MLP and Energy Infrastructure Fact Sheet & Commentary

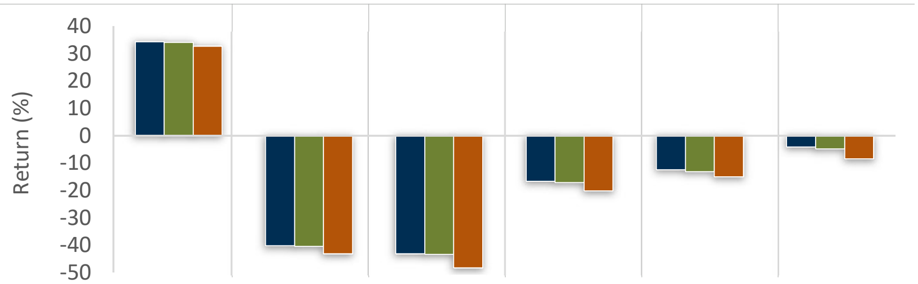
Quarter Ending June 30, 2020

DUFF & PHELPS INVESTMENT MANAGEMENT CO.
A VIRTUS INVESTMENT PARTNER

PORTFOLIO STRATEGY

Holdings	20-30 securities
Security Target	80% midstream MLPs, GPs, and C-Corps
Individual holding market cap	< $250 million at purchase
Turnover	Approximately 25%[5]
Benchmark	Alerian Midstream Energy Index

PERFORMANCE[1]

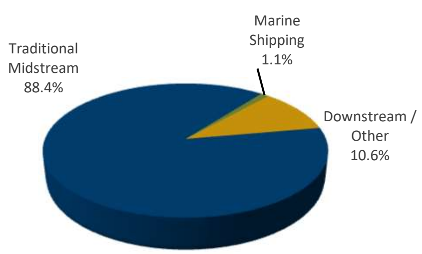


	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
Composite Gross Return	34.3%	-40.2%	-43.1%	-16.7%	-12.5%	-4.1%
Composite Net Return	34.1%	-40.4%	-43.4%	-17.1%	-13.1%	-4.8%
Linked Benchmark[2]	32.6%	-43.2%	-48.3%	-20.2%	-15.0%	-8.5%

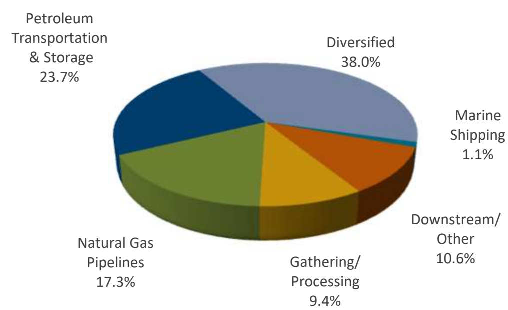
INVESTMENT PHILOSOPHY

- We focus on midstream assets and believe a rigorous, fundamentally-driven investment process will produce superior risk-adjusted returns.
- We construct a concentrated portfolio with a long-term investment horizon which allows us to capitalize on our highest conviction ideas.
- Our disciplined investment process allows us to be opportunistic by taking advantage of the inefficiencies in the sector.
- Our portfolio focuses on maximizing total return by owning companies with vertically-integrated business models, visible and growing cash flows, sustainable distributions, strong corporate governance and geographic footprints in key basins.
- Our team approach is an integral part of uncovering new opportunities, while also controlling downside risk should our thesis on a name change.

MLP CLASSIFICATION [3]



SUB-SECTOR [3]



PORTFOLIO CHARACTERISTICS

	Portfolio[3]	Benchmark[2]
Cash Flow Multiple (P/DCF), 2020 est.	6.6x	6.8x
Distribution Yield	9.1%	8.6%
Distribution Growth, NTM	3.4%	3.0%
Distribution Coverage, 2020 est.	1.8	1.7
Weighted Avg. Market Cap (mm)	$24.0	$17.6
Allocation to C-Corps	61.7%	66.8%

Sources: Bloomberg Finance L.P., Alerian

TOP TEN HOLDINGS[4]

