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03/27/2019

This brochure provides information about the qualifications and business practices of Salient Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 713-993-4675 or pbachtold@salientpartners.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Salient Capital Advisors, LLC is a Registered Investment Advisor. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Salient Capital Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 153914.
Item 2  Material Changes

The following is a summary of material changes to Part 2A of Form ADV since the last annual amendment filed with the SEC on 03/23/2018. This section only reflects material changes since the last annual amendment of the Brochure.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Summary of Material Changes:

- All applicable items were revised to reflect the dissolution of the Salient MLP TE Fund, L.P. (Revised 11/14/2018)

- Item 4 “Advisory Business” was revised to update the investment objectives of the Salient MLP Total Return Fund, L.P. and Salient MLP Total Return TE Fund, L.P. (Revised 03/27/2019)

- Item 5 “Fees and Compensation” was revised to clarify types of investments for direct private investment programs and update the fee for the Salient MLP Fund, L.P. (Revised 11/14/2018 and 03/27/19)

- Item 8 “Methods of Analysis, Investment Strategies and Risk of Loss” was revised to include quantitative analysis and modeling as a method of analysis, and update the investment objectives of the Salient MLP Total Return Fund, L.P. and Salient MLP Total Return TE Fund, L.P. (Revised 03/27/2019)

- Item 10 “Other Financial Industry Activities and Affiliations” was revised to 1) remove Salient Insurance Agency, LLC; Salient Select, LLC; Salient Private Client, LLC and Salient Trust Co., LTA as affiliates of the Adviser, 2) remove Forward Management, LLC and Salient Liquid Alts GP, L.P. as a CPO and CTA, 3) remove the disclosure regarding Salient Index Management, LLC, and 4) remove affiliated pooled investment vehicles. (Revised 11/14/2018)

- Item 12 “Brokerage Practices” was revised to add Citigroup Global Markets and Goldman Sachs as prime brokers for the Salient MLP Total Return TE Fund, L.P. (Revised 03/27/2019)
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Item 4  Advisory Business

Salient Capital Advisors, LLC (the “Adviser”) is an SEC-registered investment adviser with its principal place of business located in Texas. Salient Capital Advisors, LLC began conducting business in 2010.

The Adviser is also registered as a Commodity Trading Advisor (“CTA”) and Commodity Pool Operator (“CPO”) with the Commodity Futures Trading Commission (the “CFTC”) and is a member of the National Futures Association (the “NFA”).

Listed below are the firm’s principal owners (i.e., those individuals and/or entities controlling 25% or more of this company).

• Salient Partners, L.P., Member

The Adviser has an Investment Committee which oversees its operations and investment advisory services. The Investment Committee is comprised of senior management.

These individuals, and other affiliated persons of the Adviser, are also owners, officers, and/or employees of Salient Partners, L.P. Research, analysis, and allocation of investment opportunities will be shared by Adviser and affiliates of Salient Partners, L.P.

Salient Capital Advisors, LLC offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES
INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client’s particular circumstances are established, we develop a client’s personal investment policy and create and manage a portfolio based on that policy. Our clients will sign a written advisory agreement to begin the supervision process.

During our data-gathering process, we determine the client’s individual objectives, time horizons, risk tolerance and liquidity needs. As appropriate, we also review and discuss a client’s prior investment history.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client’s stated objectives, as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. Our firm may recommend investments in funds managed by us or our affiliated advisers and will generally include advice regarding the following securities:
- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- Closed-end funds
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships and limited liability companies investing in oil and gas interests
- Interests in our affiliated partnerships and funds

Because some types of investments involve certain additional degrees of risk, they will only be recommended and implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Salient Capital Advisors, LLC’s investment management services are also available through unaffiliated registered investment advisors as a sub-advisor. As a sub-advisor, Salient Capital Advisors, LLC does not enter into or maintain any contract with the unaffiliated advisor’s clients. The unaffiliated advisor will enter into an agreement with Salient Capital Advisors, LLC, which allows the unaffiliated advisor to utilize Salient Capital Advisors, LLC to provide investment management services to its clients. Each client will enter into an investment advisory agreement with the unaffiliated advisor. These clients remain the sole clients of the unaffiliated investment advisor, and Salient Capital Advisors, LLC relies solely on the unaffiliated advisor’s recommendations and makes no claim for the suitability of any investment management services offered to clients of the unaffiliated advisor. Under each agreement, Salient Capital Advisors, LLC is granted discretionary authority to invest clients’ assets in accordance with client instructions and restrictions, if any, as communicated by the unaffiliated advisor.

