30, 2010, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the three years in the period then ended, and for the period from August 27, 2007 (commencement of operations) to November 30, 2007, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

January 27, 2011
Dallas, Texas

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Schedule of Investments **November 30, 2010**

COMMON STOCK — UNITED STATES — 7.3%[1]	Shares	Fair Value
Shipping — 2.8%[1]		
Knight Transportation, Inc.	300,000	$5,784,000
Utilities — 4.5%[1]		
Ameren Corporation	50,000	1,436,000
Public Service Enterprise Group	100,000	3,083,000
Integrys Energy Group, Inc.	100,000	4,870,000
		9,389,000
Total Common Stock (Cost $15,298,155)		$15,173,000
MASTER LIMITED PARTNERSHIPS AND RELATED COMPANIES — UNITED STATES — 122.1%[1]		
Coal — 13.6%[1]		
Oxford Resource Partners, L.P.	500,000	$10,830,000
Penn Virginia GP Holdings, L.P.	700,000	17,451,000
		28,281,000
Crude/Natural Gas Production — 15.1%[1]		
Breitburn Energy Partners, L.P.	400,000	7,872,000
EV Energy Partners, L.P.	175,000	6,679,750
Legacy Reserves, L.P.	150,000	3,916,500
Linn Energy, LLC	250,000	9,075,000
Vanguard Natural Resources, LLC	150,000	3,964,500
		31,507,750
Crude/Refined Products Pipelines and Storage — 31.0%[1]		
Enbridge Energy Partners, L.P.	350,000	21,297,500
Genesis Energy, L.P.	600,000	14,658,000
Magellan Midstream Partners, L.P.	250,000	14,000,000
Plains All American Pipeline, L.P.	150,000	9,225,000
TransMontaigne Partners, L.P.	150,000	5,286,000
		64,466,500
Natural Gas/Natural Gas Liquid Pipelines and Storage — 25.1%[1]		
Boardwalk Pipeline Partners, LP	250,000	7,750,000
El Paso Pipeline Partners, L.P.	100,000	3,312,000
Energy Transfer Partners, L.P.	125,000	6,333,750
Enterprise Products Partners, L.P.	300,000	12,624,000
Niska Gas Storage Partners LLC	100,000	1,998,000
ONEOK Partners, L.P.	150,000	11,881,500
Williams Partners, L.P.	175,000	8,233,750
		52,133,000
Natural Gas Gathering/Processing — 25.8%[1]		
Chesapeake Midstream Partners, L.P.	75,000	2,137,500
Crosstex Energy, L.P.	700,000	9,751,000
MarkWest Energy Partners, L.P.	425,000	17,990,250
Regency Energy Partners, L.P.	450,000	11,565,000
Targa Resources Partners, L.P.	400,000	12,116,000

53,559,750

See Accompanying Notes to the Financial Statements.

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Schedule of Investments (Continued) **November 30, 2010**

MASTER LIMITED PARTNERSHIPS AND RELATED COMPANIES UNITED STATES (Continued)	**Shares**	**Fair Value**
Propane 4.3%[1]		
Inergy, L.P.	231,000	$9,013,620
Shipping 7.2%[1]		
Navios Maritime Partners, L.P.	500,000	9,280,000
Teekay Offshore Partners, L.P.	200,000	5,764,000
		15,044,000
Total Master Limited Partnerships and Related Companies (Cost $188,205,905)		$254,005,620
SENIOR NOTES UNITED STATES 7.8%[1]	**Principal Amount**	
Crude/Natural Gas Production 2.2%[1]		
Breitburn Energy Partners, L.P., 8.625%, 10/15/2020[2]	$2,500,000	$2,506,250
Linn Energy, LLC, 7.750%, 02/01/2021[2]	2,000,000	2,040,000
		4,546,250
Crude/Refined Products Pipelines and Storage 0.5%[1]		
Genesis Energy, L.P., 7.875%, 12/15/2018[2]	1,000,000	993,750
Natural Gas/Natural Gas Liquids Pipelines and Storage 0.2%[1]		
El Paso Corp., 7.420%, due 02/15/2037	375,000	371,114
Natural Gas Gathering/Processing 4.9%[1]		
Atlas Pipeline Partners, L.P., 8.750% due 06/15/2018	3,500,000	3,832,500
Copano Energy, LLC, 8.125%, due 03/01/2016	2,000,000	2,030,000
MarkWest Energy Partners, L.P., 8.750%, due 04/15/2018	1,000,000	1,080,000
Regency Energy Partners, L.P., 9.375%, due 06/01/2016	2,000,000	2,205,000
Targa Resources Partners, L.P., 8.250%, due 07/01/2016	200,000	209,000
Targa Resources Partners, L.P., 11.250%, due 07/15/2017	600,000	687,000
Targa Resources Partners, L.P., 7.875%, due 10/15/2018[2]	250,000	258,750
		10,302,250
Total Senior Notes (Cost $14,704,710)		$16,213,364
SHORT-TERM INVESTMENTS UNITED STATES INVESTMENT COMPANIES 0.1%[1]	**Shares**	
AIM Short-Term Treasury Portfolio Fund Institutional Class	36,726	$36,726
Fidelity Government Portfolio Fund Institutional Class	36,726	36,726
First American Treasury Obligations Fund Class A	36,726	36,726
First American Treasury Obligations Fund Class Y	36,726	36,726
First American Treasury Obligations Fund Class Z	36,726	36,726
Total Short-Term Investments (Cost $183,630)		$183,630
TOTAL INVESTMENTS 137.3%[1] (COST $218,392,400)		**$285,575,614**
Liabilities in Excess of Other Assets (37.3)%[1]		(77,573,239)
NET ASSETS APPLICABLE TO COMMON STOCKHOLDERS 100.0%[1]		**$208,002,375**

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

(2) Restricted securities represent a total fair value of $5,798,750, which represents 2.8% of net assets.

See Accompanying Notes to the Financial Statements.

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Statement of Assets & Liabilities

November 30, 2010

Assets	
Investments at fair value (cost $218,392,400)	$ 285,575,614
Cash and cash equivalents	824,659
Receivable for investments sold	5,272,196
Interest receivable	402,707
Distributions and dividends receivable	997,895
Prepaid expenses and other assets	52,918
Total assets	293,125,989
Liabilities	
Payable to Advisor	310,308
Payable for investments purchased	8,385,730
Distributions payable to common stockholders	5,830,742
Short-term borrowings	69,800,000
Accrued interest expense	440,573
Accrued offering expense	147,605
Accrued expenses and other liabilities	208,656
Total liabilities	85,123,614
Net assets applicable to common stockholders	$ 208,002,375
Net Assets Applicable to Common Stockholders Consist of	
Capital stock, $0.001 par value; 25,914,410 shares issued and outstanding (unlimited shares authorized)	$ 25,914
Additional paid-in capital	258,033,671
Accumulated net investment income, net of income taxes	628,635
Accumulated realized loss, net of income taxes	(117,869,059)
Net unrealized gain on investments, net of income taxes	67,183,214
Net assets applicable to common stockholders	$ 208,002,375
Net Asset Value per common share outstanding (net assets applicable to common shares divided by common shares outstanding)	$ 8.03

See Accompanying Notes to the Financial Statements.

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Statement of Operations

Fiscal Year Ended November 30, 2010

Investment Income	
Distributions received from master limited partnerships	$ 16,566,758
Less: return of capital on distributions	(15,935,285)
Distribution income from master limited partnerships	631,473
Dividends from common stock (net of foreign taxes withheld of $10,236)	4,483,307
Interest income	1,320,531
Total Investment Income	6,435,311
Expenses	
Advisory fees	2,514,525
Professional fees	364,767
Administrator fees	138,058
Reports to stockholders	132,360
Trustees fees	103,526
Registration fees	95,378
Fund accounting fees	53,404
Custodian fees and expenses	33,818
Transfer agent fees	27,456
Other expenses	257,274
Total Expenses before Interest Expense	3,720,566
Interest expense	465,469
Total Expenses	4,186,035
Less: expense waived by Advisor	(47,415)
Net Expenses	4,138,620
Net Investment Income	2,296,691
Realized and Unrealized Gain on Investments	
Net realized gain on investments	1,539,215
Net change in unrealized appreciation of investments	46,302,472
Net Realized and Unrealized Gain on Investments	47,841,687
Increase in Net Assets Applicable to Common Stockholders Resulting from Operations	$ 50,138,378

See Accompanying Notes to the Financial Statements.

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Statements of Changes in Net Assets

	Fiscal Year Ended November 30, 2010	Fiscal Year Ended November 30, 2009
Operations		
Net investment income	$2,296,691	$407,744
Net realized gain (loss) on investments	1,539,215	(52,209,736)
Net change in unrealized appreciation of investments	46,302,472	78,913,488
Net increase in net assets applicable to common stockholders resulting from operations	50,138,378	27,111,496
Dividends and Distributions to Common Stockholders		
Net investment income		
Return of capital	(18,332,242)	(9,505,720)
Total dividends and distributions to common stockholders	(18,332,242)	(9,505,720)
Capital Share Transactions		
Proceeds from issuance of 14,475,000 and 1,686,090 common shares from offerings, net of offering costs of $615,000 and $154,876, respectively	110,189,000	8,696,251
Issuance of 191,812 and 78,157 common shares from reinvestment of distributions to stockholders, respectively	1,495,837	430,132
Net increase in net assets applicable to common stockholders from capital share transactions	111,684,837	9,126,383
Total increase in net assets applicable to common stockholders	143,490,973	26,732,159
Net Assets		
Beginning of fiscal year	64,511,402	37,779,243
End of fiscal year	$208,002,375	$64,511,402
Accumulated net investment income (loss) at the end of the fiscal year	$628,635	$(1,668,056)

See Accompanying Notes to the Financial Statements.

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Statement of Cash Flows

Fiscal Year Ended November 30, 2010

Operating Activities	
Increase in Net Assets Applicable to Common Stockholders Resulting from Operations	$50,138,378
Adjustments to reconcile increase in the net assets applicable to common stockholders to net cash used in operating activities	
Net change in unrealized appreciation of investments	(46,302,472)
Purchases of investments	(733,582,151)
Proceeds from sales of investments	578,613,513
Proceeds from investments sold short	74,563,378
Purchases to cover investments sold short	(82,514,707)
Return of capital on distributions	15,935,285
Net realized gains on sales of investments	(1,539,215)
Net purchases of short-term investments	(58,045)
Net accretion/amortization of senior notes premiums/discounts	(140,986)
Changes in operating assets and liabilities	
Receivable for investments sold	1,609,444
Interest receivable	(150,707)
Distributions and dividends receivable	(480,162)
Prepaid and other assets	(5,180)
Payable to Advisor	232,024
Payable for investments purchased	7,156,215
Accrued interest expense	436,720
Accrued offering expense	147,605
Accrued expenses and other liabilities	122,827
Net cash used in operating activities	(135,818,236)
Financing Activities	
Proceeds from borrowing facility	118,900,000
Repayment of borrowing facility	(79,000,000)
Common Stock Issuance, net of underwriting and other direct costs	14,666
Additional paid-in capital from Common Stock Issuance	110,174,334
Dividends paid to common stockholders	(13,536,372)
Net cash provided by financing activities	136,552,628
Increase in Cash and Cash Equivalents	734,392
Cash and Cash Equivalents:	
Beginning of fiscal year	90,267
End of fiscal year	$824,659
Supplemental Disclosure of Cash Flow and Non-Cash Information	
Interest Paid	$28,750
Taxes Paid	$20,747
Additional paid-in capital from Dividend Reinvestment	$1,495,837

See Accompanying Notes to the Financial Statements.

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Notes To Financial Statements

November 30, 2010

1. Organization

The Cushing MLP Total Return Fund (the Fund) was formed as a Delaware statutory trust on May 23, 2007, and is a non-diversified, closed-end investment company under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund s investment objective is to seek to produce current income and capital appreciation. The Fund seeks to provide its stockholders with an efficient vehicle to invest in the energy infrastructure sector. The Fund commenced operations on August 27, 2007. The Fund s shares are listed on the New York Stock Exchange under the symbol SRV.

2. Significant Accounting Policies

A. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, recognition of distribution income and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

B. Investment Valuation

The Fund uses the following valuation methods to determine fair value as either current market value for investments for which market quotations are available, or if not available, the fair value, as determined in good faith pursuant to such policies and procedures as may be approved by the Fund s Board of Trustees (Board of Trustees) from time to time. The valuation of the portfolio securities of the Fund currently includes the following processes:

(i) The market value of each security listed or traded on any recognized securities exchange or automated quotation system will be the last reported sale price at the relevant valuation date on the composite tape or on the principal exchange on which such security is traded. If no sale is reported on that date, Swank Energy Income Advisors, LP (the Advisor) utilizes, when available, pricing quotations from principal market markers. Such quotations may be obtained from third-party pricing services or directly from investment brokers and dealers in the secondary market. Generally, the Fund s loan and bond positions are not traded on exchanges and consequently are valued based on market prices received from third-party services or broker-dealer sources.

(ii) Listed options on debt securities are valued at the average of the bid price and the ask price. Unlisted options on debt or equity securities are valued based upon their composite bid prices if held long, or their composite ask prices if held short. Futures are valued at the last sale price on the commodities exchange on which they trade.

(iii) The Fund s non-marketable investments will generally be valued in such manner as the Advisor determines in good faith to reflect their fair values under procedures established by, and under the general supervision and responsibility of, the Board of Trustees. The pricing of all assets that are fair valued in this manner will be subsequently reported to and ratified by the Board of Trustees.

The Fund may engage in short sale transactions. For financial statement purposes, an amount equal to the settlement amount, if any, is included in the Statement of Assets and Liabilities as a liability. The amount of the liability is subsequently marked-to-market to reflect the current value of the short positions. Subsequent fluctuations in market prices of securities sold short may require purchasing the securities at prices which may differ from the market value reflected on the Statement of Assets and Liabilities. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized under the termination of a short sale. The Fund is also subject to the risk that it may be unable to reacquire a security to terminate a short position except at a price substantially in excess of the last quoted price. The Fund is liable for any dividends paid on securities sold short and such amounts would be reflected as dividend expense in the Statement of Operations. The Fund s obligation to replace the borrowed

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security will be secured by collateral deposited with the broker-dealer. The Fund also will be required to segregate similar collateral to the extent, if any, necessary so that the value of both collateral amounts in the aggregate is at all times equal to at least 100% of the current market value of the securities sold short. There were no securities sold short at November 30, 2010.

C. Security Transactions, Investment Income and Expenses

Security transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses are reported on a specific identified cost basis. Interest income is recognized on the accrual basis, including amortization of premiums and accretion of discounts. Distributions are recorded on the ex-dividend date. Distributions received from the Fund s investments in master limited partnerships (MLPs) generally are comprised of ordinary income, capital gains and return of capital from the MLP. The Fund records investment income on the ex-date of the distributions. For financial statement purposes, the Fund uses return of capital and income estimates to allocate the dividend income received. Such estimates are based on historical information available from each MLP and other industry sources. These estimates may subsequently be revised based on information received from MLPs 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 Fund.

The Fund estimates the allocation of investment income and return of capital for the distributions received from MLPs within the Statement of Operations. Subsequent to November 30, 2009, the Fund revised the amount of investment income and return of capital it recognized based on the 2009 tax reporting information received from the individual MLPs. The Fund has estimated approximately 5% of the distributions to be from investment income with the remaining balance to be return of capital.

Expenses are recorded on the accrual basis.

D. Dividends and Distributions to Stockholders

Dividends and distributions to common stockholders are recorded on the ex-dividend date. The character of dividends and distributions to common stockholders made during the year may differ from their ultimate characterization for federal income tax purposes. For the fiscal year ended November 30, 2010, the Fund s dividends and distributions were expected to be comprised of 100% return of capital. The tax character of distributions paid for the fiscal year ended November 30, 2010 will be determined in early 2011.

E. Federal Income Taxation

The Fund, taxed as a corporation, is obligated to pay federal and state income tax on its taxable income. Currently, the maximum marginal regular federal income tax rate for a corporation is 35%. The Fund may be subject to a 20% federal alternative minimum tax on its federal alternative minimum taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax.

The Fund invests its assets primarily in MLPs, which generally are treated as partnerships for federal income tax purposes. As a limited partner in the MLPs, the Fund reports its allocable share of the MLP s taxable income in computing its own taxable income. The Fund s tax expense or benefit is included in the Statement of Operations based on the component of income or gains (losses) to which such expense or benefit relates. 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 Fund has reviewed all open tax years and major jurisdictions and concluded that there is no impact on the Fund s net assets and no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on a tax return. As of November 30, 2010, the Fund s federal tax returns since inception remain subject to examination by the Internal Revenue Service.

F. Cash and Cash Equivalents

The Fund considers all highly liquid investments purchased with initial maturity equal to or less than three months to be cash equivalents.

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G. Cash Flow Information

The Fund makes distributions from investments, which include the amount received as cash distributions from MLPs, common stock dividends and interest payments. These activities are reported in the Statements of Changes in Net Assets, and additional information on cash receipts and payments is presented in the Statement of Cash Flows.

H. Indemnifications

Under the Fund s organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund may enter into contracts that provide general indemnification to other parties. The Fund s maximum exposure under such indemnification arrangements, however, is unknown, as this would involve expenses relating to existing claims that have not yet been accrued or future claims that may be made against the Fund that have not yet occurred and may not occur.

As of November 30, 2010, the Fund had accrued and paid approximately $500,000 in expenses relating to the indemnification of its officers and trustees relating to the legal proceedings described in Note J, of which $209,000 was expensed during the fiscal year ended November 30, 2010 and is included in other expenses in the Statement of Operations. Subsequent to November 30, 2010, the Fund paid approximately $34,000 in expenses relating to the indemnification of its officers and trustees relating to the legal proceedings described in Note J. No further payments relating to these legal proceedings are anticipated.

I. Derivative Financial Instruments

The Fund provides disclosure regarding derivatives and hedging activity to allow investors to understand how and why the Fund uses derivatives, how derivatives are accounted for, and how derivative instruments affect the Fund s results of operations and financial position.

The Fund occasionally purchases and sells (writes) put and call equity options as a source of potential protection against a broad market decline. A purchaser of a put option has the right, but not the obligation, to sell the underlying instrument at an agreed upon price (strike price) to the option seller. A purchaser of a call option has the right, but not the obligation, to purchase the underlying instrument at the strike price from the option seller. Options are settled for cash.

Purchased Options Premiums paid by the Fund for purchased options are included in the Statement of Assets and Liabilities as an investment. The option is adjusted daily to reflect the current market value of the option and any change in fair value is recorded as unrealized appreciation or depreciation of investments. If the option is allowed to expire, the Fund will lose the entire premium paid and record a realized loss for the premium amount. Premiums paid for purchased options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain/loss or cost basis of the security.

Written Options Premiums received by the Fund for written options are included in the Statement of Assets and Liabilities. The amount of the liability is adjusted daily to reflect the current market value of the written option and any change in fair value is recorded as unrealized appreciation or depreciation of investments. Premiums received from written options that expire are treated as realized gains. The Fund records a realized gain or loss on written options based on whether the cost of the closing transaction exceeds the premium received. If a call option is exercised by the option buyer, the premium received by the Fund is added to the proceeds from the sale of the underlying security to the option buyer and compared to the cost of the closing transaction to determine whether there has been a realized gain or loss. If a put option is exercised by an option buyer, the premium received by the option seller reduces the cost basis of the purchased security.

Written uncovered call options subject the Fund to unlimited risk of loss. Written covered call options limit the upside potential of a security above the strike price. Put options written subject the Fund to risk of loss if the value of the security declines below the exercise price minus the put premium.

The Fund is not subject to credit risk on written options as the counterparty has already performed its obligation by paying the premium at the inception of the contract.

I. Derivative Financial Instruments

During the fiscal year ended November 30, 2010, the Fund purchased 88,800 S&P Depository Receipts (SPDR) Trust Series 1 equity option put contracts with various exercise prices and sold 85,800 of these option contracts for a total loss of $5,495,618. The remaining 3,000 contracts expired for a total realized loss of $364,182. The total realized loss of $5,859,800 is included in net realized gain on investments in the Statement of Operations. The Fund did not hold any option contracts as of November 30, 2010 and November 30, 2009.

During the fiscal year ended November 30, 2010, the Fund wrote 65,100 SPDR Trust Series 1 short option put contracts with various exercise prices and covered all of these option contracts for a total gain of $1,634,427, which is included in net realized gain on investments in the Statement of Operations.

J. Legal Proceedings

On February 10, 2009, a putative class action lawsuit was filed in the United States District Court, Northern District of Texas, by Terri Morse Bachow on behalf of all persons who purchased shares of the Fund between September 1, 2008 and December 19, 2008, against the Advisor, Swank Capital, LLC, Jerry V. Swank, Mark W. Fordyce, Brian R. Bruce, Ronald P. Trout and Edward N. McMillan alleging violations of Sections 10(b) of the Securities Exchange Act of 1934 (the Exchange Act) by Mr. Swank and Mr. Fordyce, violations of Section 20(a) of the Exchange Act by Swank Capital, LLC, Mr. Swank, Mr. Fordyce, Mr. Bruce, Mr. Trout, and Mr. McMillan, and violations of Section 36(b) of the Investment Company Act of 1940 by Swank Capital, LLC. The complaint sought an unspecified amount in compensatory damages, actual damages, and fees and expenses incurred in the lawsuit. The plaintiff s claims related to the treatment and valuation of a deferred tax asset carried by the Fund under FASB Accounting Standards Codification No. 740, Income Taxes. Plaintiffs claimed that the Fund s NAV was inflated as a result of an alleged failure to apply a valuation allowance to its deferred tax asset. Defendants filed a motion to dismiss the complaint and the court granted in part and denied in part the motion to dismiss. The court dismissed all claims under Section 20(a) of the Exchange Act and Section 36(b) of the 1940 Act but did not dismiss the claim under Section 10(b) of the Exchange Act against Mr. Swank and Mr. Fordyce. On May 17, 2010, the Fund entered into a stipulation and Agreement of Settlement in the lawsuit. On September 13, 2010, the court entered an order approving the agreed upon settlement of the lawsuit which provided for the dismissal of the lawsuit with prejudice, the granting of board releases of the named defendants, the Fund and all affiliated entities and a payment to the plaintiffs by the Fund s insurance carrier of $3.6 million, which included payment of attorneys fees for plaintiffs counsel. The entire settlement amount was paid by the Fund s insurers.