	Portfolio (%)[3]
TC Energy Corp.	10.4
Enbridge Inc.	10.0
Enterprise Products Partners LP	8.4
Kinder Morgan Inc.	7.2
Pembina Pipeline Corp.	7.0
The William Cos Inc.	6.9
Energy Transfer LP	6.0
Magellan Midstream Partners LP	5.2
Targa Resources Corp.	5.2
MPLX LP	4.9

RISK/RETURN (SINCE INCEPTION)

	Composite	Linked Benchmark[2]
Alpha	3.8%	-
Total Return Beta	1.0	1.0
Sharpe Ratio	-0.2	-0.3
Standard Deviation	27.1%	27.7%
Information Ratio	0.9	-
Tracking Error	4.2	-

Source: eVestment

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Market Review

The Midstream sector saw a nice bounce in second quarter jumping 32.6% (as measured by the Alerian Midstream Index), but it did not erase the bitter aftertaste from the 46.3% drop in the first quarter. Midstream outpaced the broader market for the first time in the last 5 quarters, but with the Midstream sector down 29.4% on the year, investors are still questioning the sector's future.

In April, the Midstream sector continued its back-half-of-March rally as the sector moved off of the extreme oversold conditions that had been driven by significant closed-end fund and hedge fund deleveraging. With the broader market back in risk-on mode, the Midstream sector jumped 29.4% in April despite the collapse in the front month WTI oil contract. The rally then continued in May and the first week of June. First quarter earnings commentary was generally better than expected. While companies acknowledged that COVID-19 and stay-at-home orders would pressure midstream earnings, most companies talked about earnings declines in the 5%-15% range for 2020 and 2021, nowhere close to the drop in stock prices that most companies had experienced. Oil prices also rallied back, steadily rising to the high $30s by the end of June. Consensus views that U.S. storage would reach capacity proved unfounded as large production curtailments, combined with further OPEC cuts, got the oil market back in balance. By June, the curtailments were being reversed and the production outlooks for the third quarter were actually getting revised higher.

As is often the case after big market sell-offs, the biggest winners in the rebound tended to be the stocks that had sold off the most. In this case, the more commodity-sensitive gathering and processing (G&P) names and several small caps saw the biggest rallies. Fundamentally, volumes continue to be more important than price, even for the G&P names. And the implied volume declines, based on the initial stock reactions, simply made no sense. Companies also took steps to help their causes with many announcing significant cost and capex cuts, and others reducing their distributions. The effect of all this was to put many companies in a position to significantly increase their cash flow yields and improve their balance sheets, especially out in the 2021 and 2022 time periods.

After doubling in price from the March 18 bottom, the sector finally hit a wall and pulled back in the second week of June. While the sector and the broader market both hit a post-COVID high early that week, sentiment quickly went into risk-off mode as the number of COVID cases began to rise again in Arizona, Texas, Florida and California. Even more troubling for Midstream, ONEOK announced a $1 billion, one-day equity offering to help improve its balance sheet. ONEOK, a one-time sector darling, had seen its stock peak at over $77 in mid-February, plunge to $15 in mid-March, and then rally back to $48 on June 8. The bounce encouraged the company to push through the equity deal, but it went very poorly. The deal priced almost $10, or 24%, below where it closed the previous day, and it seemed to take the wind out of the sails for the entire Midstream sector. The sector proceeded to fall back 16% in the last three weeks of June.

Portfolio Review

The Duff & Phelps MLP and Energy Infrastructure Strategy was up 34.3% (gross) in the quarter, just slightly ahead of the Alerian Midstream Index (AMNA), which was up 32.6%. Recall that we switched to this benchmark from the Alerian MLP Index (AMZ) at the end of the first quarter, believing that the AMNA was a better benchmark given the inclusion of c-corps and more representative of the Strategy. The AMZ, which is now the Strategy's secondary benchmark, was up 50.2% in the quarter. The AMZ outperformance in the quarter was not surprising given that the AMZ trailed the AMNA by 9.7% during the first quarter; additionally, the AMZ has a lot more exposure to smaller-cap, gathering & processing names which rebounded sharply in the quarter. Versus the AMNA, the strongest outperformance for the Strategy came from the large cap pipeline segment, which was helped by both allocation and especially stock selection. The weakest relative performance came from refining logistics where the Strategy was hurt by both allocation and stock selection.