**MODEL PORTFOLIOS TO MODEL DELIVERY SPONSORS**

In limited circumstances, the Adviser provides model portfolios to Model Delivery Sponsors (each a “Model Sponsor”) who in turn utilize such information in their own investment programs. The Adviser does not act as investment adviser to clients of a Model Sponsor, but provides a Model Sponsor with certain model portfolios from time to time that a Model Sponsor may consider when managing client accounts. Some model portfolios that are provided to Model Sponsors include information regarding MLP trades. MLPs may be thinly traded. Because a Model Sponsor may initiate trading based on the Adviser’s model portfolio information before or at the same time the Adviser is also trading for its own client accounts, providing such model portfolios to third parties presents a conflict of interest relating to clients of the Adviser (including retail accounts and affiliated Funds with MLP trading strategies). To identify and mitigate such conflicts of interest, the Adviser has adopted a trade rotation policy as it relates to MLP trades. The policy establishes that MLP trades in retail accounts be
submitted before institutional and investment fund accounts, except with respect to trades submitted on behalf of an institutional account subject to terms requiring directed brokerage of trades. The trade rotation policy is monitored by the Chief Compliance Officer, or designee.

For soft dollar trades, these trades will not be designated as trades that are blocked with any other institutional account or investment fund. In the event a soft dollar trade is initially blocked with an institutional account or investment fund, the trade will be unblocked prior to execution, and the Adviser will execute the smaller of the soft dollar trade and remaining blocked trade first, in order to not adversely impact other institutional or investment fund accounts.

INVESTMENT MANAGEMENT SERVICES
POOLED INVESTMENT VEHICLES

The Adviser provides investment advisory services to the Salient MLP Fund, L.P.; the Salient MLP Total Return Fund, L.P.; the Salient MLP Total Return TE Fund, L.P.; the Salient MLP & Midstream Income Fund, L.P.; the Salient Midstream & MLP Fund and the Salient MLP & Energy Infrastructure Fund.

The Salient MLP Fund, L.P., the Salient MLP Total Return Fund, L.P., the Salient MLP Total Return TE Fund, L.P. and the Salient MLP & Midstream Income Fund, L.P., Delaware limited partnerships, are not registered under the Investment Company Act of 1940, as amended (the “1940 Act”) in reliance on the Section 3(c)(7) exemption under the 1940 Act. Furthermore, investment interests are not registered under the Securities Act of 1933, as amended (the “Securities Act”), in reliance on Section 4(2) and Regulation D, promulgated thereunder. The investment advisory services provided to the Salient MLP Fund, L.P. are governed by an investment management agreement between the Fund, Salient Capital Advisors, LLC and the Fund’s General Partner, RDG MLP Fund GP LP. The investment advisory services provided to the Salient MLP Total Return Fund, L.P., the Salient MLP Total Return TE Fund, L.P. and the Salient MLP & Midstream Income Fund, L.P. are governed by separate investment management agreements between each Fund, Salient Capital Advisors, LLC and the Funds’ General Partner, Salient MLP GP, LLC. The investment management agreements for the Salient MLP Fund, L.P., the Salient MLP Total Return Fund, L.P. and the Salient MLP Total Return TE Fund, L.P. may be terminated by any party thereto, without penalty, upon at least seventy-five (75) days’ prior written notice. The investment management agreement for the Salient MLP & Midstream Income Fund, L.P. may be terminated by any party thereto, without penalty, upon at least sixty (60) days’ prior written notice.

The Salient MLP Fund, L.P. invests in a diversified portfolio of Master Limited Partnerships (“MLPs”) or total return swaps linked to the total return of MLPs and other high income yield equity and debt securities.

The Salient MLP Total Return Fund, L.P. and the Salient MLP Total Return TE Fund, L.P. invests in a diversified portfolio of midstream energy infrastructure companies, midstream MLPs or total return swaps linked to the total return of midstream MLPs, other energy infrastructure companies, and other infrastructure securities.
The Salient MLP & Midstream Income Fund, L.P. invests in a diversified portfolio of MLPs and midstream equity, debt and preferred securities of issuers that operate in the midstream sector of the North American energy industry.

The Salient Midstream & MLP Fund, a Delaware statutory trust, is a non-diversified, closed-end management investment company registered under the 1940 Act and the Securities Act. The investment advisory services provided to the Salient Midstream & MLP Fund are governed by an investment management agreement between the Salient Midstream & MLP Fund and Salient Capital Advisors, LLC. The investment management agreement may be terminated by either party, without penalty, upon sixty (60) days’ prior written notice.

The Salient Midstream & MLP Fund invests at least 80% of its total assets in securities of Midstream Companies and MLPs.