3. Concentrations of Risk

The Fund s investment objective is to seek to produce current income and capitalization. The Fund will seek to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments; up to 50% of its managed assets in securities of MLPs and other natural resource companies that are not publicly traded, or that are otherwise restricted securities; up to 20% of its managed assets in securities of companies that are not MLPs, including other natural resource companies, and U.S. and non-U.S. issuers that may not constitute other natural resource companies; and up to 20% of its managed assets in debt securities of MLPs, other natural resource companies and other issuers.

4. Agreements and Related Party Transactions

The Fund has entered into an Investment Management Agreement with the Advisor (the Agreement). Under the terms of the Agreement, the Fund will pay the Advisor a fee, payable at the end of each calendar month, at an annual rate equal to 1.25% of the average weekly value of the Fund s managed assets during such month for the services and facilities provided by the Advisor to the Fund. The Advisor announced on December 19, 2008 that it will temporarily reduce the advisory fee charged to the Fund from an annual rate of 1.25% to 1.00%. Subsequently, the Advisor increased the advisory fee back to 1.25% beginning February 1, 2010. The Advisor earned $2,467,110 in advisory fees (net of $47,415 of advisory fees waived by the Advisor) for the fiscal year ended November 30, 2010.

The Fund has engaged U.S. Bancorp Fund Services, LLC to serve as the Fund s administrator. The Fund pays the administrator a monthly fee computed at an annual rate of 0.08% of the first $100,000,000 of the Fund s

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managed assets, 0.05% on the next $200,000,000 of managed assets and 0.04% on the balance of the Fund s managed assets, with a minimum annual fee of $40,000.

Computershare Trust Fund, N.A. serves as the Fund s transfer agent, dividend paying agent, and agent for the automatic dividend reinvestment plan.

U.S. Bank, N.A. serves as the Fund s custodian. The Fund pays the custodian a monthly fee computed at an annual rate of 0.004% of the Fund s average daily market value, with a minimum annual fee of $4,800.

5. Income Taxes

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 the Fund s deferred tax assets and liabilities as of November 30, 2010, are as follows:

Deferred tax assets:	
Net operating loss carryforward	$ 3,099,443
Capital loss carryforward	39,918,948
Total deferred tax assets	43,018,391
Less Deferred tax liabilities:	
Unrealized gain on investment securities	24,133,916
Net deferred tax asset before valuation allowance	18,884,475
Valuation allowance	(18,884,475)
Net deferred tax asset	$

The net operating loss carryforward and capital loss carryforward are available to offset future taxable income. The Fund has the following net operating loss and capital loss amounts:

Fiscal Year Ended Net Operating Loss	Amount	Expiration
November 30, 2007	$	November 30, 2027
November 30, 2008	5,736,436	November 30, 2028
November 30, 2009	2,225,868	November 30, 2029
November 30, 2010		November 30, 2030
Total Fiscal Year Ended Net Operating Loss	$7,962,304	
Fiscal Year Ended Capital Loss		
November 30, 2007	$	NA
November 30, 2008	62,485,409	November 30, 2013
November 30, 2009	50,363,661	November 30, 2014
November 30, 2010		NA
Total Fiscal Year Ended Capital Loss	$112,849,070	

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5. Income Taxes

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For corporations, capital losses can only be used to offset capital gains and cannot be used to offset ordinary income. As such, for the fiscal year ended November 30, 2010, the Fund used capital loss carryforwards of $699,000 from the fiscal year ended November 30, 2007 and $1,653,000 from the fiscal year ended November 30, 2008 to offset its capital gains. The capital loss may be carried forward for 5 years and, accordingly, would begin to expire as of November 30, 2013. The net operating loss can be carried forward for 20 years and, accordingly, would begin to expire as of November 30, 2027.

The Fund has recorded a valuation allowance for the full amount of the deferred tax asset as the Fund believes it is more likely than not that the asset will not be utilized.

Total income tax benefit (current and deferred) differs from the amount computed by applying the federal statutory income tax rate of 35% to net investment income and realized and unrealized gains (losses) on investments before taxes for the fiscal year ended November 30, 2010, as follows:

Application of statutory income tax rate	$ 17,548,000
Change in state tax rate used to determine deferred tax	1,537,000
Dividends received deduction adjustment	445,000
Change in valuation allowance	(19,530,000)
Total tax expense	$

The decrease in the valuation allowance was due to a decrease in the net deferred tax asset of $19,530,000 during the fiscal year ended November 30, 2010. All federal and state tax amounts above are deferred balances and there were no current balances for federal or state taxes in the current year.

At November 30, 2010, the cost basis of investments was $217,350,111 and gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

Gross unrealized appreciation	$ 70,490,166
Gross unrealized depreciation	(2,264,663)
Net unrealized appreciation	$ 68,225,503

The Fund recognizes the tax benefits of uncertain tax positions only where the position is more likely than not to be sustained assuming examination by tax authorities. Management has analyzed the Fund s tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on U.S. tax returns and state tax returns filed since inception of the Fund. No income tax returns are currently under examination. All tax years since commencement of operations remain subject to examination by the tax authorities in the United States. Due to the nature of the Fund s investments, the Fund may be required to file income tax returns in several states. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

6. Fair Value Measurements

Various inputs that are used in determining the fair value of the Fund s investments are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical securities

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the 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.

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These inputs are summarized in the three broad levels listed below.

Description	Fair Value at November 30, 2010	Fair Value Measurements at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Common Stock[a]	$15,173,000	$15,173,000	$	$
Master Limited Partnerships and Related Companies[a]	254,005,620	254,005,620		
Total Equity Securities	269,178,620	269,178,620		
Notes				
Senior Notes[a]	16,213,364		16,213,364	
Total Notes	16,213,364		16,213,364	
Other				
Short-Term Investments	183,630	183,630		
Total Other	183,630	183,630		
Total	$285,575,614	$269,362,250	$16,213,364	$

(a) All other industry classifications are identified in the Schedule of Investments. The Fund did not hold Level 3 investments at any time during the fiscal year ended November 30, 2010.

7. Investment Transactions

For the fiscal year ended November 30, 2010, the Fund purchased (at cost) and sold securities (proceeds) in the amount of $733,582,151 and $578,613,513 (excluding short-term securities), respectively and made purchases to cover investments sold short and received proceeds from investments sold short in the amount of $82,514,707 and $74,563,378, respectively.

8. Common Stock

The Fund has unlimited shares of capital stock authorized and 25,914,410 shares outstanding at November 30, 2010. Transactions in common stock for the fiscal years ended November 30, 2009 and November 30, 2010 were as follows:

Shares at November 30, 2008	9,483,351
Shares sold through additional offerings	1,686,090
Shares issued through reinvestment of distributions	78,157
Shares at November 30, 2009	11,247,598
Shares sold through additional offerings	14,475,000
Shares issued through reinvestment of distributions	191,812
Shares at November 30, 2010	25,914,410

9. Borrowing Facilities

The Fund maintains a margin account arrangement with Credit Suisse. The interest rate charged on margin borrowing is tied to the cost of funds for Credit Suisse (which approximates LIBOR plus 0.30%). Proceeds from the margin account arrangement are used to execute the Fund s investment objective.

The average principal balance and interest rate for the period during which the credit facilities were utilized during the fiscal year ended November 30, 2010 was approximately $58,290,000 and 0.72%, respectively. At November 30, 2010, the principal balance outstanding was $69,800,000 and accrued interest expense was $440,573.

10. Subsequent Events

On December 15, 2010, the Fund issued 55,337 shares through its dividend reinvestment plan. After these share issuances, the Fund s total common shares outstanding were 25,969,747.

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Base Prospectus dated May 17, 2010

The Cushing MLP Total Return Fund

80,000,000 COMMON SHARES OF BENEFICIAL INTEREST

Investment Objective. The Cushing MLP Total Return Fund (the Fund) was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company. The Fund s investment objective is to obtain a high after-tax total return from a combination of capital appreciation and current income. No assurance can be given that the Fund s investment objective will be achieved.

Investment Strategy. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in master limited partnership (MLP) investments (the 80% policy). Entities commonly referred to as MLPs are taxed as partnerships for federal income tax purposes and are generally organized under state law as limited partnerships or limited liability companies. If publicly traded, MLPs must derive at least 90% of their gross income from qualifying sources as described in Section 7704 of the Internal Revenue Code of 1986, as amended (the Code). For purposes of the Fund s 80% policy, MLP investments are investments that offer economic exposure to public and private MLPs in the form of common or subordinated units issued by MLPs, securities of entities holding primarily general partner or managing member interests in MLPs, debt securities of MLPs, and securities that are derivatives of interests in MLPs, which are I-Shares (described on page 39 of this base prospectus) and other derivative securities that have economic characteristics of MLP securities. The Fund is managed by Swank Energy Income Advisors, LP (the Investment Adviser).

The Fund seeks to obtain a high after-tax total return through investments in public and private MLPs that have distribution growth prospects that, in the Investment Adviser s view, are high relative to comparable MLPs and available unit pricing. The Fund will be treated as a regular corporation, or C corporation, for U.S. federal income tax purposes. The Fund intends to focus its investments in MLPs with operations in the development, production, processing, refining, transportation, storage and marketing of natural resources. The Fund believes that, as a result of the tax characterization of cash distributions made by MLPs to their investors (such as the Fund), a significant portion of the Fund s income will be tax-deferred, which will allow distributions by the Fund to its shareholders to include tax-deferred income; however, there can be no assurance in this regard. If this expectation is not realized, the Fund will have a larger corporate income tax expense than expected, which will result in less cash available to distribute to shareholders. The Fund expects to make equity investments in a mix of publicly traded securities and non-readily marketable securities that may be issued by public or private companies. The Fund will seek to hedge certain risks such as overall market, interest rate and commodity price risk.

The Fund will generally seek to invest in 20 to 30 issuers with generally no more than 10% of Managed Assets (as defined below) in any one issue and no more than 15% of Managed Assets in any one issuer (for purposes of this limit, an issuer includes both an MLP and its controlling general partner or managing member), in each case, determined at the time of investment. Among other things, the Investment Adviser will use fundamental, proprietary research to seek to identify the most attractive MLPs with strong fundamental growth prospects and will seek to invest in initial public offerings (IPOs) and secondary market issuances, private investment in public equity (PIPE) transactions and private transactions, including pre-acquisition and pre-IPO equity issuances and investments in private companies. Generally, no more than 50% of the Fund s portfolio will be in PIPE or other private or restricted securities at the time of investment.

As used in this base prospectus (the Prospectus), Managed Assets means the total assets of the Fund, minus all accrued expenses incurred in the normal course of operations other than liabilities or obligations attributable to investment leverage, including, without limitation, investment leverage obtained through (i) indebtedness of any type (including, without limitation, borrowing through a credit facility or the issuance of debt securities), (ii) the issuance of shares of preferred stock or other similar preference securities and/or (iii) the reinvestment of collateral received for securities loaned in accordance with the Fund s investment objective and policies.

Our common shares are listed on the New York Stock Exchange under the symbol SRV. On May 14, 2010, the last reported sale price of our common shares was $9.15.

The Fund may offer, from time to time, in one or more offerings, common shares of beneficial interest (common shares), each having a par value of $0.001 per share. Common shares may be offered at prices and on terms to be set forth in one or more supplements to this Prospectus (each a Prospectus Supplement). You should read this Prospectus and the applicable Prospectus Supplement carefully before you invest in our common shares.

Common shares may be offered directly to one or more purchasers, through agents designated from time to time by the Fund, or to or through underwriters or dealers. The Prospectus Supplement relating to the offering will identify any agents or underwriters involved in the sale of common shares and will set forth any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters, or among our underwriters, or the basis upon which such amount may be calculated. We may not sell any of our shares through agents, underwriters or dealers without delivery of a Prospectus Supplement describing the method and terms of the particular offering of our common shares.

Investment in the Fund s common shares involves substantial risks arising from the Fund s policy of investing in the securities of MLPs, its concentration in the natural resources sector and its use of leverage. Before buying any of the Fund s common shares, you should read the discussion of the material risks of investing in the Fund in Principal Risks of the Fund beginning on page 44 of this Prospectus.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense. This Prospectus may not be used to consummate sales of shares by us through agents, underwriters or dealers unless accompanied by a Prospectus Supplement.

Please read this Prospectus carefully before deciding whether to invest and retain it for future reference. This Prospectus contains all information required to be in the Fund s Statement of Additional Information. This Prospectus sets forth concisely the information about the Fund that a prospective investor ought to know before investing in the Fund. Copies of the Fund s annual and semi-annual reports may be obtained upon request, without charge, by calling toll-free (800) 662-7232 and also will be made available on the Fund s website at *www.swankfunds.com*. You may also call this toll-free telephone number to request other information about the Fund or to make shareholder inquiries. Information on, or accessible through, the Fund s website is not a part of, and is not incorporated into, this Prospectus. The SEC maintains an internet website (*www.sec.gov*) that contains other information regarding the Fund.

The Fund s common shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depositary institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Prospective investors should rely only on the information contained or incorporated by reference in this Prospectus. The Fund has not authorized any other person to provide investors with different information. If anyone provides an investor with different or inconsistent information, the investor should not rely on it. The Fund is not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. Prospective investors should assume that the information appearing in this Prospectus is accurate only as of the date on the front cover of this Prospectus. The Fund s business, financial condition, results of operations and prospects may have changed since that date.

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You should rely only on the information contained in this Prospectus and the accompanying Prospectus Supplement. We have not authorized anyone to provide you with additional information, or information different from that contained in this Prospectus and the accompanying Prospectus Supplement. If anyone provides you with different or additional information, you should not rely on it. We are offering to sell, and seeking offers to buy, common shares only in jurisdictions where offers and sales are permitted. The information contained, or incorporated by reference, in this Prospectus and the accompanying Prospectus Supplement is accurate only as of the date of this Prospectus and such Prospectus Supplement. We will update these documents to reflect material changes as required by law. Our business, financial condition, results of operations and prospects may have changed since then.

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CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and any accompanying Prospectus Supplement, including documents incorporated by reference, contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar terms and the negative of such terms. By their nature, forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Many factors that could materially affect the Fund s actual results are the performance of the portfolio of securities held by the Fund, the conditions in the U.S. and international financial, petroleum and other markets, the price at which the Fund s Common Shares will trade in the public markets and other factors discussed in the Fund s periodic filings with the SEC.

Although the Fund believes that the expectations expressed in such forward-looking statements are reasonable, actual results could differ materially from those expressed or implied in such forward-looking statements. The Fund s future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Principal Risks of the Fund section of this Prospectus and any accompanying Prospectus Supplement. You are cautioned not to place undue reliance on these forward-looking statements. All forward-looking statements contained or incorporated by reference in this Prospectus or any accompanying Prospectus Supplement are made as of the date of this Prospectus or any accompanying Prospectus Supplement, as the case may be. Except for the Fund s ongoing obligations under the federal securities laws, the Fund does not intend, and the Fund undertakes no obligation, to update any forward-looking statement. The forward-looking statements contained in this Prospectus and any accompanying Prospectus Supplement are excluded from the safe harbor protection provided by section 27A of the Securities Act of 1933, as amended (the Securities Act).

Currently known risk factors that could cause actual results to differ materially from the Fund s expectations include, but are not limited to, the factors described in the Principal Risks of the Fund section of this Prospectus and any accompanying Prospectus Supplement. The Fund urges you to review carefully this section for a more detailed discussion of the risks of an investment in the Fund s securities.

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PROSPECTUS SUMMARY

This is only a summary. This summary does not contain all of the information that an investor should consider before investing in the Fund s common shares. You should review the more detailed information contained in this base prospectus (the Prospectus). In particular, you should carefully read the risks of investing in the common shares, as discussed under Principal Risks of the Fund.

The Fund

The Cushing MLP Total Return Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 (the 1940 Act). Throughout the Prospectus, The Cushing MLP Total Return Fund is referred to simply as the Fund or as we, us or our. See The Fund.

The Offering

The Fund may offer, from time to time, in one or more offerings, common shares of beneficial interest, $0.001 par value per share. The common shares of beneficial interest are called common shares in the rest of this Prospectus. The common shares may be offered at prices and on terms to be set forth in one or more supplements to this Prospectus (each, a Prospectus Supplement). The offering price per share of our common shares will not be less than the net asset value per share of our common shares at the time we make the offering, exclusive of any underwriting commissions or discounts. You should read this Prospectus and the applicable Prospectus Supplement carefully before you invest in our common shares. Common shares may be offered directly to one or more purchasers, through agents designated from time to time by us or to or through underwriters or dealers. The Prospectus Supplement relating to the offering will identify any agents, underwriters or dealers involved in the sale of our shares, and will set forth any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters, or among our underwriters, or the basis upon which such amount may be calculated. We may not sell any of our common shares through agents, underwriters or dealers without delivery of a Prospectus Supplement describing the method and terms of the particular offering of our common shares.

NYSE Listed

The Fund s common shares are listed for trading on the New York Stock Exchange (the NYSE), under the symbol SRV. As of May 14, 2010, the last reported sale price of the Fund s common shares on the NYSE was $9.15.

Investment Adviser

The Fund s investments are managed by its Investment Adviser, Swank Energy Income Advisors, LP, whose principal business address is 3300 Oak Lawn Avenue, Suite 650, Dallas, Texas 75219. The Investment Adviser is also investment adviser to the private managed accounts (Affiliated Funds), which invest primarily in securities of MLPs and Other Natural Resources Companies and global commodities. Since 2003, the Investment Adviser has managed the Affiliated Funds with a focus on achieving a high after-tax total return from a combination of capital appreciation and current income (as opposed to relative performance against a benchmark index). The Investment Adviser seeks to identify and exploit investment niches it believes are generally less understood and less followed by the broader investor community.

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Competitive Strengths

The Investment Adviser considers itself one of the principal professional institutional investors in the MLP space based on the following:

An investment team with extensive experience in MLP analysis and investment, portfolio management, risk management, and private securities transactions.

A focus on bottom-up, fundamental analysis performed by its experienced investment team.

The investment team s wide range of professional backgrounds, market knowledge, industry relationships, and experience in the analysis, financing, and structuring of MLP investments give the Investment Adviser insight into, and the ability to identify and capitalize on, investment opportunities in MLPs and Other Natural Resources Companies.

Its central location in Dallas, Texas and proximity to major players and assets in the MLP space.

Who May Want to Invest

Investors should consider their own investment goals, time horizon and risk tolerance before investing in the Fund. An investment in the Fund may not be appropriate for all investors and is not intended to be a complete investment program. The Fund may be an appropriate investment for you if you are seeking:

The opportunity for an attractive total return through capital appreciation and current income, in a fund managed by an experienced team of portfolio and investment professionals.

Low correlation with broader equity or fixed income markets.

Exposure to a growing sub-sector of the natural resources universe, which sub-sector benefits from a tax-advantaged structure and which owns and operates integral infrastructure energy assets that are essential in meeting the growing demand from energy producers and consumers.

Access through a single investment vehicle to a portfolio of public, private investment in public equity (PIPE), and private securities issued by master limited partnerships (MLPs) and securities of other companies that are generally engaged in the same lines of business as those in which MLPs engage (Other Natural Resources Companies) (not otherwise available to the general public) researched and sourced by experienced investment professionals at Swank Energy Income Advisors, LP. (the Investment Adviser).

However, an investment in the Fund involves certain associated investment risks. See Principal Risks of the Fund.

An Investment in the Fund vs. Direct Investment in MLPs

The Investment Adviser believes that an investment in the Fund has certain advantages over direct investment in MLPs, such as:

Exposure to the MLP asset class through an investment vehicle that will provide common shareholders with a single Internal

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Revenue Service (IRS) form 1099. Direct investors in MLPs receive an IRS schedule K-1 from each MLP in which they invest.

Access to an investment vehicle that will not require shareholders to file state income tax returns in any state in which such investor is not otherwise required to file a tax return. Direct investors in an MLP are considered limited partners and may be required to file state income tax returns in each state in which the MLP operates.

Ability for the Fund s common shareholders that are tax-exempt investors to avoid having the Fund s distributions classified as unrelated business taxable income (UBTI), unless such investor s common shares are debt-financed. A portion of income received by tax-exempt investors directly from MLPs is generally treated as UBTI.

Ability for non-U.S. shareholders to avoid being directly subject to regular net based U.S. federal income tax and return filing requirements with respect to investments in MLPs, provided such non-U.S. shareholder s investment in the Fund is not effectively connected with the conduct of a trade or business in the United States by such shareholder. Non-U.S. shareholders would generally be subject to regular net based U.S. federal income tax on income from direct investments in MLPs treated as effectively connected with a U.S. trade or business.

Ability for the Fund s common shareholders to not be limited by the provisions of the Internal Revenue Code of 1986, as amended, (the Code) containing the passive activity loss rules with respect to any losses resulting from the purchase and sale of common shares, because the Fund is taxed as a corporation. The passive activity loss rules limit the ability of certain direct investors in MLPs to use their allocable share of any losses generated by an MLP to offset income from other activities.

Investment Objective and Policies

The Fund s investment objective is to obtain a high after-tax total return from a combination of capital appreciation and current income. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments (the 80% policy). There can be no assurance that the Fund s investment objective will be achieved. The Fund intends to focus its investments in MLPs with operations in the development, production, processing, refining, transportation, storage and marketing of natural resources.

