

# Tortoise Essential Assets Income Term Fund

(NYSE: TEAF)

The Tortoise Essential Assets Income Term Fund seeks to provide a high level of total return with an emphasis on current distributions.

TEAF provides investors access to a combination of public and direct investments in essential assets that are making an impact on clients and communities.

## TEAF seeks to provide:

- **Attractive total return potential** emphasizing current income and uncorrelated sources of return
- **Access to differentiated essential assets investments** across the capital structure in both public and direct markets
- **Investments in tangible, long-lived assets and services** that have historically generated predictable cash flows
- **Ability to make a positive social and economic impact** in our communities
- **Investor simplicity through one 1099**, no K-1s, no unrelated business taxable income, IRA suitability
- **Expertise of Tortoise**, an industry leader and pioneer in essential assets investing

## About Tortoise

Tortoise invests in essential assets – those assets and services that are indispensable to the economy and society. With a steady wins approach and a long-term perspective, Tortoise strives to make a positive impact on clients and communities.

Tortoise has a history of thoughtful product structuring to fill market voids that we believe satisfy investor needs. This passion is driven by the desire to provide all investors access to investment strategies that could benefit their portfolios, then deliver those assets in the most efficient product structure. Tortoise has been an innovator in the closed-end fund industry for 15 years, forming the first listed MLP closed-end fund (TYG) in 2004 as an efficient alternative to investing directly in MLPs with simplified tax reporting.

## What are essential assets?

Assets and services that are indispensable to the economy and society

### Social infrastructure



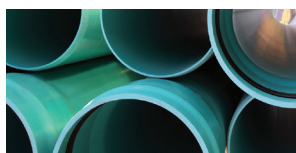
- Education
- Housing
- Senior/assisted living

### Sustainable infrastructure



- Wind/solar
- Water
- Power networks

### Energy infrastructure



- Natural gas pipelines
- Gathering and processing
- Liquefied natural gas exports

## Fund at a glance

at 4/30/2019 unless noted (unaudited)

Total assets (including leverage)	\$286.0 million
Market price	\$20.11
NAV	\$19.82
Leverage (as percent of total assets)	9.6%
Shares outstanding	13.01 million
IPO date	March 26, 2019
Distribution frequency	Monthly

## Distributions<sup>1</sup>

Distribution rate<sup>2</sup> 6.5%

On April 29, 2019, TEAF declared its upcoming monthly distributions as set forth below:

Record date	Payable date	Per share amount
5/24/2019	5/31/2019	\$0.1085
6/21/2019	6/28/2019	\$0.1085
7/24/2019	7/31/2019	\$0.1085
8/23/2019	8/30/2019	\$0.1085

- (1) Approximately 80% - 90% of this distribution is expected to be characterized as ordinary income, with the remainder as return of capital for income tax purposes. The ultimate characterization will not be made until after our year-end, Nov. 30, 2019.
- (2) On an annualized basis and based upon the most recently declared monthly distribution and the 4/30/2019 market price

## Portfolio construction

- Ability to invest in desired assets, regardless of their place in the capital structure, including access to direct investments
- Public securities provide not only a bridge to direct investments, but also may provide ongoing income, diversification and liquidity

## Investment strategy

Under normal conditions, the fund seeks to achieve its investment objective by investing at least 80% of its total assets (including assets obtained through leverage) in issuers operating in essential asset sectors.

The fund may invest up to the following percentages of its total assets:

- 40% in directly originated loans
- 25% in direct placements in restricted equity securities in listed companies
- 25% in direct equity investments in unlisted companies
- 30% in securities of non-U.S. issuers, including Canadian issuers
- Leverage as a percent of total assets will vary depending on market conditions, but will normally range between 10% - 15%

## Investment team

### INVESTMENT COMMITTEE: strategic oversight and asset allocation

Bradley Adams	Gary Henson, CFA	Brent Newcomb	Robert Thummel
Kevin Birzer, CFA	Michelle (Kelly) Johnston, CFA	Matthew Sallee, CFA	

### Underlying strategies managed by experienced portfolio teams

#### SOCIAL INFRASTRUCTURE

Jeremy Goff  
David Sifford  
Adam Peltzer, CFA  
Edward Russell

#### SUSTAINABLE INFRASTRUCTURE

<b>Private</b>	<b>Public</b>
Jerry Polacek, CFA	Matthew Breidert
Matthew Ordway	Jean-Hugues de Lamaze
Prashanth Prakash, CFA	Michel Sznajder, CFA
	Max Slee
	Flavien Hias