The Salient MLP & Energy Infrastructure Fund is a series of Salient MF Trust, a Delaware statutory trust and an open-end management investment company registered under the 1940 Act and the Securities Act. The investment advisory services provided to the Salient MLP & Energy Infrastructure Fund are governed by an investment management agreement between the Salient MLP & Energy Infrastructure Fund and Salient Capital Advisors, LLC. The investment management agreement may be terminated by either party, without penalty, upon sixty (60) days’ prior written notice.

The Salient MLP & Energy Infrastructure Fund invests at least 80% of its net assets in securities of MLPs and Energy Infrastructure Companies.

Salient Capital Advisors’ clients are solicited to invest in the Salient MLP Fund, L.P., the Salient MLP Total Return Fund, L.P., the Salient MLP Total Return TE Fund, L.P., the Salient MLP & Midstream Income Fund, L.P., the Salient Midstream & MLP Fund and the Salient MLP & Energy Infrastructure Fund.

**PUBLICATION OF PERIODICALS OR NEWSLETTERS**

We also issue research reports and develop other products derived from market research. Our market research reports and other products differ from traditional investment research because they focus on macroeconomic conditions, business trends in particular industries and industry conditions, rather than on statistical analysis or financial valuation or earnings models of individual issuers. We use our research reports in connection with providing investment advice to the funds and individual client accounts we manage. We also use our research reports in communications to fund and individual client account investors, including potential investors.

**Amount of Managed Assets:**

As of 12/31/2018, we were actively managing $4,046,051,037 of clients’ assets on a discretionary basis.
Item 5  Fees and Compensation

INVESTMENT SUPERVISORY SERVICES
INDIVIDUAL PORTFOLIO MANAGEMENT

Our annual fees for investment supervisory services are based upon a percentage of assets under management.

Fees for investment supervisory services are billed quarterly, in arrears, at the end of each calendar quarter, based upon the monthly average market value of such client’s account assets during the preceding calendar quarter. Certain institutional separately managed account clients may have individually negotiated fee calculation methodologies separate and distinct from the aforementioned standard billing procedures. For third party platform and institutional accounts, the Adviser typically invoices the client and/or custodian directly.

Alternative Investments

Adviser Affiliated Funds

See Fund Prospectus for Fees and Charges. Managed Account fees do not apply to funds invested in Adviser Affiliated Funds.

Non-Affiliated Funds (Third Party)

Management or Advisory Fees charged by non-affiliated managers are separate and apart from our Managed Account Fees on such managers. We aggregate the assets managed by third party managers in calculating our Managed Account fee break points. Any rebates, fee participation, or placement fees paid by the respective Managers to the Adviser shall credit or offset the Managed Account fees.

Separately Managed Accounts

Fees for separately managed accounts may be negotiable. Certain institutional accounts may be charged a 20% performance fee subject to 5% annual preferred return and high water mark. Separately managed accounts comprised of securities in the MLP sector will follow the MLP Fee Schedule.

MLP Fee Schedule

| First $25 Million | 0.75% |
| Next $25 Million  | 0.70% |
| Next $25 Million  | 0.65% |
| Over $75 Million  | 0.65% flat on all assets |
| Over $100 Million | 0.60% flat on all assets |
| Over $150 Million | 0.50% flat on all assets |
Direct Private Investment Programs

Fees for private investments that are placed directly with the issuer, including, but not limited to, investments in private placements, private co-investments, private investment in public equity (PIPE), and non-registered convertible preferred equity investments, are billed at an annual rate of up to one percent (1.0%) of each client’s invested capital in the private investments at the time of billing, calculated and payable quarterly in arrears. In addition, clients will be billed a performance incentive fee up to 10%, subject to an 8% annual preferred return and high water mark. Such fees may be negotiable under certain circumstances, as described in the relevant client’s investment management agreement.

Third Party Referral Arrangements

Evaluated by the Adviser on a case by case basis.

Limited Negotiability of Advisory Fees:

Although Salient Capital Advisors, LLC has established fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets expected to be placed under management, related accounts, portfolio style, account composition and reports, and other relevant factors. The specific annual fee schedule will be identified in the investment management agreement between the Adviser and each client.

We may group certain related client accounts for the purpose of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our clients, are offered to family members and friends of affiliated persons of our firm.

INVESTMENT MANAGEMENT SERVICES
POOLED INVESTMENT VEHICLES

Fees for the Salient MLP Fund, L.P. are billed at an annual rate of one percent (1.0%) of each Limited Partner’s capital account balance, calculated and payable quarterly in advance. Such fees may be negotiable under certain circumstances, as described in the Fund’s private placement memorandum.

In addition, the Salient MLP Fund, L.P. charges performance incentive fees. The incentive fee: 20% performance fee subject to 5% annual preferred return and high water mark. Such fees may be negotiable under certain circumstances, as described in the Fund’s private placement memorandum.