The Fund generally will generally seek to invest in 20 to 30 issuers with generally no more than 10% of Managed Assets (as defined below) in any one issue and no more than 15% of Managed Assets in any one issuer (for purposes of this limitation, an issuer includes both the MLP or limited liability company, as well as its controlling general partner or managing member), in each case, determined at the time of investment. For purposes of this calculation, an issue is a class of an issuer s securities or a derivative security that tracks that class of securities. Among other things, the Investment Adviser will

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use fundamental and proprietary research to seek to identify the most attractive MLPs and will seek to invest in MLPs that have distribution growth prospects that, in the Investment Adviser s view, are high relative to comparable MLPs and that are not fully reflected in current pricing. The Investment Adviser believes that the MLPs most likely to offer such attractive investment characteristics are those that are relatively small and have proven and motivated management teams that are able to develop projects organically (greenfield or internally developed) and/or to successfully identify, acquire and integrate assets and companies that enhance value to shareholders. As part of the Fund s 80% policy, the Investment Adviser will also seek to invest in MLPs or other entities that hold the general partner or managing member interest and incentive distribution rights in MLPs (GP MLPs). The Investment Adviser believes the distribution growth prospects of many GP MLPs are high relative to many other MLPs, and the Investment Adviser will seek to invest in GP MLPs in which the Investment Adviser believes that such growth is not fully reflected in current pricing. Like MLPs with strong distribution growth prospects, GP MLPs with strong growth prospects often trade at prices that result in relatively low current yields. Since the Investment Adviser will seek to maximize total return through a focus on MLPs and GP MLPs with strong distribution growth prospects, the Investment Adviser believes the distribution yield of the Fund will be lower than it would be under a more diversified investment approach.

As used in this Prospectus, Managed Assets means the total assets of the Fund, minus all accrued expenses incurred in the normal course of operations other than liabilities or obligations attributable to investment leverage, including, without limitation, investment leverage obtained through (i) indebtedness of any type (including, without limitation, borrowing through a credit facility or the issuance of debt securities), (ii) the issuance of shares of preferred stock (preferred shares) or other similar preference securities and/or (iii) the reinvestment of collateral received for securities loaned in accordance with the Fund s investment objective and policies.

The Investment Adviser will seek to invest in initial public offerings (IPOs) and secondary market issuances, PIPE transactions and privately negotiated transactions, including pre-acquisition and pre-IPO equity issuances and investments in private companies. See Investment Objective and Policies.

The Fund s investment objective and percentage parameters, including its 80% MLP investment policy, are not fundamental policies of the Fund and may be changed without shareholder approval. Shareholders, however, will be notified in writing of any change at least 60 days prior to effecting any such change.

The Fund s Investments

MLPs

Master limited partnerships are formed as limited partnerships or limited liability companies and taxed as partnerships for federal income tax purposes. The securities issued by many MLPs are listed and traded on a U.S. exchange. An MLP typically issues general partner and limited partner interests or managing member and member interests. The general partner or managing member manages and often controls, has an ownership stake in, and is normally eligible to receive incentive distribution payments from, the MLP. To be treated as a partnership for U.S. federal income tax purposes, an MLP must derive at least 90% of its gross income for each taxable year from qualifying sources as described in Section 7704 of the Code. These qualifying sources include natural resources-based activities such as the exploration, development, mining, production, processing, refining, transportation, storage and certain marketing of mineral or natural resources. The general partner or managing member may be structured as a private or publicly-traded corporation or other entity. The general partner or managing member typically controls the operations and management of the entity through an up to 2% general partner or managing member interest in the entity plus, in many cases, ownership of some percentage of the outstanding limited partner or member interests. The limited partners or members, through their ownership of limited partner or member interests, provide capital to the entity, are intended to have no role in the operation and management of the entity and receive cash distributions. Due to their structure as partnerships for U.S. federal income tax purposes and the expected character of their income, MLPs generally do not pay federal income taxes. Thus, unlike investors in corporate securities, direct MLP investors are generally not subject to double taxation (*i.e.*, corporate level tax and tax on corporate dividends). Currently, most MLPs operate in the energy and midstream, natural resources, shipping or real estate sectors.

MLP Equity Securities

Equity securities issued by MLPs typically consist of common and subordinated units (which represent the limited partner or member interests) and a general partner or managing member interest. See The Fund s Investments.

I-Shares

I-Shares represent an ownership interest issued by an MLP affiliate. The MLP affiliate uses the proceeds from the sale of I-Shares to purchase limited partnership interests in the MLP in the form of I-units. Thus, I-Shares represent an indirect limited partner interest in the MLP. I-units have features similar to MLP common units in terms of voting rights, liquidation preference and distribution. I-Shares differ from MLP common units primarily in that instead of receiving cash distributions, holders of I-Shares will receive distributions of additional I-Shares in an amount equal to the cash distributions received by common unit holders. I-shares are traded on the NYSE or the AMEX.

Other Equity Securities

The Fund may invest in equity securities of issuers other than MLPs, including common stocks of Other Natural Resources Companies and issuers engaged in other sectors, including the finance and real estate sectors. Such issuers may be organized and/or taxed as corporations and therefore may not offer the advantageous tax characteristics of MLP units.

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Debt Securities

The Fund may invest in debt securities rated, at the time of investment, at least (i) B3 by Moody s Investors Service, Inc. (Moody s), (ii) B- by Standard & Poor s (S&P) or Fitch Ratings (Fitch), or (iii) a comparable rating by another rating agency, provided, however, that the Fund may invest up to 5% of the Fund s Managed Assets in lower rated or unrated debt securities. Debt securities rated below investment grade are commonly known as junk bonds and are regarded as predominantly speculative with respect to the issuer s capacity to pay interest and repay principal in accordance with the terms of the obligations, and involve major risk exposure to adverse conditions.

Non-U.S. Securities

The Fund may invest in non-U.S. securities, including, among other things, non-U.S. securities represented by American Depositary Receipts or ADRs. ADRs are certificates evidencing ownership of shares of a non-U.S. issuer that are issued by depositary banks and generally trade on an established market in the United States or elsewhere.

See The Fund s Investments.

Portfolio Investments

Sector Allocation
(As of March 31, 2010)

Natural Gas Gathering	17	%
Natural Gas Transportation	15	%
GP MLPs	15	%
MLP Bonds	8	%
Upstream	11	%
Crude Oil Gathering/Transport	9	%
Products Pipeline/Storage	7	%
Propane	6	%
Coal	5	%
Shipping	5	%

Top Ten Holdings
(As of March 31, 2010)

	Market Value (Millions)	% of NAV
Inergy LP	$ 8.92	7.4 %
Magellan Midstream Partners LP	7.94	6.6
Markwest Energy Partners LP	7.23	6.0
Enterprise Products Partners LP	6.95	5.8
Targa Resources Partners LP	6.26	5.2
Oneok Partners LP	6.13	5.1
Inergy Holding LLP	5.98	5.0
Energy Transfer Equity LP	5.90	4.9
Plains All American Pipeline LP	5.69	4.7
Williams Partners LP	5.43	4.5

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Investment Characteristics

The Investment Adviser believes that the following characteristics of MLPs make them attractive investments:

Many MLPs are utility-like in nature and have relatively stable, predictable cash flows.

MLPs provide services which help meet the largely inelastic demand of U.S. energy consumers.

Transportation assets in the interstate and intrastate pipeline sector are typically backed by relatively long-term contracts and stable transportation rates (or tariffs) that are regulated by the U.S. Federal Energy Regulatory Commission (FERC) or by state regulatory commissions.

High barriers to entry may protect the business model of some MLPs, since construction of the physical assets typically owned by these MLPs generally requires significant capital expenditures and long lead times.

As the location and quality of natural resources supplies change, new midstream infrastructure such as gathering and transportation pipelines, treating and processing facilities, and storage facilities is needed to meet these new logistical needs. Similarly, as the demographics of demand centers change, new infrastructure is often needed. MLPs are integral providers of these midstream needs.

Requirements for new and additional transportation fuel compositions (*e.g.*, reduced sulfur diesel and ethanol blends) require additional logistical assets. MLPs are integral providers of these logistical needs.

Midstream assets are typically long-lived and tend to retain their economic value, and the risk of technological obsolescence is low.

MLPs are pass-through entities and do not pay federal income taxes at the entity level. In general, a portion of their distributions are treated as a return of capital (that is, a payback of invested capital).

In addition to their growth potential, MLP investments are currently offering higher yields than some investments, such as utilities and real estate investment trusts (REITs). Of course, there can be no guarantee that the MLP investments in the Fund s portfolio will generate higher yields than these other asset classes, and since the Investment Adviser will seek to maximize total return through a focus on MLPs and GP MLPs with strong distribution growth prospects, the Investment Adviser believes the distribution yield of the Fund will be lower than it would be under a more diversified investment approach.

An investment in MLPs also involves risks, some of which are described below under Principal Risks of the Fund.

Administrator

U.S. Bancorp Fund Services, LLC (the Administrator) will provide the Fund with administrative services. The Administrator also performs fund accounting. See Other Service Providers.

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Distributions

The Fund intends to make regular quarterly cash distributions of all or a portion of its income to its common shareholders.

The Fund anticipates that, due to the tax characterization of cash distributions made by MLPs, a significant portion of the Fund s distributions to common shareholders will consist of tax-advantaged return of capital for U.S. federal income tax purposes. In general, a distribution will constitute a return of capital to a common shareholder, rather than a dividend, to the extent such distribution exceeds the Fund s current and accumulated earnings and profits. The portion of any distribution treated as a return of capital will not be subject to tax currently, but will result in a corresponding reduction in a shareholder s basis in our common shares and in the shareholder s recognizing more gain or less loss (that is, will result in an increase of a shareholder s tax liability) when the shareholder later sells or exchanges our common shares. Dividends in excess of a shareholder s adjusted tax basis in its shares are generally treated as capital gains. To permit it to maintain a more stable quarterly distribution rate, the Fund may distribute less or more than the entire amount of cash it receives from its investments in a particular period. Any undistributed cash would be available to supplement future distributions, and until distributed would add to the Fund s net asset value. Correspondingly, such amounts, once distributed, will be deducted from the Fund s net asset value. See Distributions and Dividend Reinvestment Plan.

Shareholders will automatically have all distributions reinvested in common shares issued by the Fund or common shares of the Fund purchased on the open market in accordance with the Fund s dividend reinvestment plan unless an election is made to receive cash. See Distributions and Dividend Reinvestment Plan.

Common shareholders who receive dividends in the form of additional common shares will be subject to the same U.S. federal, state and local tax consequences as common shareholders who elect to receive their dividends in cash.

Use of Leverage

On October 19, 2007, the Fund entered into a fully-collateralized borrowing arrangement with Credit Suisse. Proceeds from the borrowing arrangement are used to execute the Fund s investment objective. The borrowing arrangement is collateralized with investments held in a segregated account for the benefit of Credit Suisse at the Fund s custodian, which collateral exceeds the amount borrowed.

The Fund may also seek to enhance its total returns through the issuance of preferred shares and other commercial paper or notes and other forms of borrowing (each, a Leverage Instrument and collectively, Leverage Instruments), in each case within the applicable limits of the 1940 Act. The Fund may also borrow under certain privately-arranged, temporary or fully-collaterized and segregated borrowing arrangements, but such arrangements are not deemed leverage under the 1940 Act and thus are not included within the term Leverage Instruments. The Fund may leverage through these Leverage Instruments in an aggregate amount of up to approximately 33 1/3% of its Managed Assets (*i.e.*, 50% of its net assets attributable to the Fund s common shares).

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The Fund may leverage through the issuance of preferred shares or other means, and at such times total leverage of the Fund is generally expected to be in the range of 20% to 50% of the Fund s Managed Assets, including any borrowings for investment purposes (*i.e.*, 25% to 100% of its net assets attributable to the Fund s common shares). The Fund may borrow from banks and other financial institutions.

To the extent the Fund borrows, the Fund will create financial leverage. It will do so only when it expects to be able to invest the proceeds at a higher rate of return than its cost of borrowing.

The use of leverage for investment purposes creates opportunities for greater total returns, but at the same time increases risk. When leverage is employed, the net asset value, market price of the common shares and the yield to holders of common shares may be more volatile. Any investment income or gains earned with respect to the amounts borrowed in excess of the interest due on the borrowing will augment the Fund s income. Conversely, if the investment performance with respect to the amounts borrowed fails to cover the interest on such borrowings, the value of the Fund s common shares may decrease more quickly than would otherwise be the case, and distributions on the common shares would be reduced or eliminated. Interest payments and fees incurred in connection with such borrowings will reduce the amount of net income available for distribution to common shareholders.

Because the investment management fee paid to the Investment Adviser is calculated on the basis of the Fund s Managed Assets, which include the proceeds of leverage, the dollar amount of the management fee paid by the Fund to the Investment Adviser will be higher (and the Investment Adviser will be benefited to that extent) when leverage is utilized. The Investment Adviser will utilize leverage only if it believes such action would result in a net benefit to the Fund s shareholders after taking into account the higher fees and expenses associated with leverage (including higher management fees). See The Fund s Investments Use of Leverage.

The Fund s leveraging strategy may not be successful. See Principal Risks of the Fund Leverage Risk.

Tax Treatment of the Fund

The Fund will be treated as a regular corporation, or C corporation, for U.S. federal income tax purposes. Accordingly, the Fund generally will be subject to U.S. federal income tax on its taxable income at the graduated rates applicable to corporations (currently at a maximum rate of 35%). In addition, as a regular corporation, the Fund may be subject to state income tax by reason of its investments in equity securities of MLPs. The Fund may be subject to a 20% alternative minimum tax on its alternative minimum taxable income to the extent that the alternative minimum tax exceeds the Fund s regular income tax liability. The Fund s payments of U.S. corporate income tax or alternative minimum tax could materially reduce the amount of cash available for the Fund to make distributions on the shares. In addition, distributions to shareholders of the Fund will be taxed under federal income tax laws applicable to corporate distributions, and thus at least a significant portion of the Fund s taxable income may be subject to a double layer of taxation. See Tax Matters.

Principal Risks of the Fund

General

Risk is inherent in all investing. The following discussion summarizes some of the risks that a potential investor should consider before deciding to purchase the Fund s common shares.

Recent Economic Events. While the U.S. and global markets had experienced extreme volatility and disruption for an extended period of time, the third and fourth quarters of 2009 and the first quarter of 2010 witnessed more stabilized economic activity as expectations for an economic recovery increased. However, risks to a robust resumption of growth persist: a weak consumer weighed down by too much debt and increasing joblessness, the growing size of the federal budget deficit and national debt, and the threat of inflation. A return to unfavorable economic conditions or sustained economic slowdown may place downward pressure on oil and natural gas prices and may adversely affect the ability of MLPs to sustain their historical distribution levels, which in turn, may adversely affect the Fund s ability to sustain distributions at historical levels. MLPs that have historically relied heavily on outside capital to fund their growth have been impacted by the contraction in the capital markets. The continued recovery of the MLP sector is dependent on several factors, including the recovery of the financial sector, the general economy and the commodity markets.

2011 U.S. Federal Budget. The proposed U.S. federal budget for fiscal year 2011 calls for the elimination of approximately $40 billion in tax incentives widely used by oil, gas and coal companies and the imposition of new fees on certain energy producers. The elimination of such tax incentives and imposition of such fees could adversely affect MLPs and Other Natural Resources Companies in which the Fund invests and/or the natural resources sector generally.

Purchase at a Premium to NAV. The Fund s common shares have recently been trading at a substantial premium to NAV per share which may not be sustainable. If the common shares are trading at a premium to net asset value at the time you purchase common shares, the NAV per share of the common shares purchased will be less than the purchase price paid. Please see Price Range of Common Shares in this Prospectus for further information about the historical NAV, share prices and premium or discount to NAV of the Fund s common shares.

Limited Operating and Trading History. The Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company. The Fund commenced operations on August 27, 2007. Being a recently organized company, the Fund is subject to all of the business risks and uncertainties associated with any new business, including the risk that the Fund will not achieve its investment objective and that the value of an

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investment in the Fund could decline substantially. See Principal Risks of the Fund General Limited Operating and Trading History.

Investment and Market Risk. An investment in the Fund s common shares is subject to investment risk, including the possible loss of an investor s entire investment. The Fund s common shares at any point in time may be worth less than at the time of original investment, even after taking into account the reinvestment of the Fund s dividends. The Fund is primarily a long-term investment vehicle and should not be used for short-term trading. An investment in the Fund s common shares is not intended to constitute a complete investment program and should not be viewed as such. See Principal Risks of the Fund General Investment and Market Risk.

Market Discount From Net Asset Value Risk. Shares of closed-end funds frequently trade at discounts to their net asset value. This characteristic is a risk separate and distinct from the risk that the Fund s net asset value could decrease as a result of its investment activities and creates a risk of loss for investors purchasing common shares at net asset value in a public offering. The net asset value of the Fund s common shares will be reduced immediately following the offering as a result of the payment of certain offering costs. Although the value of the Fund s net assets is generally considered by market participants in determining whether to purchase or sell shares, whether investors will realize gains or losses upon the sale of the Fund s common shares will depend entirely upon whether the market price of its common shares at the time of sale is above or below the investor s purchase price for the Fund s common shares. The Fund s common shares have in the past traded below their net asset value. See Principal Risks of the Fund General Market Discount from Net Asset Value Risk.

Sector Concentration Risk

Under normal market conditions and once the proceeds of each offering are fully invested in accordance with its investment objective, the Fund will have at least 80% of its net assets, plus any borrowings for investment purposes, invested in MLP investments, which operate primarily in the natural resources sector. There are risks inherent in the natural resources sector and the businesses of MLPs and Other Natural Resources Companies, including those described below. See Principal Risks of the Fund Sector Concentration Risk.

MLP and Other Natural Resources Company Risks

Commodity Price Risk. Natural resources commodity prices have been very volatile in the past and such volatility is expected to continue. MLPs and Other Natural Resources Companies engaged in crude oil and natural gas exploration, development or production, natural gas gathering and processing, crude oil refining and transportation and coal mining or sales may be directly affected by their respective natural resources commodity prices. The volatility of, and interrelationships between, commodity prices can also indirectly affect certain MLPs and Other Natural Resources Companies due to the potential impact on the volume of commodities transported, processed, stored or distributed. Some MLPs or Other Natural Resources Companies that own the underlying energy commodity may be unable to effectively mitigate or manage direct margin exposure to commodity price levels. The prices of MLP and Other Natural Resources Companies securities can be adversely affected by market perceptions that their performance and distributions or dividends are directly tied to commodity prices. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Commodity Price Risk.

Cyclicality Risk. The highly cyclical nature of the natural resources sector may adversely affect the earnings or operating cash flows of the MLPs and Other Natural Resources Companies in which the Fund will invest. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Cyclicality Risk.

Supply Risk. A significant decrease in the production of natural gas, crude oil, coal or other energy commodities, due to the decline of production from existing resources, import supply disruption, depressed commodity prices or otherwise, would reduce the revenue, operating income and operating cash flows of MLPs and Other Natural Resources Companies and, therefore, their ability to make distributions or pay dividends. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Supply Risk.

Demand Risk. A sustained decline in demand for coal, natural gas, natural gas liquids, crude oil and refined petroleum products could adversely affect an MLP s or an Other Natural Resources Company s revenues and cash flows. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Demand Risk.

Risks Relating to Expansions and Acquisitions. MLPs and Other Natural Resources Companies employ a variety of means to increase cash flow, including increasing utilization of existing facilities, expanding operations through new construction or development activities, expanding operations through acquisitions, or securing additional long-term contracts. Thus, some MLPs or Other Natural Resources Companies may be subject to construction risk, development risk, acquisition risk or other risks arising from their specific business strategies. MLPs and Other Natural Resources Companies that attempt to grow through acquisitions may not be able to effectively integrate acquired operations with their existing operations. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Risks Relating to Expansions and Acquisitions.

Competition Risk. The natural resources sector is highly competitive. To the extent that the MLPs and Other Natural Resources Companies in which the Fund will invest are unable to compete effectively, their operating results, financial position, growth potential and cash flows may be adversely affected, which could in turn adversely affect the results of the Fund. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Competition Risk.

Weather Risk. Extreme weather conditions, such as Hurricane Ivan in 2004, Hurricanes Katrina and Rita in 2005 and Hurricane Ike in

2008, could result in substantial damage to the facilities of certain MLPs and Other Natural Resources Companies located in the affected areas and significant volatility in the supply of natural resources, commodity prices and the earnings of MLPs and Other Natural Resources Companies, and could therefore adversely affect their securities. Principal Risks of the Fund MLP and Other Natural Resources Company Risks Weather Risk.

Interest Rate Risk. The prices of the equity and debt securities of the MLPs and Other Natural Resources Companies the Fund expects to hold in its portfolio are susceptible in the short term to a decline when interest rates rise. Rising interest rates could limit the capital appreciation of securities of certain MLPs as a result of the increased availability of alternative investments with yields comparable to those of MLPs. Rising interest rates could adversely impact the financial performance of MLPs and Other Natural Resources Companies by increasing their cost of capital. This may reduce their ability to execute acquisitions or expansion projects in a cost effective manner. Principal Risks of the Fund MLP and Other Natural Resources Company Risks Interest Rate Risk.

MLP Structure Risk. Holders of MLP units are subject to certain risks inherent in the structure of MLPs, including (i) tax risks (described further below), (ii) the limited ability to elect or remove management or the general partner or managing member (iii) limited voting rights, except with respect to extraordinary transactions, and (iv) conflicts of interest between the general partner or managing member and its affiliates, on the one hand, and the limited partners or members, on the other hand, including those arising from incentive distribution payments or corporate opportunities. Principal Risks of the Fund MLP and Other Natural Resources Company Risks MLP Structure Risk.

Sub-Sector Specific Risk. MLPs and Other Natural Resources Companies are also subject to risks that are specific to the particular sub-sector of the natural resources sector in which they operate.

Pipelines. Pipeline companies are subject to the demand for natural gas, natural gas liquids, crude oil or refined products in the markets they serve, changes in the availability of products for gathering, transportation, processing or sale due to natural declines in reserves and production in the supply areas serviced by the companies facilities, sharp decreases in crude oil or natural gas prices that cause producers to curtail production or reduce capital spending for exploration activities, and environmental regulation. Demand for gasoline, which accounts for a substantial portion of refined product transportation, depends on price, prevailing economic conditions in the markets served, and demographic and seasonal factors. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Sub-Sector Specific Risk Pipelines.