From an individual stock allocation perspective, the top performing name was Targa Resources. Targa saw its stock fall by 81% in the first quarter, only to rebound by 193% in Q2. Targa is very well-positioned in the Permian basin and is a sector leader when it comes to NGL exports. Its management team was also credited with saying and doing all the rights things during the downturn, including being one of the first midstream companies to reset its dividend and cut its capex. The second best performer was Rattler Midstream, and the story was not dissimilar to Targa. The company, which has a great balance sheet and a strong sponsor in Diamondback Energy, enjoyed a sharp rebound in its stock price after a big drop in Q1. Other top contributors to relative performance were Plains All American Pipeline, Antero Midstream and DCP Midstream. [6]

[6]Top five contributors' relative contribution: Targa Resources +145 bps; Rattler Midstream +56 bps; Plains All American Pipeline +54 bps; Antero Midstream +53 bps and DCP Midstream +51 bps..

Portfolio Review cont.

The worst performing name from an allocation perspective in the second quarter was TC Energy (TRP). The Strategy held an overweight position in the company, and the stock was one of the few midstream companies to fall in the quarter. For TRP, it was less about any fundamental news and more about that fact that it had been a top performer in the first quarter having fallen only 16%. The second worst performer was Golar LNG which continues to be a frustrating stock for the Strategy. We believe there is lot of intrinsic value in the company assets, but the weak LNG shipping market combined with a delay on one of its projects due to COVID caused many investors to abandon the stock. Rounding out the top five detractors are Oneok, Tallgrass Energy and Phillips 66 Partners. [7]

Investment Outlook

Coming into the second half, the fundamentals for the sector look relatively constructive, notwithstanding the unknowns about the future of COVID-19. Nevertheless, there are a couple of big overhangs that are likely to keep the sector in check. On the positive side, the sector remains oversold. Following the June pullback, the sector is still down almost 30% for the year versus just -3% for the broader market (as measured by the S&P 500). Furthermore, on a longer-term basis, the sector remains more than 50% below its August 2014 peak on a total return basis. We also expect another constructive earnings season. Companies are taking the right steps, and the overall economy and commodity markets are stronger than when companies reported in the first quarter, which should lead to more positive earnings outlooks. The commodity picture also looks relatively constructive. Oil looks comfortable for now around $40, which is still low, but is a lot better than where things were. While summer natural gas prices are very weak, the forward curve shows a big expected pick-up over the next 12 months as the combination of decreases in associated gas from oil production and constrained gas drilling budgets start to kick in. Natural gas liquids pricing also looks positive with exports staying strong and pricing for ethane and propane both forecasted to rise. Oil is probably the commodity to watch most closely, but not so much price as U.S. production volumes. U.S. production dropped approximately 2.0 million barrels/day (MM b/d) in April as a result of the price shock. The good news is that production has jumped back in June. However, with the extreme drop in the oil rig count (from 677 oil rigs the beginning of the year to 185 at the end of June), natural decline rates are likely to push production back below April levels over the course of the rest of the year. We are also unlikely to see much, if any, improvement in volumes in 2021. While these muted volumes should ultimately lead to negative imbalances and higher oil prices in 2021 and 2022, it will take a while for this to positively impact midstream earnings, and thus this flat oil production is likely to be an overhang on the sector.

Another major obstacle for midstream remains the ongoing environmental pushback against further pipeline development. Midstream investors received a stark reminder of this following the July 4th weekend when utilities Dominion and Duke announcing the cancellation of the Atlantic Coast Pipeline (ACP) and then just hours later a judge ordered the shutdown of the Dakota Access Pipeline (DAPL). The ACP cancellation was not a huge surprise as the pipeline had languished and was still years away from completion. However, the fact that two well-respected and well-capitalized utilities could not overcome the environmental challenges in their own back yard after 6 years of trying was still disappointing. The DAPL shutdown was a big slap in the face for the industry. While the pipeline faced significant opposition during construction and has dealt with ongoing litigation about the permits supplied by the Army Corps of Engineers, the pipeline has been open and running at full capacity for three years without any incidents and is responsible for transporting roughly one-third of the oil out of the Bakken basin. The owners are appealing the ruling, but in the meantime investors severely punished any stocks associated with the pipeline or the Bakken. The broader sector fell in sympathy as well.