Fees for the Salient MLP Total Return Fund, L.P. are calculated weekly and payable monthly in arrears, in amounts equal to an applicable annual management fee rate multiplied by each Limited Partner’s capital account balance. Such fees may be negotiable under certain circumstances, as described in the Fund’s private placement memorandum. The annual management fee rate applicable to each Limited Partner is determined monthly as follows:
• 1.25% for capital account balances less than $5,000,000;
• 1.00% for capital account balances greater than or equal to $5,000,000, but less than $15,000,000;
• 0.85% for capital account balances greater than or equal to $15,000,000, but less than $25,000,000; and
• 0.70% for capital account balances greater than or equal to $25,000,000.

Fees for the Salient MLP Total Return TE Fund, L.P. are calculated weekly and payable monthly in arrears, in an amount equal to an applicable annual management fee rate multiplied by the Net Asset Value (NAV) of the relevant Capital Account. Such fees may be negotiable under certain circumstances, as described in the Fund’s private placement memorandum. The annual management fee rate applicable to each Capital Account is determined monthly as follows:

• 1.00% for capital account balances less than $15,000,000;
• 0.85% for capital account balances greater than or equal to $15,000,000, but less than $25,000,000; and
• 0.70% for capital account balances greater than or equal to $25,000,000.

Fees for the Salient MLP & Midstream Income Fund, L.P. are calculated and payable monthly in arrears, in an amount equal to the applicable percentage multiplied by the NAV of the relevant Capital Account. Such fees may be negotiable under certain circumstances, as described in the Fund’s private placement memorandum. The annual management fee rate applicable to each Capital Account is determined monthly as follows:

• 1.00% per annum for capital account balances less than $15,000,000;
• 0.85% per annum for capital account balances greater than or equal to $15,000,000, but less than $25,000,000; and
• 0.70% per annum for capital account balances greater than or equal to $25,000,000.

Fees for the Salient Midstream & MLP Fund are computed and paid monthly at an annual rate of 1.20% of the average monthly consolidated total assets.

Fees for the Salient MLP & Energy Infrastructure Fund are paid at an annual rate of 0.95% of the average daily net assets.

When appropriate to the needs of its clients, Salient Capital Advisors, LLC may recommend investment of (or invest) client assets in affiliated pooled investment vehicles. In this situation, Salient Capital Advisors, LLC will not include client assets invested in these affiliated pooled investment vehicles when calculating its advisory fees. However, the Adviser or its affiliates may receive fees (including without limitation sales, distribution, placement, solicitation, servicing or other fees) from affiliated entities in respect of investors’ holdings in such pooled investment vehicles. This presents a conflict of interest due to the incentive to recommend affiliated pooled investment vehicles based on the receipt of direct or indirect compensation rather than on the client’s needs. Such conflict of interest is disclosed to the client at the time of investment, including by means of the prospectus or private placement memorandum of the relevant investment vehicle. Such fees do not affect the investment
advisory fees or other fees charged by the Adviser or such affiliates in respect of such pooled investment vehicles; however, the practice of paying such fees could be viewed to create an incentive to maintain the overall level of fees (including such fees and investment advisory fees) at current levels, and as such represents a conflict of interest. Further, although a client’s assets invested in such pooled investment vehicles are not included in the calculation of the Adviser’s advisory fees for such client, overall fees paid by the client at the level of the pooled investment vehicle are not offset by the amount of fees paid to the Adviser.

**GENERAL INFORMATION**

**Termination of the Advisory Relationship:** Except as otherwise described in this ADV Part 2A, an investment management agreement may be canceled at any time, by either party, for any reason upon receipt of 5 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client’s reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. Clients who are charged an incentive fee who elect to terminate their contracts will be charged an Incentive Fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the Incentive Fee was last assessed.

**Mutual Fund and Investment Fund Fees:** All fees paid to Salient Capital Advisors, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders, or Investment Fund fees and expenses that clients, as investors in such Investment Funds, must bear. These fees and expenses are described in each fund's prospectus or offering document. These fees will generally include a management fee, other fund expenses, a possible distribution fee, and/or an initial or deferred sales charge and/or servicing fees. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**Wrap Fee Programs and Separately Managed Account Fees:** Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of any unaffiliated advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

**Additional Fees and Expenses:** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including,
but not limited to, any transaction charges imposed by a broker-dealer through which an unaffiliated investment manager effects transactions for the client’s account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV Part 2A for additional information.

**Grandfathering of Minimum Account Requirements:** Pre-existing advisory clients are subject to Salient Capital Advisors, LLC’s minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm’s minimum account requirements will differ among clients.