Gathering and processing. Gathering and processing companies are subject to natural declines in the production of oil and natural gas fields, which utilize their gathering and processing facilities as a way to market their production, prolonged declines in the price of natural gas or crude oil, which curtails drilling activity and therefore production, and declines in the prices of natural gas liquids and refined petroleum products, which cause lower processing margins. In addition, some gathering and processing contracts subject the gathering or processing company to direct commodities price risk. Principal Risks of the Fund MLP and Other Natural Resources Company Risks Sub-Sector Specific Risk Gathering and processing.

Exploration and production. Exploration, development and production companies are particularly vulnerable to declines in the demand for and prices of crude oil and natural gas. Reductions in prices for crude oil and natural gas can cause a given reservoir to become uneconomic for continued production earlier than it would if prices were higher, resulting in the plugging and abandonment of, and cessation of production from, that reservoir. In addition, lower commodity prices not only reduce revenues but also can result in substantial downward adjustments in reserve estimates. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Sub-Sector Specific Risk Exploration and Production.

Propane. Propane companies are subject to earnings variability based upon weather patterns in the locations where they operate and increases in the wholesale price of propane which reduce profit margins. In addition, propane companies are facing increased competition due to the growing availability of natural gas, fuel oil and alternative energy sources for residential heating. Principal Risks of the Fund MLP and Other Natural Resources Company Risks Sub-Sector Specific Risk Propane.

Coal. Coal companies are subject to declines in the demand for and prices of coal. Demand variability can be based on weather conditions, the strength of the domestic economy, the level of coal stockpiles in their customer base, and the prices of competing sources of fuel for electric generation. They are also subject to supply variability based on geological conditions that reduce the productivity of mining operations, the availability of regulatory permits for mining activities and the availability of coal that meets the standards of the federal Clean Air Act of 1990, as amended (the Clean Air Act). See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Sub-Sector Specific Risk Coal.

Marine shipping. Marine shipping companies are subject to supply of and demand for, and level of consumption of, natural gas, liquefied natural gas, crude oil, refined petroleum products and liquefied petroleum gases in the supply and market areas they serve, which affect the demand for marine shipping services and therefore charter rates. Shipping companies vessels and cargoes are also subject to the risk of being damaged or lost due to marine disasters, extreme weather, mechanical failures, grounding, fire, explosions, collisions, human error, piracy, war and terrorism. See Principal Risks of the Fund MLP and

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Other Natural Resources Company Risks Sub-Sector Specific Risk Marine Shipping.

Cash Flow Risk. The Fund will derive substantially all of its cash flow from investments in equity securities of MLPs and Other Natural Resources Companies. The amount of cash that the Fund has available to distribute to shareholders will depend on the ability of the MLPs and Other Natural Resources Companies in which the Fund has an interest to make distributions or pay dividends to their investors and the tax character of those distributions or dividends. The Fund will likely have no influence over the actions of the MLPs in which it invests with respect to the payment of distributions or dividends, and may only have limited influence over Other Natural Resources Companies in that regard. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Cash Flow Risk.

Regulatory Risk. The profitability of MLPs and Other Natural Resources Companies could be adversely affected by changes in the regulatory environment. MLPs and Other Natural Resources Companies are subject to significant foreign, federal, state and local regulation in virtually every aspect of their operations, including with respect to how facilities are constructed, maintained and operated, environmental and safety controls, and the prices they may charge for the products and services they provide. Such regulation can change over time in both scope and intensity. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Regulatory Risk.

Affiliated Party Risk. Certain MLPs and Other Natural Resources Companies are dependent on their parents or sponsors for a majority of their revenues. Any failure by an MLP s or an Other Natural Resources Company s parents or sponsors to satisfy their payments or obligations would impact the MLP s or Other Natural Resources Company s revenues and cash flows and ability to make distributions. Moreover, the terms of an MLP s or an Other Natural Resources Company s transactions with its parent or sponsor are typically not arrived at on an arm s-length basis, and may not be as favorable to the MLP or Other Natural Resources Company as a transaction with a non-affiliate. Principal Risks of the Fund MLP and Other Natural Resources Company Risks Affiliated Party Risk.

Catastrophe Risk. The operations of MLPs and Other Natural Resources Companies are subject to many hazards inherent in the exploration for, and development, production, gathering, transportation, processing, storage, refining, distribution, mining or marketing of coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons, including: damage to production equipment, pipelines, storage tanks or related equipment and surrounding properties caused by hurricanes, tornadoes, floods, fires and other natural disasters or by acts of terrorism; inadvertent damage from construction or other equipment; leaks of natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons; and fires and explosions. If a significant accident or event occurs that is not fully insured, it could adversely affect the MLP s or

Other Natural Resources Company s operations and financial condition. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Catastrophe Risk.

Risks Associated with an Investment in IPOs

Securities purchased in IPOs are often subject to the general risks associated with investments in companies with small market capitalizations, and typically to a heightened degree. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in an IPO may be highly volatile, thus the Fund cannot predict whether investments in IPOs will be successful. As the Fund grows in size, the positive effect of IPO investments on the Fund may decrease. See Principal Risks of the Fund Risks Associated with an Investment in IPOs.

Risks Associated with an Investment in PIPE Transactions

PIPE investors purchase securities directly from a publicly traded company in a private placement transaction, typically at a discount to the market price of the company s common stock. Because the sale of the securities is not registered under the Securities Act of 1933, as amended (the Securities Act), the securities are restricted and cannot be immediately resold by the investors into the public markets. Accordingly, the company typically agrees as part of the PIPE deal to register the restricted securities with the Securities and Exchange Commission (the SEC). PIPE securities may be deemed illiquid. See Principal Risks of the Fund Risks Associated with an Investment in PIPE Transactions.

Privately Held Company Risk

Investing in privately held companies involves risk. For example, privately held companies are not subject to SEC reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, the Investment Adviser may not have timely or accurate information about the business, financial condition and results of operations of the privately held companies in which the Fund invests. In addition, the securities of privately held companies are generally illiquid, and entail the risks described under Principal Risks of the Fund Liquidity Risk.

Liquidity Risk

The investments made by the Fund, including investments in MLPs, may be illiquid and consequently the Fund may not be able to sell such investments at prices that reflect the Investment Adviser s assessment of their value, the value at which the Fund is carrying the securities on its books or the amount paid for such investments by the Fund. Furthermore, the nature of the Fund s investments may require a long holding period prior to profitability. See Principal Risks of the Fund Liquidity Risk.

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Tax Risks

In addition to other risk considerations, an investment in the Fund s common shares will involve certain tax risks, including, but not limited to, the risks summarized below and discussed in more detail elsewhere in this Prospectus. Tax matters are complicated, and the foreign and U.S. federal, state and local tax consequences of the purchase and ownership of the Fund s common shares will depend on the facts of each investor s situation. Prospective investors are encouraged to consult their own tax advisors regarding the specific tax consequences that may affect such investors.

Tax Law Changes. Changes in tax laws, regulations or interpretations of those laws or regulations in the future could adversely affect the Fund or the MLPs or Other Natural Resources Companies in which the Fund will invest. Any such changes could negatively impact the Fund s common shareholders. Legislation could also negatively impact the amount and tax characterization of dividends received by the Fund s common shareholders. Federal legislation has reduced the federal income tax rate on qualified dividend income to the rate applicable to long-term capital gains, which is generally 15% for individuals, provided a holding period requirement and certain other requirements are met. This reduced rate of tax on dividends is currently scheduled to revert to ordinary income tax rates for taxable years beginning after December 31, 2010, and the 15% federal income tax rate for long-term capital gains is scheduled to revert to 20% for such taxable years.

Recently the House of Representatives and the Senate passed substantially similar bills that, if enacted, would substantially revise some of the rules discussed in this Prospectus under Tax Matters , including with respect to withholding taxes, certification requirements and information reporting. These bills are generally consistent with a proposal made by the Obama Administration as part of its 2011 Fiscal Year Revenue Proposals. It cannot be predicted whether either of these bills will be enacted and, if enacted, in precisely what form. Prospective investors should consult their tax advisors regarding these bills.

Tax Risk of MLPs. The Fund s ability to meet its investment objective will depend partially on the amounts of taxable income, distributions and dividends it receives from the securities in which it will invest, a factor over which it has no control. The benefit the Fund will derive from its investment in MLPs is largely dependent on the MLP s being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. If, as a result of a change in current law or a change in an MLP s business, an MLP were to be treated as a corporation for federal income tax purposes, it would be subject to federal income tax on its income at the graduated tax rates applicable to corporations (currently a maximum rate of 35%). In addition, if an MLP were to be classified as a corporation for federal income tax purposes, the amount of cash available for distribution by it would be reduced and distributions received by the Fund from it would be taxed under federal income tax laws applicable to corporate distributions (as dividend income, return of capital, or capital gain).

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Therefore, treatment of MLPs as corporations for federal income tax purposes would result in a reduction in the after-tax return to the Fund, likely causing a reduction in the value of the Fund s common shares.

Deferred Tax Risks of MLPs. As a limited partner or member in the MLPs in which the Fund will invest, the Fund will be required to include in its taxable income its allocable share of income, gains, losses, deductions, and credits from those MLPs, regardless of whether they distribute any cash to the Fund. Historically, a significant portion of the income from MLPs has been offset by tax deductions. The Fund will incur a current tax liability on its allocable share of an MLP s income and gains that is not offset by tax deductions, losses and credits, or its net operating loss carryforwards, if any. The portion, if any, of a distribution received by the Fund from an MLP that is offset by the MLP s tax deductions, losses or credits will be treated as a tax-advantaged return of capital. However, those distributions will reduce the Fund s adjusted tax basis in the equity securities of the MLP, which will result in an increase in the amount of gain (or decrease in the amount of loss) that will be recognized by the Fund for tax purposes upon the sale of any such equity securities or upon subsequent distributions in respect of such equity securities. The percentage of an MLP s income and gains that is offset by tax deductions, losses and credits will fluctuate over time for various reasons. A significant slowdown in acquisition activity or capital spending by MLPs held in the Fund s portfolio could result in a reduction of accelerated depreciation generated by new acquisitions, which may result in increased current tax liability for the Fund.

The Fund will accrue deferred income taxes for its future tax liability associated with that portion of MLP distributions considered to be a tax-advantaged return of capital, as well as for its future tax liability associated with the capital appreciation of its investments. Upon the Fund s sale of an MLP security, the Fund may be liable for previously deferred taxes. The Fund will rely to some extent on information provided by MLPs, which is not necessarily timely, to estimate deferred tax liability for purposes of financial statement reporting and determining its net asset value. From time to time, the Fund will modify its estimates or assumptions regarding its deferred tax liability as new information becomes available.

Limitations on Use of Net Operating Loss. In the event that the Fund experiences an ownership change for purposes of Section 382 of the Internal Revenue Code of 1986, as amended, (the Code), which generally is any change in ownership of more than 50% the Fund s common stock over a three-year period, the Fund s ability to use net operating loss and capital loss carryovers to offset future taxable income will be substantially limited. Although the Fund does not expect that this offering of Common Shares should constitute an ownership change for purposes of Section 382 of the Code, it is possible that future issuances or sales of Common Stock or other securities, or certain other direct or indirect changes in ownership may result in an ownership change.

See Tax Matters.

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Risks Associated with an Investment in Non-U.S. Companies

Non-U.S. Securities Risk. Investing in securities of non-U.S. issuers involves certain risks not involved in domestic investments, including, but not limited to: fluctuations in currency exchange rates; future foreign economic, financial, political and social developments; different legal systems; the possible imposition of exchange controls or other foreign governmental laws or restrictions; lower trading volume; greater price volatility and illiquidity; different trading and settlement practices; less governmental supervision; high and volatile rates of inflation; fluctuating interest rates; less publicly available information; and different accounting, auditing and financial recordkeeping standards and requirements. See Principal Risks of the Fund Risks Associated with an Investment in Non-U.S. Companies Non-U.S. Securities Risk.

Non-U.S. Currency Risk. Because the Fund may invest in securities denominated or quoted in non-U.S. currencies, changes in the non-U.S. currency/U.S. dollar exchange rate may affect the value of the Fund s securities and the unrealized appreciation or depreciation of its investments. See Principal Risks of the Fund Risks Associated with an Investment in Non-U.S. Companies Non-U.S. Currency Risk.

Currency Hedging Risk. The Fund may in the future hedge against currency risk resulting from investing in non-U.S. MLPs and Other Natural Resources Companies valued in non-U.S. currencies. Currency hedging transactions in which the Fund may engage include buying or selling options or futures or entering into other foreign currency transactions including forward foreign currency contracts, currency swaps or options on currency and currency futures and other derivatives transactions. Hedging transactions can be expensive and have risks, including the imperfect correlation between the value of such instruments and the underlying assets, the possible default of the other party to the transaction or the illiquidity of the derivative instruments. The use of hedging transactions may result in losses greater than if they had not been used, may require the Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Fund can realize on an investment, or may cause the Fund to hold a security that the Fund might otherwise sell. The use of hedging transactions may result in the Fund s incurring losses as a result of matters beyond the Fund s control. See Principal Risks of the Fund Risks Associated with an Investment in Non-U.S. Companies Currency Hedging Risk.

Emerging Markets Risk. Emerging markets may be subject to economic, social and political risks not applicable to instruments of developed market issuers, such as repatriation, exchange control or other monetary restrictions, taxation risks, and special considerations due to limited publicly available information, less stringent regulatory standards, and lack of uniformity in accounting. See Principal Risks of the Fund Risks Associated with an Investment in Non-U.S. Companies Emerging Markets Risk.

Interest Rate Risk

The costs associated with any leverage used by the Fund are likely to increase when interest rates rise. Accordingly, the market price of the Fund s common shares may decline when interest rates rise. See Principal Risks of the Fund Interest Rate Risk.

Legal and Regulatory Risk

Legal and regulatory changes could occur during the term of the Fund that may adversely affect the Fund. See Principal Risks of the Fund Legal and Regulatory Risk.

Interest Rate Hedging Risk

The Fund may from time to time hedge against interest rate risk resulting from the Fund s portfolio holdings and any financial leverage it may incur. Interest rate transactions the Fund may use for hedging purposes will expose the Fund to certain risks that differ from the risks associated with its portfolio holdings. There are economic costs of hedging reflected in the price of interest rate swaps, caps and similar techniques, the cost of which can be significant. In addition, the Fund s success in using hedging instruments is subject to the Investment Adviser s ability to correctly predict changes in the relationships of such hedging instruments to the Fund s leverage risk, and there can be no assurance that the Investment Adviser s judgment in this respect will be accurate. See Principal Risks of the Fund Interest Rate Hedging Risk.

Arbitrage Risk

A part of the Investment Adviser s investment operations may involve spread positions between two or more securities, or derivatives positions including commodities hedging positions, or a combination of the foregoing. The Investment Adviser s trading operations also may involve arbitraging between two securities or commodities, between the security, commodity and related options or derivatives markets, between spot and futures or forward markets, and/or any combination of the above. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. These offsetting positions entail substantial risk that the price differential could change unfavorably, causing a loss to the position. See Principal Risks of the Fund Arbitrage Risk.

Equity Securities Risk

Master limited partnership common units and other equity securities of MLPs and Other Natural Resources Companies can be affected by macroeconomic, political, global and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the natural resources sector, changes in a particular company s financial condition, or the unfavorable or unanticipated poor performance of a particular MLP or Other Natural Resources Company (which, in the case of an MLP, is generally measured in terms of distributable cash flow). Prices of common units and other equity securities of individual MLPs and Other Natural Resources

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Companies can also be affected by fundamentals unique to the partnership or company, including earnings power and coverage ratios. See Principal Risks of the Fund Equity Securities Risk.

MLP Subordinated Units. Master limited partnership subordinated units are not typically listed on an exchange or publicly traded.

Holders of MLP subordinated units are entitled to receive a distribution only after the minimum quarterly distribution (the MQD) has been paid to holders of common units, but prior to payment of incentive distributions to the general partner or managing member. Master limited partnership subordinated units generally do not provide arrearage rights. Most MLP subordinated units are convertible into common units after the passage of a specified period of time or upon the achievement by the MLP of specified financial goals. See Principal Risks of the Fund Equity Securities Risk MLP Subordinated Units.

General Partner and Managing Member Interests. General partner and managing member interests are not publicly traded, though they may be owned by publicly traded entities such as GP MLPs. A holder of general partner or managing member interests can be liable in certain circumstances for amounts greater than the amount of the holder s investment. In addition, while a general partner or managing member s incentive distribution rights can mean that general partners and managing members have higher distribution growth prospects than their underlying MLPs, these incentive distribution payments would decline at a greater rate than the decline rate in quarterly distributions to common or subordinated unit holders in the event of a reduction in the MLP s quarterly distribution. A general partner or managing member interest can be redeemed by the MLP if the MLP unit holders choose to remove the general partner, typically by a supermajority vote of the limited partners or members. See Principal Risks of the Fund Equity Securities Risk General Partner and Managing Member Interest.

Small-Cap and Mid-Cap Company Risk

Certain of the MLPs and Other Natural Resources Companies in which the Fund may invest may have small or medium-sized market capitalizations (small-cap and mid-cap companies, respectively). Investing in the securities of small-cap or mid-cap MLPs and Other Natural Resources Companies presents some particular investment risks. These MLPs and Other Natural Resources Companies may have limited product lines and markets, as well as shorter operating histories, less experienced management and more limited financial resources than larger MLPs and Other Natural Resources Companies, and may be more vulnerable to adverse general market or economic developments. Stocks of these MLPs and Other Natural Resources Companies may be less liquid than those of larger MLPs and Other Natural Resources Companies, and may experience greater price fluctuations than larger MLPs and Other Natural Resources Companies. In addition, small-cap or mid-cap company securities may not be widely followed by investors, which may result in reduced demand. See Principal Risks of the Fund Small-Cap and Mid-Cap Company Risk.

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Leverage Risk

The Fund may use leverage through the issuance of preferred shares, commercial paper or notes, other forms of borrowing or both. The use of leverage, which can be described as exposure to changes in price at a ratio greater than the amount of equity invested, either through the issuance of preferred shares, borrowing or other forms of market exposure, magnifies both the favorable and unfavorable effects of price movements in the investments made by the Fund. Insofar as the Fund employs leverage in its investment operations, the Fund will be subject to increased risk of loss. See Principal Risks of the Fund Leverage Risk.

Fully-Collateralized Borrowing Risk. The Fund has entered into a fully-collateralized borrowing arrangement with Credit Suisse in which the collateral maintained in a segregated account exceeds the amount borrowed. If the Fund is unable to repay the loan, the lender may realize upon the collateral. Such arrangements are also subject to interest rate risk. See Principal Risks of the Fund Leverage Risk Fully-Collateralized Borrowing Risk and Principal Risks of the Fund Interest Rate Risk.

Preferred Share Risk. Preferred share risk is the risk associated with the issuance of preferred shares to leverage the common shares. If the Fund issues preferred shares, the net asset value and market value of the common shares will be more volatile, and the yield to the holders of common shares will tend to fluctuate with changes in the shorter-term dividend rates on the preferred shares.

In addition, the Fund will pay (and the holders of common shares will bear) all costs and expenses relating to the issuance and ongoing maintenance of the preferred shares, including higher advisory fees.

Similarly, any decline in the net asset value of the Fund s investments will be borne entirely by the holders of common shares. Therefore, if the market value of the Fund s portfolio declines, the leverage will result in a greater decrease in net asset value to the holders of common shares than if the Fund were not leveraged. This greater net asset value decrease will also tend to cause a greater decline in the market price for the common shares. See Principal Risks of the Fund Leverage Risk Preferred Share Risk.

Preferred Shareholders May Have Disproportionate Influence over the Fund. If preferred shares are issued, holders of preferred shares may have differing interests than holders of common shares and holders of preferred shares may at times have disproportionate influence over the Fund s affairs. If preferred shares are issued, holders of preferred shares, voting separately as a single class, would have the right to elect two members of the Board of Trustees at all times. The remaining members of the Board of Trustees would be elected by holders of common shares and preferred shares, voting as a single class. See Principal Risks of the Fund Leverage Risk Preferred Shareholders May Have Disproportionate Influence over the Fund.

Credit Facility. The Fund may enter into definitive agreements with respect to a credit facility. The Fund may negotiate with commercial

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banks to arrange a credit facility pursuant to which the Fund would be entitled to borrow an amount equal to approximately 33 1/3% of the Fund s Managed Assets (*i.e.*, 50% of the Fund s net assets attributable to the Fund s common shares). Any such borrowings would constitute financial leverage. Such a facility is not expected to be convertible into any other securities of the Fund. Any outstanding amounts are expected to be prepayable by the Fund prior to final maturity without significant penalty, and there are not expected to be any sinking fund or mandatory retirement provisions. Outstanding amounts would be payable at maturity or such earlier times as required by the agreement. The Fund may be required to prepay outstanding amounts under a facility or incur a penalty rate of interest in the event of the occurrence of certain events of default. The Fund would be expected to indemnify the lenders under the facility against liabilities they may incur in connection with the facility. The Fund may be required to pay commitment fees under the terms of any such facility. With the use of borrowings, there is a risk that the interest rates paid by the Fund on the amount it borrows will be higher than the return on the Fund s investments.

Portfolio Guidelines of Rating Agencies. In order to obtain and maintain the required ratings of loans from a credit facility, the Fund will be required to comply with investment quality, diversification and other guidelines established by Moody s and/or S&P or the credit facility. See Principal Risks of the Fund Leverage Risk Portfolio Guidelines of Rating Agencies.