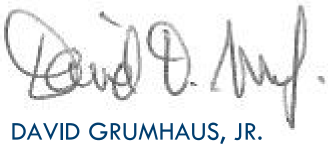
The continued battles over pipeline development are also drawing immediate attention to the Fall elections. A Biden victory would undoubtedly make prospects for the energy industry even worse as major pushes on climate change and clean energy will certainly be a part of his platform. Big pipeline projects, such as DAPL or Keystone XL, which are dependent on favorable permitting from federal agencies, will face a much higher likelihood of being stopped. There are also concerns that Biden might eliminate the permits for drilling on Federal lands or in the Gulf of Mexico, which would certainly impact midstream companies with assets in those areas.

[7] Top five detractors' relative contribution: TC Energy -58 bps; Golar -43 bps; Oneok -40 bps; Tallgrass Energy -33 bps; and Phillips 66 Partners -32 bps.

Investment Outlook cont.

While the overhangs are a major concern, there is another side to the coin. In a world where new capacity cannot get built, the existing pipe in the ground should become more valuable. Midstream could start to look more like other infrastructure, be it a utility, toll road or airport. As COVID-19 impacts hopefully recede and demand returns, capacity should tighten which would put midstream operators in a stronger position. Rather than big new projects, we will likely see smaller, but more profitable, add-on projects. Commodity prices are also likely to strengthen over time, as well. The U.S. has been the marginal supplier of oil to meet increasing global demand. If the U.S. can no longer meet that need because of increasing environmental pressure and lack of capital market access, than oil prices will have to go higher in order to bring additional capacity on line. The midstream sector is still unloved and the overhangs may keep that sentiment from changing in the near-term, but good value, strong dividend yields and rising cash flow should eventually bring investors back to the space.

As always, thank you for your continued support of our team and investment strategy.

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Portfolio Manager

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The securities identified were selected from all of the holdings of a representative institutional account for the period based on relative contribution to the account's return versus the Benchmark. An average holding weight was computed based on daily ending market values. The securities identified do not represent all of the securities purchased, sold or recommended for advisory clients and the securities identified may no longer be held in client accounts. The methodology used to calculate the contribution to return or a list showing every holding's contribution to the account's return for the period is available upon request. Results exclude the effect of trading costs, fees and intraday trading prices.

GIPS Composite Report

Year-end (12/31)	Annual Composite Return (%) Gross	Annual Composite Return (%) Net	Annual Benchmark Return (%)	3-Year Annualized Standard Deviation (%) Composite	3-Year Annualized Standard Deviation (%) Benchmark	Number of Accounts	Asset-weighted Dispersion (%)	Composite Assets (US $M)	Firm Total Assets (US $B)
2019	11.49	10.86	6.56	17.88	17.70	≤5	n.a.	413.6	11.2
2018	-13.19	-13.68	-12.42	18.52	18.10	≤5	n.a.	400.4	9.0
2017	-1.12	-1.67	-6.52	20.20	19.06	≤5	n.a.	480.2	10.2
2016	19.57	18.74	18.31	21.08	19.95	≤5	n.a.	477.7	10.3
2015	-29.23	-29.78	-32.59	19.11	18.50	≤5	n.a	362.6	9.2
2014	14.30	13.46	4.80	n.a	n.a	≤5	n.a	507.1	10.8
2013	34.57	33.59	27.58	n.a	n.a	≤5	n.a	395.2	9.2
2012*	-2.59	-2.65	-3.12	n.a	n.a	≤5	n.a	240.6	8.9

**Partial year return. Composite inception is November 30, 2012.*

Duff & Phelps Investment Management Co. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Duff & Phelps Investment Management Co. has been independently verified for the periods January 1, 1993 through December 31, 2018. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Organization – Duff & Phelps Investment Management Co. ("Duff & Phelps" or the "firm") is a registered investment adviser and a wholly owned subsidiary of Virtus Investment Partners. Duff & Phelps manages assets on behalf of institutional and retail separate accounts and open-end and closed-end funds. Registration of an investment adviser does not imply any level of skill or training.