**ERISA Accounts:** Salient Capital Advisors, LLC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act (“ERISA”). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Salient Capital Advisors, LLC may only charge fees for investment advice about products for which our firm and/or our affiliated persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our affiliated persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Salient Capital Advisors, LLC’s advisory fees.

**Compensation for Services Provided by Registered Representatives of Salient Capital, L.P.:** Certain affiliated persons of the Adviser are licensed as registered representatives of Salient Capital, L.P., a broker-dealer affiliated with the Adviser. Although neither the Adviser nor investment managers it recommends will use Salient Capital, L.P. to place trades in client accounts, individual registered representatives of Salient Capital, L.P. who are also affiliated persons of the Adviser, from time to time and in their separate capacity, effect securities transactions for which they may receive separate, yet customary compensation. Such transactions include the sale of interests in investment vehicles managed by the Adviser or one or more affiliates of the Adviser. Clients are advised that they are not required to effect their securities transactions through Salient Capital, L.P. and may use any broker-dealer they desire. While Salient Capital Advisors, LLC and these individuals endeavor at all times to put the interest of the clients first in the exercise of their fiduciary duty, clients should be made aware that that the receipt of additional compensation from (or through) Salient Capital, L.P. creates a conflict of interest in that it creates an incentive to recommend investment products based on the compensation received, rather than on a client’s needs, and may affect the judgment of these individuals when making recommendations. Such conflict of interest is disclosed to the client at the time of sale, including by means of the prospectus or private placement memorandum of the relevant investment product. The Adviser or one or more affiliates of the Adviser pays such additional compensation (through Salient Capital, L.P.) from its own resources, and such additional compensation does not affect the investment advisory fees charged by the Adviser or such affiliates; however, the practice of paying such additional compensation could be viewed to create an incentive to maintain such investment advisory fees at current levels, and as such represents a conflict of interest. Further, such investment advisory fees are not offset by the amount of such additional compensation paid. Salient Capital, L.P. provides such affiliated persons/registered representatives with due diligence, compliance information and regulatory review. Furthermore, all securities transactions made on behalf of a Client and placed through Salient Capital, L.P. are reviewed and approved by Salient Capital, L.P. supervisory principals as required by FINRA.
**Advisory Fees in General:** Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of $1,200 more than six months in advance of services rendered.

**Item 6 Performance-Based Fees and Side-By-Side Management**

**PERFORMANCE-BASED FEES**

As we disclosed in Item 5 of this Brochure, our firm accepts a performance-based fee from the Salient MLP Fund, L.P. and institutional accounts. Such performance-based fees are calculated based on a share of capital gains on or capital appreciation of the assets of the client. To qualify for a performance-based fee arrangement, a client (or Fund investor, as applicable) must either demonstrate a net worth of at least $2,100,000 (excluding primary residence) or must have at least $1,000,000 under management immediately after entering into a management agreement with us.

Clients should be aware that performance-based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

Furthermore, as we also have clients who do not pay performance-based fees, we have an incentive to favor accounts that do pay such fees because compensation we receive from these clients is more directly tied to the performance of their accounts.

The Incentive fee is typically calculated as of December 31 of each year and billed directly to the client’s account.

**Item 7 Types of Clients**

Salient Capital Advisors, LLC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Registered investment companies
- Other pooled investment vehicles (e.g., hedge funds)
- Charitable organizations
- Corporations or other businesses not listed above

Clients are required to have a minimum of a five (5) million dollar liquid net worth and a ten (10) million dollar total net worth. However, Adviser may exercise its discretion to waive this requirement.
Item 8  Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS
INDIVIDUAL PORTFOLIO MANAGEMENT

We use the following methods of analysis in formulating our investment advice and/or managing individual client accounts:

**Charting:** In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

**Fundamental Analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Technical Analysis:** We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

**Quantitative Analysis:** We use mathematical and statistical modeling to evaluate investment opportunities and make investment decisions.

**Cyclical Analysis:** In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

**Third-Party Money Manager Analysis:** We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager’s underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager’s compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager’s portfolio, there is also a risk that
a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager’s daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

**METHODS OF ANALYSIS**

**POOLED INVESTMENT VEHICLES**

The Investment Manager of the Salient MLP Fund, L.P., the Salient MLP Total Return Fund, L.P., the Salient MLP Total Return TE Fund, L.P., the Salient MLP & Midstream Income Fund, L.P., the Salient Midstream & MLP Fund and the Salient MLP & Energy Infrastructure Fund believes that security selection is the most important part of the portfolio management process. The Investment Manager primarily uses a fundamental, bottom-up research process to determine security selection. The Investment Manager screens a large universe of high income yield equity securities for potential investment opportunities for the Funds, ranking the most attractive to the least attractive securities based upon current yield, expected dividend or distribution growth, coverage ratios and cash flow multiples. However, there is a great deal of variability in the attribution of returns from individual stocks in the high income yield equity securities universe, so the Investment Manager’s goal is to draw on the experience of its management team to identify investments that it believes will generate the highest total returns for investors. Also, portfolio allocation is a dynamic process. The Investment Manager intends to update its models continuously to assess the attractiveness of each security in the universe.