Securities Lending Risk

The Fund may lend its portfolio securities (up to a maximum of one-third of its Managed Assets) to banks or dealers which meet the creditworthiness standards established by the Board of Trustees of the Fund. Securities lending is subject to the risk that loaned securities may not be available to the Fund on a timely basis and the Fund may, therefore, lose the opportunity to sell the securities at a desirable price. Any loss in the market price of securities loaned by the Fund that occurs during the term of the loan would be borne by the Fund and would adversely affect the Fund s performance. Also, there may be delays in recovery, or no recovery, of securities loaned or even a loss of rights in the collateral should the borrower of the securities fail financially while the loan is outstanding. These risks may be greater for non-U.S. securities. See Principal Risks of the Fund Securities Lending Risk.

Non-Diversification Risk

The Fund is a non-diversified, closed-end management investment company under the 1940 Act. The Fund may invest a relatively high percentage of its assets in a limited number of issuers. To the extent the Fund invests a relatively high percentage of the Fund s assets in the securities of a limited number of issuers, the Fund may be more susceptible than a more widely diversified investment company to any single economic, political or regulatory occurrence. See Principal Risks of the Fund Non-Diversification Risk.

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Valuation Risk

Market prices may not be readily available for certain of the Fund s investments, and the value of such investments will ordinarily be determined based on fair valuations determined by the Board of Trustees or its designee pursuant to procedures adopted by the Board of Trustees. Restrictions on resale or the absence of a liquid secondary market may adversely affect the Fund s ability to determine its net asset value. The sale price of securities that are not readily marketable may be lower or higher than the Fund s most recent determination of their fair value. See Principal Risks of the Fund Valuation Risk.

When determining the fair value of an asset, the Investment Adviser will seek to determine the price that the Fund might reasonably expect to receive from the current sale of that asset in an arm s length transaction. Fair value pricing, however, involves judgments that are inherently subjective and inexact, since fair valuation procedures are used only when it is not possible to be sure what value should be attributed to a particular asset or when an event will affect the market price of an asset and to what extent. As a result, there can be no assurance that fair value pricing will reflect actual market value and it is possible that the fair value determined for a security will be materially different from the value that actually could be or is realized upon the sale of that asset. See Net Asset Value.

Portfolio Turnover Risk

The Fund anticipates that its annual portfolio turnover rate will be approximately 25%, but that rate may vary greatly from year to year. A higher portfolio turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that are borne by the Fund. Principal Risks of the Fund Portfolio Turnover Risk.

Strategic Transactions Risk

The Fund may, but is not required to, write, purchase or sell put or call options on securities, equity or fixed-income indices or other instruments, write, purchase or sell futures contracts or options on futures, or enter into various transactions such as swaps, caps, floors or collars (collectively, Strategic Transactions). The Fund may engage in Strategic Transactions, including the purchase and sale of derivative investments such as exchange-listed and over-the-counter put and call options on securities, equity, fixed income and interest rate indices, and other financial instruments, and may enter into various interest rate transactions such as swaps, caps, floors or collars or credit transactions and credit default swaps and invest in forward contracts. The Fund also may purchase derivative investments that combine features of these instruments. The use of derivatives has risks, including the imperfect correlation between the value of such instruments and the underlying assets, the possible default of the other party to the transaction or illiquidity of the derivative investments. Furthermore, the ability to successfully use these techniques depends on the Fund s ability to predict pertinent market movements, which cannot be assured. Thus, their use may result in losses greater than if they had not been used, may require the Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Fund can realize on an investment or may cause the Fund to hold a security that it might otherwise sell. Additionally, amounts paid by the Fund as premiums and cash, or other assets held in margin accounts with respect to derivative transactions, are not otherwise available to the Fund for investment purposes.

The Fund may write covered call options. As the writer of a covered call option, the Fund gives up the opportunity during the option s life to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but the Fund retains the risk of loss should the price of the underlying security decline.

The Fund may also write uncovered call options (*i.e.*, where the Fund does not own the underlying security or index) to a limited extent. Similar to a naked short sale, writing an uncovered call creates the risk of an unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the call option if it is exercised before it expires. There can be no assurance that the securities necessary to cover the call option will be available for purchase. Purchasing securities to cover an uncovered call option can itself cause the price of the securities to rise, further exacerbating the loss.

The writer of an option has no control over the time when it may be required to fulfill its obligation as a writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price. There can be no assurance that a liquid market will exist when the Fund seeks to close out an option position. If trading were suspended in an option purchased by the Fund, the Fund would not be able to close out the option. If the Fund were unable to close out a covered call option that the Fund had written on a security, the Fund would not be able to sell the underlying security unless the option expired without exercise. If the Fund were unable to close out an uncovered call option that the Fund had written on a security, the Fund retains the risk of a price increase in the underlying security until the Fund purchases the security or the option expires without exercise.

See Principal Risks of the Fund Strategic Transactions Risk.

Convertible Instrument Risk

The Fund may invest in convertible instruments. A convertible instrument is a bond, debenture, note, preferred stock or other security that may be converted into or exchanged for a prescribed amount of common shares of the same or a different issuer within a particular period of time at a specified price or formula.

Convertible debt instruments have characteristics of both fixed income and equity investments. Convertible instruments are subject both to the stock market risk associated with equity securities and to the credit and interest rate risks associated with fixed-income securities. As the market price of the equity security underlying a

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convertible instrument falls, the convertible instrument tends to trade on the basis of its yield and other fixed-income characteristics. As the market price of such equity security rises, the convertible security tends to trade on the basis of its equity conversion features. See Principal Risks of the Fund Convertible Instrument Risk.

Short Sales Risk

Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the short seller to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities. A naked short sale creates the risk of an unlimited loss because the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise, further exacerbating the loss. See Principal Risks of the Fund Short Sales Risk.

Inflation Risk

Inflation risk is the risk that the value of assets or income from investment will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Fund s common shares and dividends can decline. See Principal Risks of the Fund Inflation Risk.

Debt Securities Risks

Debt securities are subject to many of the risks described elsewhere in this section. In addition, they are subject to credit risk, prepayment risk and, depending on their quality, other special risks. See Principal Risks of the Fund Debt Securities Risks.

Credit Risk. An issuer of a debt security may be unable to make interest payments and repay principal. The Fund could lose money if the issuer of a debt obligation is, or is perceived to be, unable or unwilling to make timely principal and/or interest payments, or to otherwise honor its obligations. The downgrade of a security may further decrease its value. See Principal Risks of the Fund Debt Securities Risks Credit Risk.

Below Investment Grade and Unrated Debt Securities Risk. Below investment grade debt securities in which the Fund may invest are rated from B3 to Ba1 by Moody s, from B- to BB+ by Fitch or S&P, or comparably rated by another rating agency. Below investment grade and unrated debt securities generally pay a premium above the yields of U.S. government securities or debt securities of investment grade issuers because they are subject to greater risks than these securities. These risks, which reflect their speculative character, include the following: greater yield and price volatility; greater credit risk and risk of default; potentially greater sensitivity to general economic or industry conditions; potential lack of attractive resale opportunities (illiquidity); and additional expenses to seek recovery from issuers who default. See Principal Risks of the Fund Debt Securities Risk Below Investment Grade and Unrated Debt Securities Risk.

Reinvestment Risk. Certain debt instruments, particularly below investment grade securities, may contain call or redemption provisions which would allow the issuer of the debt instrument to prepay principal prior to the debt instrument s stated maturity. This is also sometimes known as prepayment risk. Prepayment risk is greater during a falling interest rate environment as issuers can reduce their cost of capital by refinancing higher yielding debt instruments with lower yielding debt instruments. An issuer may also elect to refinance its debt instruments with lower yielding debt instruments if the credit standing of the issuer improves. To the extent debt securities in the Fund s portfolio are called or redeemed, the Fund may be forced to reinvest in lower yielding securities. See Principal Risks of the Fund Debt Securities Risks Reinvestment Risk.

ETN and ETF Risk

An exchange traded note (ETN) or exchange traded fund (ETF) that is based on a specific index may not be able to replicate and maintain exactly the composition and relative weighting of securities in the index. An ETN or ETF also incurs certain expenses not incurred by its applicable index. The market value of an ETN or ETF share may differ from its net asset value; the share may trade at a premium or discount to its net asset value, which may be due to, among other things, differences in the supply and demand in the market for the share and the supply and demand in the market for the underlying assets of the ETN or ETF. See Principal Risks of the Fund ETN and ETF Risk.

Terrorism and Market Disruption Risk

The terrorist attacks on September 11, 2001 had a disruptive effect on the U.S. economy and securities markets. United States military and related action in Iraq and Afghanistan is ongoing and events in the Middle East could have significant, continuing adverse effects on the U.S. economy in general and the natural resources sector in particular. Global political and economic instability could affect an MLP s or an Other Natural Resources Company s operations in unpredictable ways, including through disruptions of natural resources supplies and markets and the resulting volatility in commodity prices. The U.S. government has issued warnings that natural resources assets, specifically pipeline infrastructure and production, transmission and distribution facilities, may be future targets of terrorist activities. In addition, changes in the insurance markets have made certain types of insurance more difficult, if not impossible, to obtain and have generally resulted in increased premium costs. See Principal Risks of the Fund Terrorism and Market Disruption Risk.

Market Volatility

The residential housing sector in the United States has been under considerable pressure during the past two years with home prices nationwide down 15% to 20% on average and nearly twice that in certain regions. Residential mortgage delinquencies and foreclosures

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have increased over this time and have, in turn, led to widespread selling in the mortgage-related market and put downward pressure on the prices of many securities, including many of our investments and the price of our common shares. Additionally, the federal rescue of Freddie Mac, Fannie Mae and American International Group, as well as the filing of bankruptcy by Lehman Brothers Holdings, Inc. and the concern that other financial institutions are also experiencing severe economic distress and that the global financial system is under stress have led to significant market volatility and thus further increase the illiquidity of our investment. See Principal Risks of the Fund Market Volatility.

Investment Management Risk

The Fund s portfolio is subject to investment management risk because it will be actively managed. The Investment Adviser will apply investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that they will produce the desired results. See Principal Risks of the Fund Investment Management Risk.

Dependence on Key Personnel of the Investment Adviser

The Fund is dependent upon the Investment Adviser s key personnel for its future success and upon their access to certain individuals and investments in the natural resources industry. In particular, the Fund will depend on the diligence, skill and network of business contacts of the personnel of the Investment Adviser and its portfolio manager, who will evaluate, negotiate, structure, close and monitor the Fund s investments. The portfolio manager does not have a long-term employment contract with the Investment Adviser, although he does have an equity interest and other financial incentives to remain with the firm. See Principal Risks of the Fund Dependence on Key Personnel of the Investment Adviser.

Conflicts of Interest with the Investment Adviser

Conflicts of interest may arise because the Investment Adviser and its affiliates generally will be carrying on substantial investment activities for other clients, including, but not limited to, the Affiliated Funds, in which the Fund will have no interest. The Investment Adviser or its affiliates may have financial incentives to favor certain of such accounts over the Fund. Any of their proprietary accounts and other customer accounts may compete with the Fund for specific trades. Notwithstanding these potential conflicts of interest, the Fund s Board of Trustees and officers have a fiduciary obligation to act in the Fund s best interest. See Principal Risks of the Fund Conflicts of Interest with the Investment Adviser.

Recent Developments

Legal Proceedings. On February 10, 2009, a putative class action lawsuit was filed in the United States District Court, Northern District of Texas, by Terri Morse Bachow on behalf of all persons who purchased shares of the Fund between September 1, 2008 and December 19, 2008, against the Advisor, Swank Capital, LLC, Jerry V. Swank, Mark W. Fordyce, Brian R. Bruce, Ronald P. Trout and Edward N. McMillan alleging violations of Sections 10(b) of the Securities Exchange Act of 1934 (the Exchange Act) by Mr.

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Swank and Mr. Fordyce, violations of Section 20(a) of the Exchange Act by Swank Capital, LLC, Mr. Swank, Mr. Fordyce, Mr. Bruce, Mr. Trout, and Mr. McMillan, and violations of Section 36(b) of the Investment Company Act of 1940 by Swank Capital, LLC. The complaint seeks an unspecified amount in compensatory damages, actual damages, and fees and expenses incurred in the lawsuit. The plaintiff s claims relate to the treatment and valuation of a deferred tax asset carried by the Fund under FASB Accounting Standards Codification No. 740, Income Taxes (formerly FASB Statement of Financial Accounting Standards No. 109). Plaintiffs claimed that the Fund's net asset value per share was inflated as a result of an alleged failure to apply a valuation allowance to its deferred tax asset. The alleged inflation was eliminated following disclosure by the Fund that its net asset value per share had decreased $3.49 per share as a result of a review of the Fund's accounting treatment of its deferred tax asset and the consequential write-off of that asset. Consequently, the Fund's closing price on the NYSE dropped from $7.40 per share to $3.81 per share over the course of two trading days.

Defendants filed a motion to dismiss the complaint and the court granted in part and denied in part the motion to dismiss. The court dismissed all claims under Section 20(a) of the Exchange Act and Section 36(b) of the 1940 Act but did not dismiss the claim under Section 10(b) of the Exchange Act against Mr. Swank and Mr. Fordyce. On May 17, 2010, the Fund entered into a Stipulation and Agreement of Settlement in the lawsuit. The settlement is contingent on court approval and provides for, among other things, dismissal of the lawsuit with prejudice, the granting of broad releases of the named defendants, the Fund and all affiliated entities and a payment to the plaintiffs by the Fund s insurance carrier of $3.6 million, which would include payment of any attorneys fees for plaintiffs counsel.

The Fund anticipates that the entire settlement amount will be paid by its insurers and that the Fund will not incur any further costs or liability from this settlement. On May 17, 2010, the lead plaintiff and defendants Mr. Swank and Mr. Fordyce filed a joint motion seeking preliminary approval by the court of the settlement and approval of a form of notice to potential settlement class members. On June 28, 2010, the court entered an order certifying a settlement class and set a settlement fairness hearing on September 13, 2010 at 9:30 a.m.

Under the Fund s organizational documents, its officers and trustees, including Mr. Swank, are entitled to indemnification against certain liabilities arising out of the performance of their duties to the Fund, and this indemnification obligation may extend to costs and/or liabilities resulting from the above-described action. As of June 30, 2010, the Fund has accrued and paid approximately $500,000 in expenses relating to the indemnification of its officers and trustees relating to this proceeding. The Fund does not expect any significant increase in these expenses going forward.

Transfer Agent and Dividend-Disbursing Agent

Under a transfer agency and service agreement among Computershare Trust Company, N.A., Computershare Inc. and the Fund, Computershare Trust Company, N.A. serves as the Fund s transfer agent, registrar and administrator of its dividend reinvestment plan, and

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Computershare Inc. serves as dividend disbursing agent and may act on behalf of Computershare Trust Company, N.A. in providing certain of the services covered by the agreement. See Other Service Providers.

Custodian

U.S. Bank National Association serves as the custodian of the Fund s securities and other assets. See Other Service Providers.

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SUMMARY OF FUND EXPENSES

The following tables are intended to assist you in understanding the various costs and expenses directly or indirectly associated with investing in the Fund s common shares as a percentage of net assets attributable to common shares. Amounts are for the current fiscal year after giving effect to anticipated net proceeds of an offering, assuming that the Fund incurs the estimated offering expenses.

The following table assumes the Fund has borrowed in the amount equal to 33 1/3% of the Fund s Managed Assets (*i.e.*, 50% of its net assets attributable to the Fund s common shares) and shows the Fund s expenses as a percentage of net assets attributable to its common shares.

Shareholder Transaction Expenses:	
Sales Load Paid by Investors (as a percentage of offering price)[(1)]	%
Offering Expenses Borne by the Fund (as a percentage of offering price)[(1)]	%
Dividend Reinvestment Plan Fees[(2)]	

	Percentage of Net Assets Attributable to Common Shares (Assumes Leverage is Used)[(3)(4)]	
Annual Expenses:		
Management Fees	1.88	%
Interest Payments on Borrowed Funds[(3)]	0.40	%
Other Expenses[(5)]	1.06	%
Total Annual Expenses	3.34	%

(1) In the event that the common shares to which this Prospectus relates are sold to or through underwriters, a corresponding Prospectus Supplement will disclose these percentages.

(2) Investors who hold shares in a dividend reinvestment account and request a sale of shares through the dividend reinvestment plan agent are subject to a $15.00 sales fee and pay a brokerage commission of $0.12 per share sold.

(3) Assumes a cost on leveraging of 0.79%. This rate is an estimate and may differ based on varying market conditions that may exist when Leverage Instruments are issued or other borrowing commences and depending on the type of leverage used. If the Fund leverages in an amount greater than 33 1/3% of Managed Assets, this amount could increase.

(4) The Fund currently borrows money, however, at times the Fund may not borrow or otherwise use leverage. Consequently, the table presented below in this footnote also shows the Fund s expenses as a percentage of the same amount of net assets attributable to its common shares, but unlike the table above, assumes that the Fund does not borrow money. Consequently, the table below does not reflect any interest on borrowed funds or other costs and expenses of borrowing. The footnotes used in the table below correspond to the footnotes appearing below this footnote (4). In accordance with these assumptions, the Fund s expenses would be as follows:

	Percentage of Net Assets Attributable to Common Shares (Assumes No Leverage is Used)
Annual Expenses:	
Management Fees	*1.25%*
Interest Payments on Borrowed Funds	*None*
Other Expenses(5)	*1.00%*
Total Annual Expenses	*2.25%*

(5) The costs of this offering are not included as an Annual Expense in the expenses shown in this table, but

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are included in the Shareholder Transaction Expense table above. Other Expenses are based on estimated amounts for the current fiscal year, and include the following expenses associated with dividends paid on short sales: 0.01% (assuming leverage is used) and 0.007% (assuming no leverage is used). Please see footnote (1) above.

The purpose of the table and the example is to assist prospective investors in understanding the various costs and expenses that an investor in the Fund will bear directly or indirectly.

Example

As required by relevant SEC regulations, the following example illustrates the expenses that an investor would pay on a $1,000 investment in the Fund s common shares, assuming total annual expenses of 3.27% of net assets attributable to the Fund s common shares except as indicated above, a 5.00% sales load, estimated offering expenses of 1.00% per share, the Fund issues Leverage Instruments in an amount equal to 33 1/3% of Managed Assets (*i.e.*, 50% of net assets attributable to the Fund s common shares), and a 5% annual return:

1 Year	3 Years	5 Years	10 Years
$92	$156	$223	$401

THE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF FUTURE EXPENSES OR RETURNS. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN. Moreover, the Fund s actual rate of return may be greater or less than the hypothetical 5% return shown in the example. The example assumes that the estimated Other Expenses set out in the Annual Expenses table are accurate and that all dividends and distributions are reinvested at net asset value. In the event that the Fund does not use any leverage, an investor would pay the following expenses based on the assumptions in the example and total annual expenses of 2.25% of net assets attributable to the Fund s Common Shares: 1 Year, $81; 3 Years, $126; 5 Years, $173; and 10 Years, $303. For additional information with respect to the Fund s expenses, see Management of the Fund.

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FINANCIAL HIGHLIGHTS

The selected data below sets forth the per share operating performance and ratios for the periods presented. The financial information was derived from and should be read in conjunction with the Financial Statements of the Fund and Notes thereto, which are incorporated by reference into this Prospectus Supplement from the Fund s Annual Report to Shareholders for the fiscal year ended November 30, 2009. The financial information for the fiscal years ended November 30, 2009 and November 30, 2008 and for the period from August 27, 2007 (commencement of operations) to November 30, 2007 has been audited by Deloitte & Touche LLP, the Fund s independent registered public accounting firm, whose unqualified report on such Financial Statements is incorporated by reference into this Prospectus Supplement.

	Year Ended November 30, 2009	Year Ended November 30, 2008	Period from August 27, 2007[1] through November 30, 2007
Per Common Share Data[2]			
Net Asset Value, beginning of period	$3.98	$18.17	$
Public offering price			20.00
Underwriting discounts and offering costs on issuance of Common Shares	(0.01)		(0.94)
Income from Investment Operations:			
Net Investment Income	1.09	1.15	0.30
Net realized and unrealized gain (loss) on investments	1.69	(14.05)	(0.89)
Total increase (decrease) from investment operations	2.78	(12.90)	(0.59)
Less Distributions to Common Shareholders:			
Net Investment Income			
Return of Capital	(1.01)	(1.29)	(0.30)
Total distributions to common shareholders	(1.01)	(1.29)	(0.30)
Net Asset Value, end of period	$5.74	$3.98	$18.17
Per Common Share market value, end of period	$7.37	$10.36	$16.71
Total Investment Return Based on Market Value	(16.89)%	(31.18)%	(14.84)%[3]
Supplemental Data and Ratios			
Net assets applicable to common shareholders, end of period (000 s)	$64,511	$37,779	$159,103
Ratio of expenses (including current and deferred income tax benefit) to average net assets before waiver[4][5]	4.32 %	5.18 %	(4.53)%
Ratio of expenses (including current and deferred income tax benefit) to average net assets after waiver[4][5]	3.74 %	4.75 %	(5.18)%
Ratio of expenses (excluding current and deferred income tax benefit) to average net assets before waiver[4][5]	4.32 %	2.99 %	2.69 %
Ratio of expenses (excluding current and deferred income tax benefit) to average net assets after waiver[4][5]	3.74 %	2.56 %	2.04 %
Ratio of net investment income to average net assets before waiver[4][5][6]	0.22 %	(1.93)%	(0.48)%

Ratio of net investment income to average net assets after waiver(4)(5)(6)	0.80 %	(1.49)%	0.17 %
Ratio of net investment income to average net assets after current and deferred income tax benefit, before waiver(4)(5)	0.22 %	(4.12)%	6.74 %
Ratio of net investment income to average net assets after current and deferred income tax benefit, after waiver(4)(5)	0.80 %	(3.69)%	7.39 %
Portfolio turnover rate	526.39%	95.78 %	15.15 %

(1) Commencement of Operations

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

(3) Not Annualized. Total investment return is calculated assuming a purchase of common stock at the initial public offering price and a sale at the closing price on the last day of the period reported. The calculation also assumes reinvestment of dividends at actual prices pursuant to the Company s dividend reinvestment plan. Total investment return does not reflect brokerage commissions.