#### ENERGY INFRASTRUCTURE AND PUBLIC SECURITIES

Matthew Sallee, CFA	Stephen Pang, CFA
Robert Thummel	Brett Jergens, CFA, CFP
James Mick, CFA	Adam Peltzer, CFA
Brian Kessens, CFA	Nick Holmes, CFA

+3 additional originators  
+3 credit analysts  
+4 additional committee members

+Tortoise's energy team of 21 investment professionals

+8 additional investment analysts  
+4 traders  
+1 additional investment committee member

## Disclaimer

Tortoise Capital Advisors, L.L.C. is the advisor to the Tortoise Essential Assets Income Term Fund, and Tortoise Credit Strategies, LLC and Tortoise Advisors UK Limited are the fund's subadvisors. For additional information, please call 866-362-9311 or email [info@tortoiseadvisors.com](mailto:info@tortoiseadvisors.com).

**All investments involve risk, including possible loss of principal. You should consider the investment objective, risk factors, fees and expenses of the fund carefully before investing. For this and other important information please refer to the fund's most recent prospectus and read it carefully before investing.**

Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares are sold on the open market through a stock exchange. Shares of closed-end funds frequently trade at a market price that is below their net asset value. Leverage creates risks which may adversely affect return, including the likelihood of greater volatility of net asset value and market value.

The fund's ability to achieve its investment objective is directly related to the investment strategies of its advisor and subadvisors. If expected results are not achieved, the value of the fund's investment could be diminished or even lost entirely, and it could underperform the market or other funds with similar investment objectives. The Investment Committee of the fund's advisor allocates and reallocates assets among the various asset classes and security types in which the fund may invest. Such allocation decisions could cause the fund's investments to be allocated to asset classes and security types that perform poorly or underperform other asset classes and security types or available investments. The fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the fund is more exposed to individual stock volatility than a diversified fund. The fund will have a limited period of existence and will dissolve 12 years from the effective date of the initial registration statement. Its investment policies are not designed to return to common shareholders their original net asset value or purchase price. Investing in specific sectors such as social infrastructure, sustainable infrastructure and energy infrastructure may involve greater risk and volatility than less concentrated investments. Risks include, but are not limited to, risks associated with commodity price volatility, supply and demand, reserve and depletion, operating, regulatory and environmental, renewable energy, gas, water, public infrastructure, and education. Equity securities may fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions, and include the possibility of sudden or prolonged market declines. The fund invests in small and mid-cap companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. The tax benefits received by an investor investing in the fund differ from that of a direct investment in an MLP by an investor. The value of the fund's investment in an MLP will depend largely on the MLP's treatment as a partnership for U.S. federal income tax purposes. If the MLP is deemed to be a corporation then its income would be subject to federal taxation, reducing the amount of cash available for distribution to the fund, which could result in a reduction of the fund's value. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. The fund invests in municipal-related securities. Litigation, legislation or other political events, local business or economic conditions or the bankruptcy of the issuer could have a significant effect on the ability of an issuer of municipal bonds to make payments of principal and/or interest. Changes related to taxation, legislation or the rights of municipal security holders can significantly affect municipal bonds. Investments may be subject to liquidity risk, adversely impacting the fund's ability to sell particular securities at advantageous prices or in a timely manner. Investments in non-U.S. issuers (including Canadian issuers) involve risks not ordinarily associated with investments in securities and instruments of U.S. issuers, including risks related to political, social and economic developments abroad, differences between U.S. and foreign regulatory and accounting requirements, tax risk and market practices, as well as fluctuations in foreign currencies. The fund also writes call options which may limit the fund's ability to profit from increases in the market value of a security, but cause it to retain the risk of loss should the price of the security decline. The fund may utilize leverage, which is a speculative technique that may adversely affect common shareholders if the return on investments acquired with borrowed fund or other leverage proceeds does not exceed the cost of the leverage, causing the fund to lose money. The fund may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. Derivatives can be volatile and involve various types and degrees of risks. Depending on the characteristics of the particular derivative, it could become illiquid.

This data is provided for information only and is not intended for trading purposes. This fact sheet shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the securities in any state or jurisdiction in which such offer or sale is not permitted. Nothing contained in this communication constitutes tax, legal or investment advice. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation.

## Fund structure

TEAF is a non-diversified, closed-end management investment company that will have a limited period of existence and shall dissolve as of the close of business 12 years from the effective date of its initial registration statement. If the fund has greater than or equal to \$100 million in net assets at the end of the term, the Board may elect that the fund converts to a perpetual trust.



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