Prior to investing, the officers of the Investment Manager will conduct due diligence based on, among other things, public information and information obtained from its relationships with management teams, suppliers, investment bankers, consultants and other advisors. However, primary emphasis will be placed on proprietary analysis and valuation models conducted and maintained by the Investment Manager.

For a more detailed discussion of the Funds’ methods of analysis and material risks, please refer to the Funds’ respective prospectus and Statement of Additional Information (SAI) or offering document.

*Risks for all forms of analysis*: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**INVESTMENT STRATEGIES**

**INDIVIDUAL PORTFOLIO MANAGEMENT**

We use the following strategy(ies) in managing individual client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client’s investment objectives, risk tolerance and time horizons, among other considerations:
**Long-term purchases:** We purchase securities with the idea of holding them in the client’s account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

**Short-term purchases:** When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Trading:** We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under those circumstances, we are left with few options:

- having a long-term investment in a security that was designed to be a short-term purchase, or
- the potential of having to take a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, there will be a resultant increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

**Short sales:** We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.
**Margin transactions:** We may use margin transactions as part of an investment strategy. We may recommend, where appropriate, that a client establish a margin account with the client’s broker. In this situation, if we are selling one stock and purchasing another stock with the proceeds, we can use the margin account to make certain that you are not left out of the purchase if we have difficulty completing the sale.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a “margin call”, and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

**Option writing:** We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on a security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.
INVESTMENT STRATEGIES
POOLED INVESTMENT VEHICLES

The Salient MLP Fund, L.P.’s primary objective is to invest in a diversified portfolio of Master Limited Partnerships (“MLPs”) and other high income yield equity and debt securities to produce both attractive current income and potential for capital appreciation. The Investment Manager’s primary focus will be on investing in publicly traded, energy infrastructure MLPs offering the prospect of payment of dividends or distributions at rates greater than the average dividend yield on S&P 500 securities, regardless of the tax characterization of such dividends or distributions.

The Investment Manager intends to achieve diversification for the Fund by investing in a diversified portfolio of MLPs with an expected low correlation to the broader equity and fixed income markets generally. The Investment Manager believes that this universe of potential investments currently includes interests in MLPs and related entities, as well as corporate income-producing securities (including high dividend common stocks, closed-end funds, business development companies and convertible securities). The Investment Manager expects that most of the Funds’ investments will be in MLP securities.

The Salient MLP Total Return Fund, L.P. and the Salient MLP Total Return TE Fund, L.P.’s primary objective is to invest in a diversified portfolio of midstream energy infrastructure companies, midstream MLPs or total return swaps linked to the total return of midstream MLPs, other energy infrastructure companies, and other infrastructure securities to produce both attractive current income and potential for capital appreciation. The Investment Manager’s primary focus will be on investing in publicly traded, energy infrastructure MLPs offering the prospect of payment of dividends or distributions at rates greater than the average dividend yield on S&P 500 securities, regardless of the tax characterization of such dividends or distributions.

The Investment Manager intends to achieve diversification for the Funds by investing in a diversified portfolio of midstream energy infrastructure companies, midstream MLPs or swaps linked to midstream MLPs with an expected low correlation to the broader equity and fixed income markets generally. The Investment Manager believes that this universe of potential investments currently includes interests in midstream energy infrastructure companies, midstream MLPs, as well as other infrastructure securities. The Investment Manager expects that most of the Funds’ investments will be in midstream energy infrastructure companies, midstream MLP securities or swaps linked to midstream MLP securities and those of affiliates of midstream MLPs.

The Salient MLP & Midstream Income Fund, L.P.’s investment objectives are to primarily seek high current income and to secondarily seek long-term capital appreciation by investing in a diversified portfolio of MLPs and midstream equity, debt and preferred securities of issuers that operate in the midstream sector of the North American energy industry. The Fund may also use call and put options to generate income and manage risk.