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

(5) For the year ended November 30, 2009, the Company accrued $0 in net current and deferred tax expense. For the year ended November 30, 2008, the Company accrued $3,153,649 in net current and deferred tax expense. For the period from August 27, 2007 through November 30, 2007, the Company accrued $3,153,649 in net current and deferred income tax benefit.

(6) This ratio excludes current and deferred income tax benefit on net investment income.

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THE FUND

The Cushing MLP Total Return Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company registered under the 1940 Act. The Fund s principal office is located at 3300 Oak Lawn Avenue, Suite 650, Dallas, TX 75219, and its telephone number is (214) 692-6334. You may call toll-free (800) 662-7232 to request information or make shareholder inquiries.

The Cushing name originates from a city in Oklahoma of the same name that was a center for the exploration, production and storage of crude oil during the early 20th century. Cushing, Oklahoma, with its large amount of energy infrastructure assets, is currently a major storage and trading clearing hub for crude oil and refined products in the United States.

USE OF PROCEEDS

The Fund anticipates that it will be able to invest substantially all of the net proceeds of an offering in accordance with its investment objective and policies within approximately two weeks after completion of an offering. Prior to the time the Fund is fully invested, the proceeds of the offering may temporarily be invested in cash, cash equivalents, or in debt securities that are rated AA or higher. Income received by the Fund from these temporary investments would likely be less than returns sought pursuant to the Fund s investment objective and policies.

INVESTMENT OBJECTIVE AND POLICIES

The Fund s investment objective is to obtain a high after-tax total return from a combination of capital appreciation and current income. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments (the 80% policy). There can be no assurance that the Fund s investment objective will be achieved. The Fund intends to focus its investments in MLPs with operations in the development, production, processing, refining, transportation, storage and marketing of natural resources.

The Fund will generally seek to invest in 20 to 30 issuers with generally no more than 10% of Managed Assets in any one issue, and no more than 15% of Managed Assets in any one issuer (for purposes of this limitation, the issuer includes both the MLP or limited liability company, as well as its controlling general partner or managing member), in each case, determined at the time of investment. Among other things, the Investment Adviser will use fundamental and proprietary research to seek to identify the most attractive MLPs and will seek to invest in MLPs that have distribution growth prospects that, in the Investment Adviser s view, are high relative to comparable MLPs and which are not fully reflected in current pricing. The Investment Adviser believes that the MLPs most likely to offer such attractive investment characteristics are those that are relatively small and have proven and motivated management teams that are able to develop projects organically (greenfield or internally developed) and/or to successfully find, acquire and integrate assets and companies that enhance value to shareholders. As part of the Fund s 80% policy, the Investment Adviser will also seek to invest in GP MLPs. The Investment Adviser believes the distribution growth prospects of many GP MLPs are high relative to many other MLPs and the Investment Adviser will seek to invest in GP MLPs in which the Investment Adviser believes that such growth is not fully reflected in current pricing. Like MLPs with strong distribution growth prospects, GP MLPs with strong growth prospects often trade at prices that result in relatively low current yields. Since the Investment Adviser will seek to maximize total return through a focus on MLPs and GP MLPs with strong distribution growth prospects, the Investment Adviser believes the current yield of the Fund will be lower than it would be under a more diversified investment approach. The Investment Adviser will seek to invest in IPOs and secondary market issuances, PIPE transactions and private transactions, including pre-acquisition and pre-IPO equity issuances and investments in private companies.

The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its net assets, plus any borrowings for investment purposes, in MLP investments. Entities commonly referred to as MLPs are taxed as partnerships for federal income tax purposes and are generally organized under state law as limited partnerships or limited liability companies. If publicly traded, MLPs must derive at least 90% of their gross income from qualifying sources as described in Section 7704 of the Code. For purposes of the Fund s 80% policy, MLP investments

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are investments that offer economic exposure to public and private MLPs in the form of common or subordinated units issued by MLPs, securities of entities holding primarily general partner or managing member interests in MLPs, debt securities of MLPs, and securities that are derivatives of interests in MLPs, which are I-Shares and other MLP derivative securities.

The Fund may invest up to 50% of its Managed Assets in securities of MLPs and Other Natural Resources Companies that are not publicly traded, or that are otherwise restricted securities. For purposes of this limitation, restricted securities include (i) registered securities of public companies subject to a lock-up period greater than 30 days, (ii) unregistered securities of public companies with registration rights until such securities are registered for resale by the Fund or until they become freely tradable with the passage of time, and (iii) securities of companies that have no class of registered or publicly offered securities (privately held companies). The Fund does not intend to invest more than 25% of its Managed Assets in securities of privately held companies.

The Fund may invest up to 20% of its net assets, plus any borrowings for investment purposes, in securities of companies that are not MLPs, including Other Natural Resources Companies, and U.S. and non-U.S. issuers that may not constitute Other Natural Resources Companies. These investments may include securities such as partnership interests, limited liability company interests or units, trust units, common stock, preferred stock, convertible securities, warrants and depositary receipts, debt securities, ETNs (typically, unsecured, unsubordinated debt securities that trade on a securities exchange and are designed to replicate the returns of market benchmarks minus applicable fees), and securities issued by investment companies registered under the 1940 Act including ETFs. The Investment Adviser anticipates that the Fund will generally invest in ETFs or ETNs that focus their investments on the energy, natural resources, utility, real estate or banking industries.

The Fund may invest up to 20% of its Managed Assets in debt securities of MLPs, Other Natural Resources Companies and other issuers. Any securities issued by MLPs, including debt securities, will count towards the Fund s 80% policy.

Each percentage limitation applicable to the Fund s portfolio described in this Prospectus applies only at the time of investment in the asset to which the percentage limitation applies, and the Fund will not be required to sell securities due to subsequent changes in the value of the securities it owns. The Fund may invest in companies of any market capitalization.

At the time of this offering, the Fund does not intend to invest directly in commodities, although the Fund s investments in some MLPs will expose it to risks similar to risks arising from investing in commodities.

The Fund may, but is not required to, write, purchase or sell put or call options on securities, equity or fixed-income indices or other instruments, write, purchase or sell futures contracts or options on futures, or enter into other Strategic Transactions.

The Fund may also engage in short sales to generate additional return. This practice allows the short seller to profit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities.

The Fund s investment objective and percentage parameters, including its 80% policy, are not fundamental policies of the Fund and may be changed without shareholder approval. Shareholders, however, will be notified in writing of any change at least 60 days prior to effecting any such change.

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THE FUND S INVESTMENTS

Description of MLPs

Master limited partnerships are formed as limited partnerships or limited liability companies and taxed as partnerships for federal income tax purposes. The securities issued by many MLPs are listed and traded on a U.S. exchange. An MLP typically issues general partner and limited partner interests, or managing member and member interests. The general partner or managing member manages and often controls, has an ownership stake in, and is normally eligible to receive incentive distribution payments from, the MLP. To be treated as a partnership for U.S. federal income tax purposes, an MLP must derive at least 90% of its gross income for each taxable year from specified qualifying sources as described in Section 7704 of the Code.

These qualifying sources include natural resources-based activities such as the exploration, development, mining, production, processing, refining, transportation, storage and certain marketing of mineral or natural resources. The general partner or managing member may be structured as a private or publicly traded corporation or other entity. The general partner or managing member typically control the operations and management of the entity through an up to 2% general partner or managing member interest in the entity plus, in many cases, ownership of some percentage of the outstanding limited partner or member interests. The limited partners or members, through their ownership of limited partner or member interests, provide capital to the entity, are intended to have no role in the operation and management of the entity and receive cash distributions. Due to their structure as partnerships for federal income tax purposes and the expected character of their income, MLPs generally do not pay federal income taxes. Thus, unlike investors in corporate securities, direct MLP investors are generally not subject to double taxation (*i.e.*, corporate level tax and tax on corporate dividends). Currently, most MLPs operate in the energy and midstream, natural resources, shipping or real estate sectors.

MLPs are typically structured such that common units and general partner interests have first priority to receive the MQD. Common and general partner interests also accrue arrearages in distributions to the extent the MQD is not paid. Once common units and general partner interests have been paid, subordinated units generally receive distributions; however, subordinated units generally do not accrue arrearages. The subordinated units are normally owned by the owners or affiliates of the general partner and convert on a one for one basis into common units, generally in three to five years after the MLP s initial public offering or after certain distribution levels have been exceeded. Distributable cash in excess of the MQD is distributed to both common and subordinated units generally on a pro rata basis. The general partner is also normally eligible to receive incentive distributions if the general partner operates the business in a manner which results in payment of per unit distributions that exceed threshold levels above the MQD. As the general partner increases cash distributions to the limited partners, the general partner receives an increasingly higher percentage of the incremental cash distributions. A common arrangement provides that the general partner can reach a tier where it receives 50% of every incremental dollar distributed by the MLP. These incentive distributions encourage the general partner to increase the partnership s cash flow and raise the quarterly cash distribution by pursuing steady cash flow investment opportunities, streamlining costs and acquiring assets. Such results benefit all security holders of the MLP.

Sector Outlook

General. The Investment Adviser believes that MLPs play a vital role in the movement of energy resources. Many MLPs own midstream energy infrastructure assets used to transport, process, and store natural gas, natural gas liquids, crude oil, and refined petroleum products. Crude oil is gathered, shipped, or trucked from producers (suppliers) and transported through pipelines to storage/terminal facilities, refined into petroleum products, and ultimately to end users. While there are a number of contract structures with varying degrees of commodity price sensitivity in the Investment Adviser s experience, these activities are usually fee-based in nature, in which case revenues are simply a function of throughput and a dollar rate per unit. Consequently, cash flows typically have minimal direct commodity price sensitivity, although they may frequently be exposed to indirect commodity risk. See Principal Risks of the Fund MLP and Other Natural Resources Company Risks Commodity Price Risk. Generally, in the natural gas and natural gas liquids value chain, natural gas is gathered in the field and transported via pipelines to a central processing facility where the natural gas liquids are separated from the residue natural gas. The residue gas is then shipped to

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end users, and the raw natural gas liquids go to a fractionation facility. The raw natural gas liquids mix is separated into its different components (ethane, propane, butane, etc.) and then delivered to end use markets.

MLP operations are often referred to in the context of the following business segments or subsectors:

Pipeline MLPs. Pipeline MLPs are common carrier transporters of natural gas, natural gas liquids (primarily propane, ethane, butane and natural gasoline), crude oil or refined petroleum products (gasoline, diesel fuel and jet fuel). Pipeline MLPs may also operate ancillary businesses such as storage and marketing of such products. Revenue is derived from capacity and transportation fees. Historically, in the Investment Adviser s view, pipeline output has been less exposed to cyclical economic forces due in large part to its low cost structure and government-regulated nature. In addition, pipeline MLPs do not have much direct commodity price exposure (as opposed to indirect exposure) because they do not own the product being shipped.

Processing MLPs. Processing MLPs include gatherers and processors of natural gas as well as providers of natural gas liquid transportation, fractionation and storage services. Revenue is typically derived from providing services to natural gas producers, which require treatment or processing before their natural gas commodity can be marketed to utilities and other end user markets. Revenue for the processor is often fee based, although it is not uncommon to have some participation in the prices of the natural gas and natural gas liquids commodities for a portion of revenue.

Exploration and Production MLPs (E&P MLPs). E&P MLPs include MLPs that are engaged in the exploration, development, production and acquisition of crude oil and natural gas properties. E&P MLP cash flows generally depend on the volume of crude oil and natural gas produced and the realized prices received for crude oil and natural gas sales.

Propane MLPs. Propane MLPs include MLPs that are distributors of propane to end-users for space and water heating. Revenue is typically derived from the resale of the commodity at a margin over wholesale cost. The ability to maintain margin is often a key to profitability. Propane serves approximately 3% of the household energy needs in the United States, largely for homes beyond the geographic reach of natural gas distribution pipelines. Approximately 70% of annual cash flow can be earned during the winter heating season (October through March).

Coal MLPs. Coal MLPs include MLPs that own, lease and manage coal reserves. Revenue is typically derived from production and sale of coal or from royalty payments related to leases to coal producers. Electricity generation is the primary use of coal in the United States. Demand for electricity and supply of alternative fuels to generators are usually the primary drivers of coal demand. Coal MLPs are subject to operating and production risks, such as: the MLP or a lessee meeting necessary production volumes; federal, state and local laws and regulations that may limit the ability to produce coal; the MLPs ability to manage production costs and pay mining reclamation costs; and the effect on demand that the EPA s standards set in the Clean Air Act have on coal end-users.

Marine Shipping MLPs. Marine Shipping MLPs include MLPs that are primarily marine transporters of natural gas, natural gas liquids, crude oil or refined petroleum products. Marine shipping MLPs typically derive revenue from charging customers for the transportation of these products utilizing the MLPs vessels. Transportation services are typically provided pursuant to a charter or contract, the terms of which vary depending on, for example, the length of use of a particular vessel, the amount of cargo transported, the number of voyages made, the parties operating a vessel or other factors.

Investment Characteristics. The Investment Adviser believes that the following are characteristics of MLPs that make them attractive investments:

Many MLPs are utility-like in nature and have relatively stable, predictable cash flows.

MLPs provide services which help meet the largely inelastic demand of U.S. energy consumers. In its International Energy Outlook 2008, the U.S. Energy Information Administration projects 1.6% annual growth for worldwide energy demand through 2030.

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Transportation assets in the interstate and intrastate pipeline sector are typically backed by relatively long-term contracts and stable transportation rates (or tariffs) that are regulated by FERC or by state regulatory commissions. High barriers to entry may protect the business model of some MLPs, since construction of the physical assets typically owned by these MLPs generally requires significant capital expenditures and long lead times.
As the location and quality of natural resources supplies change, new midstream infrastructure such as gathering and transportation pipelines, treating and processing facilities, and storage facilities is needed to meet these new logistical needs. Similarly, as the demographics of demand centers change, new infrastructure is often needed. MLPs are integral providers of these midstream needs.
Requirements for new and additional transportation fuel compositions (*e.g.*, reduced sulfur diesel and ethanol blends) require additional logistical assets. MLPs are integral providers of these logistical needs.
Midstream assets are typically long-lived and tend to retain their economic value, and the risk of technological obsolescence is low.

Master limited partnerships are pass-through entities and do not pay federal income taxes at the entity level. In general, a portion of their distribution payments is treated as a return of capital.

In addition to their growth potential, MLP investments are currently offering higher yields than some investments, such as utilities and REITs. Of course, there can be no guarantee that the MLP investments in the Fund s portfolio will generate higher yields than these other asset classes, and since the Investment Adviser will seek to maximize total return through a focus on MLPs and GP MLPs with strong distribution growth prospects, the Investment Adviser believes the distribution yield of the Fund will be lower than it would be under a more diversified investment approach.

Sector Growth. Historically, MLP cash flow and distribution growth has come primarily from two sources, acquisitions and organic (internal) expansion projects, which have also contributed to growth in market capitalization. Much of this growth came from MLPs acquiring midstream assets from utilities, natural gas pipeline companies, and major integrated oil companies.

The Investment Adviser believes that acquisitions will continue to play an important role in driving growth. It estimates that less than one third of all MLP-qualifying midstream assets in the U.S. are currently owned by public MLPs. However, the Investment Adviser believes organic (or internally developed) growth projects, which generally are more visible and predictable, will play an increasingly important role in driving future growth.

Securities

MLP Equity Securities. Equity securities issued by MLPs typically consist of common and subordinated units (which represent the limited partner or member interests) and a general partner or managing member interest.

Common Units. The common units of many MLPs are listed and traded on national securities exchanges, including the NYSE, the American Stock Exchange (the AMEX) and the NASDAQ Stock Market (the NASDAQ). The Fund will typically purchase such common units through open market transactions and underwritten offerings, but may also acquire common units through direct placements and privately negotiated transactions. Holders of MLP common units typically have very limited control and voting rights. Holders of such common units are typically entitled to receive the MQD, including arrearage rights, from the issuer. Generally, an MLP must pay (or set aside for payment) the MQD to holders of common units before any distributions may be paid to subordinated unit holders. In addition, incentive distributions are typically not paid to the general partner or managing member unless the quarterly distributions on the common units exceed specified threshold levels above the MQD. In the event of a liquidation, common unit holders are intended to have a

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preference to the remaining assets of the issuer over holders of subordinated units. Master limited partnerships also issue different classes of common units that may have different voting, trading, and distribution rights. The Fund may invest in different classes of common units.

Subordinated Units. Subordinated units, which, like common units, represent limited partner or member interests, are not typically listed on an exchange or publicly traded. The Fund will typically purchase outstanding subordinated units through negotiated transactions directly with holders of such units or newly-issued subordinated units directly from the issuer. Holders of such subordinated units are generally entitled to receive a distribution only after the MQD and any arrearages from prior quarters have been paid to holders of common units. Holders of subordinated units typically have the right to receive distributions before any incentive distributions are payable to the general partner or managing member. Subordinated units generally do not provide arrearage rights. Most MLP subordinated units are convertible into common units after the passage of a specified period of time or upon the achievement by the issuer of specified financial goals. Master limited partnerships also issue different classes of subordinated units that may have different voting, trading, and distribution rights. The Fund may invest in different classes of subordinated units.

General Partner or Managing Member Interests. The general partner or managing member interest in MLPs or limited liability companies is typically retained by the original sponsors of an MLP or limited liability company, such as its founders, corporate partners and entities that sell assets to the MLP or limited liability company. The holder of the general partner or managing member interest can be liable in certain circumstances for amounts greater than the amount of the holder s investment in the general partner or managing member. General partner or managing member interests often confer direct board participation rights in, and in many cases control over the operations of, the MLP. General partner or managing member interests can be privately held or owned by publicly traded entities. General partner or managing member interests receive cash distributions, typically in an amount of up to 2% of available cash, which is contractually defined in the partnership or limited liability company agreement. In addition, holders of general partner or managing member interests typically receive incentive distribution rights, which provide them with an increasing share of the entity s aggregate cash distributions upon the payment of per common unit distributions that exceed specified threshold levels above the MQD. Due to the incentive distribution rights, GP MLPs have higher distribution growth prospects than their underlying MLPs, but quarterly incentive distribution payments would also decline at a greater rate than the decline rate in quarterly distributions to common and subordinated unit holders in the event of a reduction in the MLP s quarterly distribution. The ability of the limited partners or members to remove the general partner or managing member without cause is typically very limited. In addition, some MLPs permit the holder of incentive distribution rights to reset, under specified circumstances, the incentive distribution levels and receive compensation in exchange for the distribution rights given up in the reset.

I-Shares. I-Shares represent an ownership interest issued by an MLP affiliate. The MLP affiliate uses the proceeds from the sale of I-Shares to purchase limited partnership interests in the MLP in the form of I-units. Thus, I-Shares represent an indirect limited partner interest in the MLP. I-units have features similar to MLP common units in terms of voting rights, liquidation preference and distribution. I-Shares differ from MLP common units primarily in that instead of receiving cash distributions, holders of I-Shares will receive distributions of additional I-Shares in an amount equal to the cash distributions received by common unit holders. I-Shares are traded on the NYSE or the AMEX. For purposes of the Fund s 80% policy, securities that are derivatives of interests in MLPs are I-Shares or other derivative securities that have economic characteristics of MLP securities.

Other Equity Securities. The Fund may invest in equity securities of issuers other than MLPs, including common stocks of Other Natural Resources Companies and issuers engaged in other sectors, including the finance and real estate sectors. Such issuers may be organized and/or taxed as corporations and therefore may not offer the advantageous tax characteristics of MLP units.

Debt Securities. The Fund may invest in debt securities rated, at the time of investment, at least (i) B3 by Moody s, (ii) B- by S&P or Fitch, or (iii) a comparable rating by another rating agency, provided, however,

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that the Fund may invest up to 5% of the Fund s Managed Assets in lower rated or unrated debt securities. Debt securities rated below investment grade are commonly known as junk bonds and are regarded as predominantly speculative with respect to the issuer s capacity to pay interest and repay principal in accordance with the terms of the obligations, and involve major risk exposure to adverse conditions. See Appendix A Ratings of Investments.

Non-U.S. Securities. The Fund may invest in non-U.S. securities, including, among other things, non-U.S. securities represented by ADRs. ADRs are certificates evidencing ownership of shares of a non-U.S. issuer that are issued by depositary banks and generally trade on an established market in the United States or elsewhere.

Investment Practices

In addition to holding the portfolio investments described above, the Fund may, but is not required to, use the following investment practices:

Use of Derivatives. The Fund may use derivative investments to hedge certain risks such as overall market, interest rate and commodity price risks. The Fund may engage in various interest rate and currency hedging transactions, including buying or selling options or futures, entering into other transactions including forward contracts, swaps or options on futures and other derivatives transactions. The Fund has claimed exclusion from the definition of the term commodity pool operator adopted by the CFTC and the National Futures Association, which regulate trading in the futures markets. Therefore, the Fund is not subject to commodity pool operator registration and regulation under the Commodity Exchange Act.

The Fund may engage in Strategic Transactions. The Fund generally seeks to use these transactions to manage its effective interest rate exposure, including the effective yield paid on any leverage used by the Fund, protect against possible adverse changes in the market value of the securities held in or to be purchased for its portfolio, or otherwise protect the value of its portfolio. See Principal Risks of the Fund Strategic Transactions Risk for a more complete discussion of these transactions and their risks.

In addition, the Fund may engage in transactions intended to hedge the currency risk to which it may be exposed. Currency hedging transactions in which the Fund may engage include buying or selling options or futures or entering into other foreign currency transactions including forward foreign currency contracts, currency swaps or options on currency and currency futures and other derivatives transactions. Hedging transactions can be expensive and have risks, including the imperfect correlation between the value of such instruments and the underlying assets, the possible default of the other party to the transaction or illiquidity of the derivative instruments. Furthermore, the ability to successfully use hedging transactions depends on the Investment Adviser s ability to predict pertinent market movements, which cannot be assured. See Principal Risks of the Fund Risks Associated with an Investment in Non-U.S. Companies Currency Hedging Risk.