2. Composite Description – The MLP and Energy Infrastructure Composite includes all fully discretionary accounts investing primarily in midstream energy master limited partnerships ("MLPs") and midstream energy companies with a focus on total return. Effective December 31, 2018, the Composite's (formerly the Midstream Energy MLP Total Return Composite) focus was broadened through the inclusion of midstream energy companies (other than MLPs) as an additional primary investment. This change and the Composite name change were made to reflect the evolving energy asset class structure and not as a result of a change in strategy. The inception date of the Composite is November 30, 2012 and the Composite was created on December 31, 2012. The Composite contains 5 or fewer portfolios.

3. Benchmark – The Composite Benchmark is the Alerian MLP Index, a capped, float-adjusted, capitalization-weighted index comprised of energy infrastructure MLPs whose constituents earn the majority of their cash flow from midstream activities involving energy commodities. Effective April 1, 2020, the Composite adopted a new Primary Benchmark, the Alerian Midstream Energy Index, and the Composite's former Primary Benchmark, the Alerian MLP Index, was adopted as a Secondary Benchmark. As of April 1, 2020, Linked Primary Benchmark results will be displayed. Effective December 31, 2019, the Composite's former Secondary Benchmark, the Alerian U.S. Midstream Energy Index (which had been adopted as a Secondary Benchmark January 1, 2019) was discontinued as a Secondary Benchmark. The changes were made as a result of the broader focus on midstream energy companies other than MLPs, as well the inclusion of Canadian securities. The new Primary Benchmark is a capped, float-adjusted capitalization-weighted index comprised of North American energy infrastructure companies, whose constituents earn the majority of their cash flow from midstream activities involving energy commodities.

4. Calculations - Returns are total, time-weighted rates of return expressed in U.S. dollars and include accrued income. The Composite and Benchmark results reflect the reinvestment of dividends and other earnings. Portfolios are valued on a trade date basis. Monthly performance is calculated by linking daily returns. The Composite return is an asset weighted average of the performance results of all the portfolios in the Composite based on beginning of month values. Composite dispersion is not presented for periods with 5 or fewer portfolios. The 3-year annualized ex-post standard deviation measures the variability of the Composite and the Benchmark returns over the preceding 36-month time period and is not presented for performance periods of less than 36 months.

5. Performance and Fee Information – Investment performance returns are presented on both a gross of fee and net of fee basis. Gross composite returns are calculated net of trading costs, but do not reflect any deduction for investment advisory fees, custodial charges or other costs that a client might incur in connection with the management of an account. The firm's fee schedule for management of institutional separate accounts is: .75% on assets up to $25 million, .70% on the next $25 million, .65% on the next $50 million, and .60% on amounts in excess of $100 million. Returns realized by clients will be reduced by these costs. Actual investment advisory fees incurred by clients may vary. Initial minimum account size for institutional accounts is $5 million. Effective October 1, 2016, net composite returns are calculated by subtracting actual separate account investment management fee rates from gross account returns based on month-end assets. Previously, net composite returns were calculated by subtracting the highest separate account investment management fee in effect for the period. Index returns do not reflect the deduction of any fees.

6. Additional Information – Duff & Phelps's policies for valuing portfolios, calculating performance and preparing GIPS composite reports, as well as a complete list of composite descriptions, are available upon request.

Past performance is not indicative of future results.

Investors should consult their tax adviser to fully understand the implications of owning MLPs.

[1]Composite Inception Date: November 30, 2012. Time periods over one year are annualized. Please see the GIPS Composite Report for more information.
[2]The Benchmark is the Alerian Midstream Energy Index. The Linked Benchmark returns are compiled by linking returns of the Alerian Midstream Energy Index effective April 1, 2020 with returns of the Alerian MLP Index from inception through March 31, 2020.
[3]Portfolio information is based on a representative institutional account excluding cash. Holdings are subject to change.
[4]It should not be assumed that securities identified were or will be profitable. The top ten holdings list represents the largest percentage holdings at quarter end of a representative institutional account excluding cash and does not represent all of the securities held in client portfolios. The securities identified may no longer be held in client portfolios and the holdings of any particular client portfolio may vary. The list is provided for illustrative purposes and should not be considered a recommendation to purchase or sell a particular security. A complete list of holdings and transactions for the previous twelve months is available upon request.
[5] Excludes both voluntary and involuntary corporate actions.

Due to the distribution characteristics of MLPs, a portion of the distributions may include a return of capital, which should not be confused with yield or income.