The Salient Midstream & MLP Fund’s investment objective is to provide a high level of total return with an emphasis on making quarterly cash distributions to shareholders. The Fund seeks to achieve that objective by investing at least 80% of its total assets in securities of Midstream Companies and MLPs. Midstream companies own or operate midstream assets
used in transporting, storing, gathering, processing, distributing, marketing and/or delivering natural gas, natural gas liquids, crude oil or refined products or coal and MLPs are publicly traded limited partnerships or limited liability companies that are treated as partnerships for U.S. federal income tax purposes. The Fund intends to utilize an option strategy in an effort to enhance returns. The options strategy is intended to generate returns from options premiums as a means to enhance Distributions to the Fund’s Common Shareholders. There can be no assurance that the Fund will achieve its investment objective.

The Salient MLP & Energy Infrastructure Fund’s investment objective is to seek to maximize total return (capital appreciation and income). The Fund seeks to achieve that objective by investing at least 80% of its net assets in securities of MLPs and Energy Infrastructure Companies. There can be no assurance that the Fund will achieve its investment objective.

There is a substantial risk that each Fund’s investment objective will not be achieved and its investment strategies will not be successful. For a more detailed discussion of each Fund’s investment strategies and material risks, please refer to the Fund’s respective prospectus and SAI or offering document.

**Risk of Loss:** Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

**Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

**Item 10 Other Financial Industry Activities and Affiliations**

Salient Capital Advisors, LLC is affiliated with broker-dealers, Forward Securities, LLC and Salient Capital, L.P. Forward Securities, LLC and Salient Capital, L.P. serve as placement agent and/or distributor for funds for which the Adviser or affiliates of the Adviser serve as investment adviser and/or general partner or managing member.

Neither Salient Capital Advisors, LLC nor investment managers it recommends will use Forward Securities, LLC or Salient Capital, L.P. to place trades in client accounts. However, affiliated persons of the Adviser are licensed as registered representatives of Forward Securities, LLC or Salient Capital, L.P. These individuals, in their separate capacity, can effect securities transactions for which they may receive separate, yet customary compensation. Such transactions include the sale of interests in investment vehicles managed by the Adviser or affiliates of the Adviser.

While Salient Capital Advisors, LLC and these individuals endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that the receipt of additional compensation from (or through) Forward Securities, LLC or Salient Capital, L.P. creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.
Under California law, certain of Salient Capital Advisors, LLC’s advisory business solicitation efforts directed toward California state public retirement systems require Salient Capital Advisors, LLC, certain employees, and Salient Capital, L.P., an affiliate, to register in California as a “Lobbyist Employer,” “Lobbyist” and “Lobbying Firm,” respectively. Such registration subjects Salient Capital Advisors, LLC, its registered Lobbyists (whether one or more), and Salient Capital, L.P. to specified gift, political contribution and other restrictions and certain periodic reporting requirements, and prohibits such registered Lobbyists and Salient Capital, L.P. from accepting or agreeing to accept any payment in any way contingent upon Salient Capital Advisors, LLC being awarded investment advisory business from any California state public retirement systems. Neither Salient Capital Advisors, LLC, Salient Capital, L.P., nor any other of their Advisory Affiliates, presently intend to engage in any other conduct customarily known as “lobbying” in California, including attempting to influence state legislative action.

Salient Capital Advisors, LLC is registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor (“CTA”) and a commodity pool operator (“CPO”) and is a member of the National Futures Association (“NFA”). Salient Capital Advisors, LLC is also affiliated with CTAs and CPOs. Salient Advisors, L.P. is registered with the CFTC as a CTA and CPO and is a member of the NFA. Broadmark Asset Management LLC is registered with the CFTC as a CTA and is a member of the NFA. Affiliated persons of the Adviser are principals and/or affiliated persons of the CTAs/CPOs.

As discussed in Item 4, above, the Adviser’s clients include investment companies and unregistered private partnerships.

Affiliated persons of Salient Capital Advisors, LLC are also owners, officers and/or employees of Broadmark Asset Management LLC; Endowment Advisers, L.P.; Forward Management, LLC; Salient Advisors, L.P.; Sustainable Woodlands Partners, LLC and The Salient Zarvona Energy Fund GP, L.P. In these capacities, these individuals also provide investment advice to the following pooled investment vehicles:


This presents a potential conflict of interest in that these individuals have an incentive to favor the clients of these other advisory firms when identifying or allocating investment opportunities for the Adviser. To address this potential conflict, the Adviser regularly reviews the allocations of investment opportunities between affiliated Advisers.
When appropriate to the needs of its clients, Salient Capital Advisors, LLC recommends (or invests) client assets in the pooled investment vehicles listed above. In this situation, Salient Capital Advisors, LLC will not include client assets invested in these pooled investment vehicles when calculating its advisory fees. However, the Adviser or its affiliates may receive fees from affiliated entities in respect of investors’ holdings in such pooled investment vehicles. This presents a conflict of interest due to the incentive to recommend affiliated pooled investment vehicles based on the receipt of direct or indirect compensation.