The Fund may also sell short Treasury securities to hedge its interest rate exposure. When shorting Treasury securities, the loss is limited to the principal amount that is contractually required to be repaid at maturity and the interest expense that must be paid at the specified times. See Principal Risks of the Fund Short Sales Risk.

Use of Arbitrage and Other Strategies. The Fund may use short sales, arbitrage and other strategies to try to generate additional return. As part of such strategies, the Fund may engage in paired long-short trades to arbitrage pricing disparities in securities issued by MLPs and Other Natural Resources Companies, write (or sell) covered call options on the securities of MLPs and Other Natural Resources Companies or other securities held in its portfolio, write (or sell) uncovered call options on the securities of MLPs and Other Natural Resources Companies, purchase call options or enter into swap contracts to increase its exposure to MLPs and Other Natural Resources Companies, or sell securities short. With a long position, the Fund purchases a stock outright, but with a short position, it would sell a security that it does not own and must borrow to meet its settlement obligations. The Fund will realize a profit or incur a loss from a short position depending on whether the value of the underlying stock decreases or increases, respectively, between the time the stock is sold and when the Fund replaces the borrowed security. To increase its exposure to certain issuers, the Fund

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may purchase call options or use swap agreements. The Fund expects to use these strategies on a limited basis. See Principal Risks of the Fund Short Sales Risk and Principal Risks of the Fund Strategic Transactions Risk.

Portfolio Turnover. The Fund anticipates that its annual portfolio turnover rate will be approximately 25%, but that rate may vary greatly from year to year. Portfolio turnover rate is not considered a limiting factor in the Investment Adviser s execution of investment decisions. A higher portfolio turnover rate results in correspondingly greater brokerage commissions and other transactional expenses that are borne by the Fund.

Use of Leverage

On October 19, 2007, the Fund entered into a fully-collateralized borrowing arrangement with Credit Suisse. Proceeds from the borrowing arrangement are used to execute the Fund s investment objective. The borrowing arrangement is collateralized with investments held in a segregated account for the benefit of Credit Suisse at the Fund s custodian, which collateral exceeds the amount borrowed.

The Fund may also seek to enhance its total returns through the issuance of preferred shares and other Leverage Instruments, in each case within the applicable limits of the 1940 Act. The Fund may leverage through borrowings in an aggregate amount of up to approximately 33 1/3% of its Managed Assets (*i.e.* 50% of its net assets attributable to the Fund s common shares).

The Fund may leverage through the issuance of preferred shares or other means, and at such times total leverage of the Fund is generally expected to be in the range of 20% to 50% of the Fund s Managed Assets (*i.e.*, 25% to 100% of its net assets attributable to the Fund s common shares). The Fund may borrow from banks and other financial institutions.

The use of leverage creates risks and involves special considerations. See Principal Risks of the Fund Leverage Risk, Interest Rate Risk and Fully-Collateralized Borrowing Risk. To the extent that the Fund uses leverage, it expects to utilize hedging techniques such as swaps and caps on a portion of its leverage to mitigate potential interest rate risk. See Principal Risks of the Fund Interest Rate Hedging Risk.

Delaware trust law authorizes the Fund, without prior approval of its common shareholders, to borrow money. In this regard, the Fund may issue notes or other evidence of indebtedness (including bank borrowings or commercial paper) and may secure any such borrowings by mortgaging, pledging or otherwise subjecting as security its assets. In connection with such borrowing, the Fund may be required to maintain minimum average balances with the lender or to pay a commitment or other fee to maintain a line of credit. Any such requirements will increase the cost of borrowing over the stated interest rate. Except as set forth below, under the requirements of the 1940 Act the Fund, immediately after any borrowings, must have asset coverage of at least 300% (33 1/3% of its Managed Assets, or 50% of its net assets attributable to the Fund s common shares). With respect to borrowings, asset coverage means the ratio which the value of the Fund s total assets, less all liabilities and indebtedness not represented by senior securities (as defined in the 1940 Act), bears to the aggregate amount of such borrowing represented by senior securities issued by the Fund.

The rights of the Fund s lenders to receive interest on and repayment of principal of borrowings will be senior to those of the Fund s common shareholders, and the terms of any such borrowings may contain provisions which limit certain of the Fund s activities, including the payment of dividends to the Fund s common shareholders in certain circumstances. Under the 1940 Act, the Fund may not declare any dividend or other distribution on any class of its shares, or purchase any such shares, unless its aggregate indebtedness has, at the time of the declaration of any such dividend or distribution, or at the time of any such purchase, an asset coverage of at least 300% after declaring the amount of such dividend, distribution or purchase price, as the case may be. Further, the 1940 Act does (in certain circumstances) grant the Fund s lenders certain voting rights in the event of default in the payment of interest on or repayment of principal. Subject to its ability to liquidate its relatively illiquid portfolio, the Fund intends to repay borrowings. A borrowing will likely be ranked senior or equal to all of the Fund s other existing and future borrowings.

The following types of borrowings are not subject to the asset coverage limitation under the 1940 Act: fully-collateralized borrowings held in a segregated account by the Fund s custodian, temporary borrowings

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not exceeding 5% of the Fund s total assets and any evidence of indebtedness in consideration of a loan, extension or renewal thereof that is privately arranged and not intended for public distribution.

Certain types of borrowings may result in the Fund s being subject to covenants in credit agreements relating to asset coverage and portfolio composition requirements. The Fund may be subject to certain restrictions on investments imposed by guidelines of one or more rating agencies, which may issue ratings for the Leverage Instruments issued by the Fund. These guidelines may impose asset coverage or portfolio composition requirements that are more stringent than those imposed by the 1940 Act. It is not anticipated that these covenants or guidelines will impede the Investment Adviser from managing the Fund s portfolio in accordance with the Fund s investment objective and policies.

Under the 1940 Act, the Fund is not permitted to issue preferred shares unless immediately after such issuance the value of its total assets is at least 200% of the liquidation value of the outstanding preferred shares (*i.e.*, the liquidation value may not exceed 50% of the Fund s total assets). In addition, the Fund is not permitted to declare any cash dividend or other distribution on its common shares unless, at the time of such declaration, the value of its total assets is at least 200% of such liquidation value. If the Fund issues preferred shares, it intends, to the extent possible, to purchase or redeem it from time to time to the extent necessary in order to maintain asset coverage on such preferred shares of at least 200%. In addition, as a condition to obtaining ratings on the preferred shares, the terms of any preferred shares issued are expected to include asset coverage maintenance provisions which will require the redemption of the preferred shares in the event of non-compliance by the Fund and may also prohibit dividends and other distributions on the Fund s common shares in such circumstances. In order to meet redemption requirements, the Fund may have to liquidate portfolio securities. Such liquidations and redemptions would cause the Fund to incur related transaction costs and could result in capital losses to the Fund. If the Fund has preferred shares outstanding, two of its Trustees will be elected by the holders of preferred shares as a class. The Fund s remaining Trustees will be elected by holders of its common shares and preferred shares voting together as a single class. In the event the Fund fails to pay dividends on its preferred shares for two years, holders of preferred shares would be entitled to elect a majority of its Trustees.

The Fund may also borrow money as a temporary measure for extraordinary or emergency purposes, including the payment of dividends and the settlement of securities transactions that otherwise might require untimely dispositions of its securities.

Credit Facility

The Fund may enter into definitive agreements with respect to a credit facility. The Fund may negotiate with commercial banks to arrange a credit facility pursuant to which the Fund would be entitled to borrow an amount equal to approximately one third 33 1/3% of its Managed Assets (*i.e.* 50% of the Fund s net assets attributable to the Fund s common shares). Any such borrowings would constitute financial leverage. Such a facility is not expected to be convertible into any other securities of the Fund. Any outstanding amounts are expected to be prepayable by the Fund prior to final maturity without significant penalty, and there are not expected to be any sinking fund or mandatory retirement provisions. Outstanding amounts would be payable at maturity or such earlier times as required by the agreement. The Fund may be required to prepay outstanding amounts under a facility or incur a penalty rate of interest in the event of the occurrence of certain events of default. The Fund would be expected to indemnify the lenders under the facility against liabilities they may incur in connection with the facility. The Fund may be required to pay commitment fees under the terms of any such facility. With the use of borrowings, there is a risk that the interest rates paid by the Fund on the amount it borrows will be higher than the return on the Fund s investments.

In addition, the Fund expects that any such credit facility would contain covenants that, among other things, likely will limit the Fund s ability to: (i) pay distributions in certain circumstances, (ii) incur additional debt, and (iii) change its fundamental investment policies and engage in certain transactions, including mergers and consolidations. In addition, it may contain a covenant requiring asset coverage ratios in addition to those required by the 1940 Act. The Fund may be required to pledge its assets and to maintain a portion of its assets in cash or high-grade securities as a reserve against interest or principal payments and expenses. The Fund expects that any credit facility would have customary covenant, negative covenant and default provisions. There can be no assurance that the Fund will enter into an agreement for a credit facility on terms and conditions representative of the foregoing or that additional material terms will not apply. In addition, any such credit facility may in the future be replaced or refinanced by one or more credit facilities having substantially different terms or by the issuance of preferred shares.

Effects of Leverage

The Fund may use leverage through fully-collateralized borrowing arrangements, the issuance of preferred shares, commercial paper or notes, other forms of borrowing or both. The amount of the leverage utilized by the Fund may vary over time. As of May 12, 2010, there was approximately $54.9 million outstanding under the Fund s fully-collateralized borrowing arrangement with Credit Suisse. Assuming the utilization of leverage in the amount of 33 1/3% of the Fund s Managed Assets (*i.e.*, 50% of its net assets attributable to the Fund s Common Shares) and an annual interest rate of 0.63% on borrowings payable on such leverage based on market rates as of May 12, 2010, the annual return that the Fund must earn (net of expenses) in order to cover such interest expense is 0.40%. The Fund s actual cost of leverage will be based on market rates, which may vary over time, and such actual costs of leverage may be higher or lower than that assumed in the previous example.

The following table is designed to assist the investor in understanding the effects of leverage by illustrating the effect on the return to a holder of the Fund s Common Shares of leverage in the amount of approximately 33 1/3% of the Fund s Managed Assets (*i.e.*, 50% of its net assets attributable to the Fund s Common Shares), assuming hypothetical annual returns of the Fund s portfolio of minus 10% to plus 10%. As the table shows, leverage generally increases the return to holders of Common Shares when portfolio return is positive and greater than the cost of leverage and decreases the return when the portfolio return is negative or less than the cost of leverage. The figures appearing in the table are hypothetical and actual returns may be greater or less than those appearing in the table. See Principal Risks of the Fund.

Assumed Portfolio Total Return (Net of Expenses)	(10)%	(5)%	0 %	5 %	10 %
Common Share Total Return	(15.40)%	(7.90)%	(0.40)%	7.10 %	14.60 %

Common Share total return is composed of two elements: Distributions on Common Shares paid by the Fund (the amount of which is largely determined by the Fund s net investment income after paying dividends or interest on its outstanding leverage) and gains or losses on the value of the securities the Fund owns. As required by SEC rules, the table above assumes that the Fund is more likely to suffer capital losses than to enjoy capital appreciation. For example, to assume a total return of 0%, the Fund must assume that the distributions it receives on its investments are entirely offset by losses in the value of those securities.

Lending of Portfolio Securities

The Fund may lend its portfolio securities to broker-dealers and banks. Any such loan must be continuously secured by collateral in cash or cash equivalents maintained on a current basis in an amount at least equal to 102% of the value of the securities loaned. The Fund would continue to receive the equivalent of the interest or dividends paid by the issuer on the securities loaned and would also receive an additional return that may be in the form of a fixed fee or a percentage of the collateral. The Fund may pay reasonable fees for services in arranging these loans. The Fund would have the right to call the loan and obtain the securities loaned at any time on notice of not more than five (5) business days. The Fund would not have the right to vote the securities during the existence of the loan but would call the loan to permit voting of the securities, if, in the Investment Adviser s judgment, a material event requiring a shareholder vote would otherwise occur before the loans were repaid. In the event of bankruptcy or other default of the borrower, the Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses, including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period while the Fund seeks to enforce its rights to the collateral or loaned securities, (b) possible subnormal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights.

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PRINCIPAL RISKS OF THE FUND

General

Risk is inherent in all investing. The following discussion summarizes some of the risks that a potential investor should consider before deciding to purchase the Fund s common shares.

Limited Operating and Trading History. The Fund was formed as a Delaware statutory trust on May 23, 2007 and is a non-diversified, closed-end management investment company. The Fund commenced operations on August 27, 2007. Being a recently organized company, the Fund is subject to all of the business risks and uncertainties associated with any new business, including the risk that the Fund will not achieve its investment objective and that the value of an investment in the Fund could decline substantially.

Investment and Market Risk. An investment in the Fund s common shares is subject to investment risk, including the possible loss of an investor s entire investment. An investment in the Fund s common shares represents an indirect investment in the securities owned by the Fund, some of which will be traded on a national securities exchange or in the over-the-counter markets. The value of the securities in the Fund s portfolio, like other market investments, may move up or down, sometimes rapidly and unpredictably. The value of the securities in which the Fund invests will affect the value of its common shares. The Fund s common shares at any point in time may be worth less than at the time of original investment, even after taking into account the reinvestment of the Fund s dividends. The Fund is primarily a long-term investment vehicle and should not be used for short-term trading. An investment in the Fund s common shares is not intended to constitute a complete investment program and should not be viewed as such.

Market Discount From Net Asset Value Risk. Shares of closed-end funds frequently trade at discounts to their net asset value. This characteristic is a risk separate and distinct from the risk that the Fund s net asset value could decrease as a result of its investment activities and may be greater for investors expecting to sell their shares in a relatively short period following completion of this offering. The net asset value of the Fund s common shares will be reduced immediately following the offering as a result of the payment of certain offering costs. Although the value of the Fund s net assets is generally considered by market participants in determining whether to purchase or sell shares, whether investors will realize gains or losses upon the sale of the Fund s common shares will depend entirely upon whether the market price of its common shares at the time of sale is above or below the investor s purchase price for the Fund s common shares. Because the market price of the Fund s common shares will be affected by factors such as net asset value, dividend or distribution levels (which are dependent, in part, on expenses), supply of and demand for the Fund s common shares, stability of dividends or distributions, trading volume of the Fund s common shares, general market and economic conditions, and other factors beyond the control of the Fund, the Fund cannot predict whether its common shares will trade at, below or above net asset value or at, below or above the initial public offering price. The Fund s common shares have in the past traded below their net asset value.

The Fund s common shares have recently been trading at a substantial premium to NAV per share which may not be sustainable. If the common shares are trading at a premium to net asset value at the time you purchase common shares, the NAV per share of the common shares purchased will be less than the purchase price paid. Please see Price Range of Common Shares in this Prospectus for further information about the historical NAV, share prices and premium or discount to NAV of the Fund s common shares.

Recent Economic Events. While the U.S. and global markets had experienced extreme volatility and disruption for an extended period of time, the third and fourth quarters of 2009 and the first quarter of 2010 witnessed more stabilized economic activity as expectations for an economic recovery increased. However, risks to a robust resumption of growth persist: a weak consumer weighed down by too much debt and increasing joblessness, the growing size of the federal budget deficit and national debt, and the threat of inflation. A return to unfavorable economic conditions or sustained economic slowdown may place downward pressure on oil and natural gas prices and may adversely affect the ability of MLPs to sustain their historical distribution levels, which in turn, may adversely affect the Fund s ability to sustain distributions at historical levels. MLPs that have historically relied heavily on outside capital to fund their growth have been impacted by the contraction in the capital markets. The continued recovery of the MLP sector is dependent on several factors, including the recovery of the financial sector, the general economy and the commodity markets.

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2011 U.S. Federal Budget. The proposed U.S. federal budget for fiscal year 2011 calls for the elimination of approximately $40 billion in tax incentives widely used by oil, gas and coal companies and the imposition of new fees on certain energy producers. The elimination of such tax incentives and imposition of such fees could adversely affect MLPs and Other Natural Resources Companies in which the Fund invests and/or the natural resources sector generally.

Sector Concentration Risk

Under normal market conditions, and once the proceeds of each offering are fully invested in accordance with its investment objective, the Fund will have at least 80% of its net assets, plus any borrowings for investment purposes, invested in MLP investments, which operate primarily in the natural resources sector. There are risks inherent in the natural resources sector and the businesses of MLPs and Other Natural Resources Companies, including those described below.

MLP and Other Natural Resources Company Risks

Commodity Price Risk. The return on the Fund s investments in MLPs and Other Natural Resources Companies will be dependent on the operating margins received and cash flows generated by those companies from the exploration for, and development, production, gathering, transportation, processing, storage, refining, distribution, mining or marketing of, coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons. These operating margins and cash flows may fluctuate widely in response to a variety of factors, including global and domestic economic conditions, weather conditions, natural disasters, the supply and price of imported natural resources, political instability, conservation efforts and governmental regulation. Natural resources commodity prices have been very volatile in the past and such volatility is expected to continue. MLPs and Other Natural Resources Companies engaged in crude oil and natural gas exploration, development or production, natural gas gathering and processing, crude oil refining and transportation and coal mining or sales may be directly affected by their respective natural resources commodity prices. The volatility of, and interrelationships between, commodity prices can also indirectly affect certain other MLPs and Other Natural Resources Companies due to the potential impact on the volume of commodities transported, processed, stored or distributed. Some MLPs or Other Natural Resources Companies that own the underlying energy commodity may be unable to effectively mitigate or manage direct margin exposure to commodity price levels. The prices of MLP and Other Natural Resources Companies securities can be adversely affected by market perceptions that their performance and distributions or dividends are directly tied to commodity prices.

Cyclicality Risk. The operating results of companies in the broader natural resources sector are cyclical, with fluctuations in commodity prices and demand for commodities driven by a variety of factors. The highly cyclical nature of the natural resources sector may adversely affect the earnings or operating cash flows of the MLPs and Other Natural Resources Companies in which the Fund will invest.

Supply Risk. The profitability of MLPs and Other Natural Resources Companies, particularly those involved in processing, gathering and pipeline transportation, may be materially impacted by the volume of natural gas or other energy commodities available for transportation, processing, storage or distribution. A significant decrease in the production of natural gas, crude oil, coal or other energy commodities, due to the decline of production from existing resources, import supply disruption, depressed commodity prices or otherwise, would reduce the revenue, operating income and operating cash flows of MLPs and Other Natural Resources Companies and, therefore, their ability to make distributions or pay dividends.

Demand Risk. A sustained decline in demand for coal, natural gas, natural gas liquids, crude oil and refined petroleum products could adversely affect an MLP s or an Other Natural Resources Company s revenues and cash flows. Factors that could lead to a sustained decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity that is not, or is not expected to be, merely a short-term increase, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. Demand may also be adversely affected by consumer sentiment with respect to global warming and by state or federal legislation intended to promote the use of alternative energy sources.

Risks Relating to Expansions and Acquisitions. MLPs and Other Natural Resources Companies employ a variety of means to increase cash flow, including increasing utilization of existing facilities, expanding

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operations through new construction or development activities, expanding operations through acquisitions, or securing additional long-term contracts. Thus, some MLPs or Other Natural Resources Companies may be subject to construction risk, development risk, acquisition risk or other risks arising from their specific business strategies. MLPs and Other Natural Resources Companies that attempt to grow through acquisitions may not be able to effectively integrate acquired operations with their existing operations. In addition, acquisition or expansion projects may not perform as anticipated. A significant slowdown in merger and acquisition activity in the natural resources sector could reduce the growth rate of cash flows received by the Fund from MLPs and Other Natural Resources Companies that grow through acquisitions.

Competition Risk. The natural resources sector is highly competitive. The MLPs and Other Natural Resources Companies in which the Fund will invest will face substantial competition from other companies, many of which will have greater financial, technological, human and other resources, in acquiring natural resources assets, obtaining and retaining customers and contracts and hiring and retaining qualified personnel. Larger companies may be able to pay more for assets and may have a greater ability to continue their operations during periods of low commodity prices. To the extent that the MLPs and Other Natural Resources Companies in which the Fund will invest are unable to compete effectively, their operating results, financial position, growth potential and cash flows may be adversely affected, which could in turn adversely affect the results of the Fund.

Weather Risk. Extreme weather conditions, such as Hurricane Ivan in 2004, Hurricanes Katrina and Rita in 2005 and Hurricane Ike in 2008, could result in substantial damage to the facilities of certain MLPs and Other Natural Resources Companies located in the affected areas and significant volatility in the supply of natural resources, commodity prices and the earnings of MLPs and Other Natural Resources Companies, and could therefore adversely affect their securities.

Interest Rate Risk. The prices of the equity and debt securities of the MLPs and Other Natural Resources Companies the Fund expects to hold in its portfolio are susceptible in the short term to a decline when interest rates rise. Rising interest rates could limit the capital appreciation of securities of certain MLPs as a result of the increased availability of alternative investments with yields comparable to those of MLPs. Rising interest rates could adversely impact the financial performance of MLPs and Other Natural Resources Companies by increasing their cost of capital. This may reduce their ability to execute acquisitions or expansion projects in a cost effective manner.

MLP Structure Risk. Holders of MLP units are subject to certain risks inherent in the structure of MLPs, including (i) tax risks (described further below), (ii) the limited ability to elect or remove management or the general partner or managing member (iii) limited voting rights, except with respect to extraordinary transactions, and (iv) conflicts of interest between the general partner or managing member and its affiliates, on the one hand, and the limited partners or members, on the other hand, including those arising from incentive distribution payments or corporate opportunities.

Sub-Sector Specific Risk. MLPs and Other Natural Resources Companies are also subject to risks that are specific to the particular sub-sector of the natural resources sector in which they operate.

Pipelines. Pipeline companies are subject to the demand for natural gas, natural gas liquids, crude oil or refined products in the markets they serve, changes in the availability of products for gathering, transportation, processing or sale due to natural declines in reserves and production in the supply areas serviced by the companies facilities, sharp decreases in crude oil or natural gas prices that cause producers to curtail production or reduce capital spending for exploration activities, and environmental regulation. Demand for gasoline, which accounts for a substantial portion of refined product transportation, depends on price, prevailing economic conditions in the markets served, and demographic and seasonal factors. Companies that own interstate pipelines that transport natural gas, natural gas liquids, crude oil or refined petroleum products are subject to regulation by FERC with respect to the tariff rates they may charge for transportation services. An adverse determination by FERC with respect to the tariff rates of such a company could have a material adverse effect on its business, financial condition, results of operations and cash flows of those companies and their ability to pay cash distributions or dividends. In addition, FERC has a tax allowance policy, which permits such companies to include in their cost of service an income tax allowance to the extent that

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their owners have an actual or potential tax liability on the income generated by them. If FERC s income tax allowance policy were to change in the future to disallow a material portion of the income tax allowance taken by such interstate pipeline companies, it would adversely impact the maximum tariff rates that such companies are permitted to charge for their transportation services, which would in turn adversely affect the results of operations and cash flows of those companies and their ability to pay cash distributions or dividends to their unit holders or shareholders.

Gathering and processing. Gathering and processing companies are subject to natural declines in the production of oil and natural gas fields, which utilize their gathering and processing facilities as a way to market their production, prolonged declines in the price of natural gas or crude oil, which curtails drilling activity and therefore production, and declines in the prices of natural gas liquids and refined petroleum products, which cause lower processing margins. In addition, some gathering and processing contracts subject the gathering or processing company to direct commodities price risk.

Exploration and production. Exploration, development and production companies are particularly vulnerable to declines in the demand for and prices of crude oil and natural gas. Reductions in prices for crude oil and natural gas can cause a given reservoir to become uneconomic for continued production earlier than it would if prices were higher, resulting in the plugging and abandonment of, and cessation of production from, that reservoir. In addition, lower commodity prices not only reduce revenues but also can result in substantial downward adjustments in reserve estimates. The accuracy of any reserve estimate is a function of the quality of available data, the accuracy of assumptions regarding future commodity prices and future exploration and development costs and engineering and geological interpretations and judgments. Different reserve engineers may make different estimates of reserve quantities and related revenue based on the same data. Actual oil and gas prices, development expenditures and operating expenses will vary from those assumed in reserve estimates, and these variances may be significant. Any significant variance from the assumptions used could result in the actual quantity of reserves and future net cash flow being materially different from those estimated in reserve reports. In addition, results of drilling, testing and production and changes in prices after the date of reserve estimates may result in downward revisions to such estimates. Substantial downward adjustments in reserve estimates could have a material adverse effect on a given exploration and production company s financial position and results of operations. In addition, due to natural declines in reserves and production, exploration and production companies must economically find or acquire and develop additional reserves in order to maintain and grow their revenues and distributions.

Propane. Propane companies are subject to earnings variability based upon weather patterns in the locations where they operate and increases in the wholesale price of propane which reduce profit margins. In addition, propane companies are facing increased competition due to the growing availability of natural gas, fuel oil and alternative energy sources for residential heating.

Coal. Coal companies are subject to declines in the demand for and prices of coal. Demand variability can be based on weather conditions, the strength of the domestic economy, the level of coal stockpiles in their customer base, and the prices of competing sources of fuel for electric generation. They are also subject to supply variability based on geological conditions that reduce the productivity of mining operations, the availability of regulatory permits for mining activities and the availability of coal that meets the standards of the Clean Air Act. Demand and prices for coal may also be affected by current and proposed regulatory limitations on emissions from coal-fired power plants and the facilities of other coal end users. Such limitations may reduce demand for the coal produced and transported by coal companies. Certain coal companies could face declining revenues if they are unable to acquire additional coal reserves or other mineral reserves that are economically recoverable.

Marine shipping. Marine shipping companies are subject to supply of and demand for, and level of consumption of, natural gas, liquefied natural gas, crude oil, refined petroleum products and liquefied petroleum gases in the supply areas and market areas they serve, which affect the demand for

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marine shipping services and therefore charter rates. Shipping companies vessels and cargoes are also subject to the risk of being damaged or lost due to marine disasters, extreme weather, mechanical failures, grounding, fire, explosions, collisions, human error, piracy, war and terrorism. Some vessels may also require replacement or significant capital improvements earlier than otherwise required due to changing regulatory standards. Shipping companies or their ships may be chartered in any country and the Fund s investments in such issuers may be subject to risks similar to risks related to investments in non-U.S. securities.

Cash Flow Risk. The Fund will derive substantially all of its cash flow from investments in equity securities of MLPs and Other Natural Resources Companies. The amount of cash that the Fund has available to distribute to shareholders will depend on the ability of the MLPs and Other Natural Resources Companies in which the Fund has an interest to make distributions or pay dividends to their investors and the tax character of those distributions or dividends. The Fund will likely have no influence over the actions of the MLPs in which it invests with respect to the payment of distributions or dividends, and may only have limited influence over Other Natural Resources Companies in that regard. The amount of cash that any individual MLP or Other Natural Resources Company can distribute to its investors, including the Fund, will depend on the amount of cash it generates from operations, which will vary from quarter to quarter depending on factors affecting the natural resources sector generally and the particular business lines of the issuer. Available cash will also depend on the MLP s or Other Natural Resources Company s operating costs, capital expenditures, debt service requirements, acquisition costs (if any), fluctuations in working capital needs and other factors. The cash that an MLP will have available for distribution will also depend on the incentive distributions payable to its general partner or managing member in connection with distributions paid to its equity investors.

Regulatory Risk. The profitability of MLPs and Other Natural Resources Companies could be adversely affected by changes in the regulatory environment. MLPs and Other Natural Resources Companies are subject to significant foreign, federal, state and local regulation in virtually every aspect of their operations, including with respect to how facilities are constructed, maintained and operated, environmental and safety controls, and the prices they may charge for the products and services they provide. Such regulation can change over time in both scope and intensity. For example, a particular by-product may be declared hazardous by a regulatory agency and unexpectedly increase production costs. Various governmental authorities have the power to enforce compliance with these regulations and the permits issued under them, and violators are subject to administrative, civil and criminal penalties, including civil fines, injunctions or both. Stricter laws, regulations or enforcement policies could be enacted in the future which would likely increase compliance costs and may adversely affect the financial performance of MLPs and Other Natural Resources Companies.

Specifically, the operations of wells, gathering systems, pipelines, refineries and other facilities are subject to stringent and complex federal, state and local environmental laws and regulations. These include, for example:

the federal Clean Air Act and comparable state laws and regulations that impose obligations related to air emissions;
the federal Clean Water Act and comparable state laws and regulations that impose obligations related to discharges of pollutants into regulated bodies of water;
the federal Resource Conservation and Recovery Act (RCRA) and comparable state laws and regulations that impose requirements for the handling and disposal of waste from facilities; and
the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as Superfund, and comparable state laws and regulations that regulate the cleanup of hazardous substances that may have been released at properties currently or previously owned or operated by MLPs and Other Natural Resources Companies or at locations to which they have sent waste for disposal.

Failure to comply with these laws and regulations may trigger a variety of administrative, civil and criminal enforcement measures, including the assessment of monetary penalties, the imposition of remedial requirements, and the issuance of orders enjoining future operations. Certain environmental statutes, including

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RCRA, CERCLA, the federal Oil Pollution Act and analogous state laws and regulations, impose strict, joint and several liability for costs required to clean up and restore sites where hazardous substances have been disposed of or otherwise released. Moreover, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damage allegedly caused by the release of hazardous substances or other waste products into the environment.

There is an inherent risk that MLPs and Other Natural Resources Companies may incur environmental costs and liabilities due to the nature of their businesses and the substances they handle. For example, an accidental release from wells or gathering pipelines could subject them to substantial liabilities for environmental cleanup and restoration costs, claims made by neighboring landowners and other third parties for personal injury and property damage, and fines or penalties for related violations of environmental laws or regulations. Moreover, the possibility exists that stricter laws, regulations or enforcement policies could significantly increase the compliance costs of MLPs and Other Natural Resources Companies, and the cost of any remediation that may become necessary. MLPs and Other Natural Resources Companies may not be able to recover these costs from insurance.

Proposals for voluntary initiatives and mandatory controls are being discussed both in the United States and worldwide to reduce emissions of greenhouse gases such as carbon dioxide, a by-product of burning fossil fuels, and methane, the major constituent of natural gas, which many scientists and policymakers believe contribute to global climate change. These measures, if adopted, could result in increased costs to certain companies in which the Fund may invest to operate and maintain Natural Resources facilities and administer and manage a greenhouse gas emissions program.

In the wake of a recent Supreme Court decision holding that the Environmental Protection Agency (EPA) has some legal authority to deal with climate change under the Clean Air Act, the federal government announced on May 14, 2007 that the EPA and the Departments of Transportation, Energy, and Agriculture would jointly write regulations to cut gasoline use and control greenhouse gas emissions from cars and trucks. These measures if adopted could reduce demand for energy or raise prices, which may adversely affect the total return of certain of the Fund s investments.

Affiliated Party Risk. Certain MLPs and Other Natural Resources Companies are dependent on their parents or sponsors for a majority of their revenues. Any failure by an MLP s or an Other Natural Resources Company s parents or sponsors to satisfy their payments or obligations would impact the MLP s or Other Natural Resources Company s revenues and cash flows and ability to make distributions. Moreover, the terms of an MLP s or an Other Natural Resources Company s transactions with its parent or sponsor are typically not arrived at on an arm s-length basis, and may not be as favorable to the MLP or Other Natural Resources Company as a transaction with a non-affiliate.

Catastrophe Risk. The operations of MLPs and Other Natural Resources Companies are subject to many hazards inherent in the exploration for, and development, production, gathering, transportation, processing, storage, refining, distribution, mining or marketing of, coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons, including: damage to production equipment, pipelines, storage tanks or related equipment and surrounding properties caused by hurricanes, tornadoes, floods, fires and other natural disasters or by acts of terrorism; inadvertent damage from construction or other equipment; leaks of natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons; and fires and explosions. These risks could result in substantial losses due to personal injury or loss of life, severe damage to and destruction of property and equipment and pollution or other environmental damage, and may result in the curtailment or suspension of their related operations. Not all MLPs or Other Natural Resources Companies are fully insured against all risks inherent to their businesses. If a significant accident or event occurs that is not fully insured, it could adversely affect the MLP s or Other Natural Resources Company s operations and financial condition.

Risks Associated with an Investment in IPOs

Securities purchased in IPOs are often subject to the general risks associated with investments in companies with small market capitalizations, and typically to a heightened degree. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in an IPO may be highly volatile. At any particular time or from time to time, the

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Fund may not be able to invest in IPOs, or to invest to the extent desired, because, for example, only a small portion (if any) of the securities being offered in an IPO may be available to the Fund. In addition, under certain market conditions, a relatively small number of companies may issue securities in IPOs. The investment performance of the Fund during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when it is able to do so.

IPO securities may be volatile, and the Fund cannot predict whether investments in IPOs will be successful. As the Fund grows in size, the positive effect of IPO investments on the Fund may decrease.

Risks Associated with an Investment in PIPE Transactions

PIPE investors purchase securities directly from a publicly traded company in a private placement transaction, typically at a discount to the market price of the company s common stock. Because the sale of the securities is not registered under the Securities Act of 1933, as amended (the Securities Act), the securities are restricted and cannot be immediately resold by the investors into the public markets. Accordingly, the company typically agrees as part of the PIPE deal to register the restricted securities with the SEC. PIPE securities may be deemed illiquid.

Privately Held Company Risk

Investing in privately held companies involves risk. For example, privately held companies are not subject to SEC reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, the Investment Adviser may not have timely or accurate information about the business, financial condition and results of operations of the privately held companies in which the Fund invests. In addition, the securities of privately held companies are generally illiquid, and entail the risks described under Liquidity Risk below.

Liquidity Risk

The investments made by the Fund, including investments in MLPs, may be illiquid and consequently the Fund may not be able to sell such investments at prices that reflect the Investment Adviser s assessment of their value, the amount paid for such investments by the Fund or at prices approximating the value at which the Fund is carrying the securities on its books. Furthermore, the nature of the Fund s investments may require a long holding period prior to profitability.

Although the equity securities of the MLPs and Other Natural Resources Companies in which the Fund invests generally trade on major stock exchanges, certain securities may trade less frequently, particularly those with smaller capitalizations. Securities with limited trading volumes may display volatile or erratic price movements. Investment of the Fund s capital in securities that are less actively traded or over time experience decreased trading volume may restrict the Fund s ability to take advantage of other market opportunities.

The Fund also expects to invest in unregistered or otherwise restricted securities. Unregistered securities are securities that cannot be sold publicly in the United States without registration under the Securities Act, unless an exemption from such registration is available. Restricted securities may be more difficult to value and the Fund may have difficulty disposing of such assets either in a timely manner or for a reasonable price. In order to dispose of an unregistered security, the Fund, where it has contractual rights to do so, may have to cause such security to be registered. A considerable period may elapse between the time the decision is made to sell the security and the time the security is registered so that the Fund could sell it. Contractual restrictions on the resale of securities vary in length and scope and are generally the result of a negotiation between the issuer and acquiror of the securities. The Fund would, in either case, bear the risks of any downward price fluctuation during that period. The difficulties and delays associated with selling restricted securities could result in the Fund s inability to realize a favorable price upon disposition of such securities, and at times might make disposition of such securities impossible.

Tax Risks

In addition to other risk considerations, an investment in the Fund s common shares will involve certain tax risks, including, but not limited to, the risks summarized below and discussed in more detail elsewhere in this Prospectus. Tax matters are complicated, and the foreign and U.S. federal, state and local tax consequences of the purchase and ownership of the Fund s common shares will depend on the facts of each investor s situation. Prospective investors are encouraged to consult their own tax advisors regarding the specific tax consequences that may affect such investors.

Tax Law Changes. Changes in tax laws, regulations or interpretations of those laws or regulations in the future could adversely affect the Fund or the MLPs or Other Natural Resources Companies in which the Fund will invest. Any such changes could negatively impact the Fund s common shareholders. Legislation could also negatively impact the amount and tax characterization of dividends received by the Fund s common shareholders. Federal legislation has reduced the federal income tax rate on qualified dividend income to the rate applicable to long-term capital gains, which is generally 15% for individuals, provided a holding period requirement and certain other requirements are met. This reduced rate of tax on dividends is currently scheduled to revert to ordinary income tax rates for taxable years beginning after December 31, 2010, and the 15% federal income tax rate for long-term capital gains is scheduled to revert to 20% for such taxable years.

Recently the House of Representatives and the Senate passed substantially similar bills that, if enacted, would substantially revise some of the rules discussed in this Prospectus under Tax Matters , including with respect to withholding taxes, certification requirements and information reporting. These bills are generally consistent with a proposal made by the Obama Administration as part of its 2011 Fiscal Year Revenue Proposals. It cannot be predicted whether either of these bills will be enacted and, if enacted, in precisely what form. Prospective investors should consult their tax advisors regarding these bills.

Tax Risk of MLPs. The Fund s ability to meet its investment objective will depend partially on the amounts of taxable income, distributions and dividends it receives from the securities in which it will invest, a factor over which it has no control. The benefit the Fund will derive from its investment in MLPs is largely dependent on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. If, as a result of a change in current law or a change in an MLP s business, an MLP were to be treated as a corporation for federal income tax purposes, it would be subject to federal income tax on its income at the graduated tax rates applicable to corporations (currently a maximum rate of 35%). In addition, if an MLP were to be classified as a corporation for federal income tax purposes, the amount of cash available for distribution by it would be reduced and distributions received by the Fund from it would be taxed under federal income tax laws applicable to corporate distributions (as dividend income, return of capital, or capital gain). Therefore, treatment of MLPs as corporations for federal income tax purposes would result in a reduction in the after-tax return to the Fund, likely causing a reduction in the value of the Fund s common shares.

Deferred Tax Risks of MLPs. As a limited partner or member in the MLPs in which the Fund will invest, the Fund will be required to include in its taxable income its allocable share of income, gains, losses, deductions, and credits from those MLPs, regardless of whether they distribute any cash to the Fund. Historically, a significant portion of the income from MLPs has been offset by tax deductions. The Fund will incur a current tax liability on its allocable share of an MLP s income and gains that is not offset by tax deductions, losses and credits, or its net operating loss carryforwards, if any. The portion, if any, of a distribution received by the Fund from an MLP that is offset by the MLP s tax deductions, losses or credits will be treated as a tax-advantaged return of capital. However, those distributions will reduce the Fund s adjusted tax basis in the equity securities of the MLP, which will result in an increase in the amount of gain (or decrease in the amount of loss) that will be recognized by the Fund for tax purposes upon the sale of any such equity securities or upon subsequent distributions in respect of such equity securities. The percentage of an MLP s income and gains that is offset by tax deductions, losses and credits will fluctuate over time for various reasons. A significant slowdown in acquisition activity or capital spending by MLPs held in the Fund s portfolio could result in a reduction of accelerated depreciation generated by new acquisitions, which may result in increased current tax liability for the Fund.

The Fund will accrue deferred income taxes for its future tax liability associated with that portion of MLP distributions considered to be a tax-advantaged return of capital, as well as for its future tax liability associated with the capital appreciation of its investments. Upon the Fund s sale of an MLP security, the Fund may be liable for previously deferred taxes. The Fund will rely to some extent on information provided by MLPs, which is not necessarily timely, to estimate deferred tax liability for purposes of financial statement

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reporting and determining its net asset value. From time to time, the Fund will modify its estimates or assumptions regarding its deferred tax liability as new information becomes available.

Tax Risks of Corporations. The Fund also intends to invest in companies that are classified as corporations for federal income tax purposes. Any distributions received by the Fund from these companies will be taxed under federal income tax laws applicable to corporate distributions (as dividend income, return of capital or capital gain). The amount of a corporate distribution taxable to the Fund as a dividend will depend upon the earnings and profits of the company making the distribution. Historically, the types of corporate Other Natural Resources Companies in which the Fund intends to invest generally have paid dividends to their equity holders in excess of earnings and profits. However, the earnings and profits of an Other Natural Resources Company will fluctuate over time for a variety of reasons, including those discussed in this Prospectus. An increase in a corporation s earnings and profits may result in a greater proportion of its corporate distributions being treated as a taxable dividend, resulting in an increased current tax liability to the Fund. In addition, the Fund may invest in PFICs. As a result of an investment in a PFIC, the Fund may be subject to an interest charge and additional taxes or, if it makes a certain election, may be required to recognize taxable income related to such investment prior to its receipt of the corresponding cash.

Deferred Tax Risks of Investing in the Fund s Common Shares. A reduction in the percentage of the distributions received by the Fund that are offset by tax deductions, losses or credits, or an increase in its portfolio turnover, will reduce that portion of its common share dividend treated as a tax-advantaged return of capital and increase that portion treated as dividend income, resulting in lower after-tax dividends to its common shareholders.

Limitations on Use of Net Operating Loss. In the event that the Fund experience an ownership change for purposes of Section 382 of the Code, which generally is any change in ownership of more than 50% the Fund s common stock over a three-year period, the Fund s ability to use net operating loss and capital loss carryovers to offset future taxable income will be substantially limited. Although the Fund does not expect that this offering of common shares should constitute an ownership change for purposes of Section 382 of the Code, it is possible that future issuances or sales of common shares or other securities, or certain other direct or indirect changes in ownership may result in an ownership change.

See Tax Matters.

Risks Associated with an Investment in Non-U.S. Companies

Non-U.S. Securities Risk. Investing in securities of non-U.S. issuers involves certain risks not involved in domestic investments, including, but not limited to: fluctuations in currency exchange rates; future foreign economic, financial, political and social developments; different legal systems; the possible imposition of exchange controls or other foreign governmental laws or restrictions; lower trading volume; greater price volatility and illiquidity; different trading and settlement practices; less governmental supervision; high and volatile rates of inflation; fluctuating interest rates; less publicly available information; and different accounting, auditing and financial recordkeeping standards and requirements.

Non-U.S. Currency Risk. Because the Fund may invest in securities denominated or quoted in non-U.S. currencies, changes in the non-U.S. currency/U.S. dollar exchange rate may affect the value of the Fund s securities and the unrealized appreciation or depreciation of its investments.

Currency Hedging Risk. The Fund may in the future hedge against currency risk resulting from investing in non-U.S. MLPs and Other Natural Resources Companies valued in non-U.S. currencies. Currency hedging transactions in which the Fund may engage include buying or selling options or futures or entering into other foreign currency transactions including forward foreign currency contracts, currency swaps or options on currency and currency futures and other derivatives transactions. Hedging transactions can be expensive and have risks, including the imperfect correlation between the value of such instruments and the underlying assets, the possible default of the other party to the transaction or the illiquidity of the derivative instruments. Furthermore, the ability to successfully use hedging transactions depends on the Investment Adviser s ability to predict pertinent market movements, which cannot be assured. Thus, the use of hedging transactions may result in losses greater than if they had not been used, may require the Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the

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amount of appreciation the Fund can realize on an investment, or may cause the Fund to hold a security that the Fund might otherwise sell. The use of hedging transactions may result in the Fund incurring losses as a result of matters beyond the Fund s control. For example losses may be incurred because of the imposition of exchange controls, the suspension of settlements or the Fund s inability to deliver or receive a specified currency.

Emerging Markets Risk. Investments in emerging markets instruments, while generally providing greater potential opportunity for capital appreciation and higher yields than investments in more developed market instruments, may also involve greater risk. Emerging markets may be subject to economic, social and political risks not applicable to instruments of developed market issuers, such as repatriation, exchange control or other monetary restrictions, taxation risks, and special considerations due to limited publicly available information, less stringent regulatory standards, and lack of uniformity in accounting.

With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of the Fund, political or social instability or diplomatic developments that could affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

Interest Rate Risk

The costs associated with any leverage used by the Fund are likely to increase when interest rates rise. Accordingly, the market price of the Fund s common shares may decline when interest rates rise.