The following investment advisers are under common ownership and share one or more affiliated persons with the Adviser:

- Broadmark Asset Management LLC, which provides investment advice to individuals, investment companies, pooled investment vehicles and other institutional clients;
- Endowment Advisers, L.P., which provides investment advice to investment companies and pooled investment vehicles;
- Forward Management, LLC, which provides investment advice to individuals, investment companies and other institutional clients;
- Salient Advisors, L.P., which provides investment advice to investment companies and pooled investment vehicles;
- Sustainable Woodlands Partners, LLC, which provides investment advice to pooled investment vehicles;
- The Salient Zarvona Energy Fund GP, L.P., which provides investment advice to pooled investment vehicles.

**Clients are Solicited to Invest in Affiliated Partnerships:** Affiliated persons of the Adviser are members of the general partner of various private investment vehicles (as discussed above) and affiliated advisers, which themselves manage other registered investment companies and private pooled investment vehicles. Certain clients of the Adviser are solicited to invest (by the affiliated persons) in such other registered investment companies or private pooled investment vehicles. In such instances, our affiliated advisers and/or affiliated persons of our Adviser may receive additional compensation.

While Salient Capital Advisors, LLC and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of the Adviser and these individuals when making recommendations. Further, more detailed disclosure of such conflicts of interest is contained in Part 2A of Form ADV of the relevant adviser affiliate of Salient Capital Advisors, LLC.
**Item 11  Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

We have adopted a Code of Ethics (the "Code") to effectuate the purposes and objectives of Sections 204A and Rule 204A-1 of the Investment Advisers Act of 1940. A copy of our Code of Ethics can be obtained by requesting it from an advisory representative or affiliated person by calling (713) 993-4675.

In summary, the Code sets forth our Adviser’s standards of business conduct reflecting our fiduciary obligations to our clients and specifically requires all employees to comply with the Code and federal (and other applicable) securities laws. In addition, the Code contains the following specific provisions:

- All access persons must report their personal securities transactions (quarterly) and their securities holdings (at least annually) for review;
- All employees must report any violations of the Code;
- We provide each employee with a copy of the Code and any amendments; and
- All employees must provide an acknowledgement of their receipt of the Code and any amendments.

We strive to ensure that all employees act in accordance with our internal policies and applicable regulations governing those rendering registered investment advisory services. Employees not in compliance with firm goals in this regard are subject to sanctions, which include possible termination.

Our affiliated persons may invest with investment managers or investment partnerships that we recommend to clients. It is possible that such managers or investment partnerships may have capacity constraints that could limit further investment by clients.

Our firm and/or individuals affiliated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any affiliated person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We have established the following policies and procedures for implementing our firm’s Code of Ethics, to establish that our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by affiliated persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone affiliated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or designee.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
8. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
10. Any individual who violates any of the above restrictions may be subject to termination.

Any persons found to have violated this policy will be subject to disciplinary actions including (but not limited to) warnings, sanctions, regulatory and/or Board reporting and/or possible termination.

**Item 12  Brokerage Practices**

Salient Capital Advisors, LLC requires clients to provide us with written authority to determine the broker-dealer to use and the commission costs that will be charged to these clients for these transactions.

Morgan Stanley and Goldman Sachs serve as prime brokers for the Salient MLP Fund, L.P. and certain institutional accounts. Morgan Stanley, Goldman Sachs and Citigroup Global Markets serve as the prime brokers for the Salient MLP Total Return TE Fund, L.P. In addition, transactions may be executed through other approved executing broker-dealers for the advised pooled investment vehicles.

In effecting securities transactions, the Adviser generally seeks to negotiate with brokers and dealers a combination of the most favorable commission and the best price obtainable on each transaction. Consequently, brokers and dealers are selected primarily on the basis of their execution capability and trading expertise consistent with the effective execution of the transaction. In choosing brokers and dealers, the Adviser may consider a number of other factors, including the nature of the security being traded, the execution, clearance and settlement capabilities of the broker or dealer and its financial stability, and any research services it may provide. Recognizing the differing value of these factors, the Adviser may elect to pay a brokerage commission in excess of that which another broker or dealer might charge for effecting the same transaction. Prior to making such a decision, however, the Adviser will make a good faith determination that such commission is reasonable in relation to the value of the brokerage and research services received, viewed in terms of that particular transaction or in terms of all the accounts over which the Adviser or its affiliates exercise trading discretion. Consistent with requirements of best execution, brokerage commissions
may be directed to brokers in recognition of investment research and information furnished as well as for services rendered in the execution of orders by such brokers. By allocating transactions in this manner, the Adviser is able to supplement its research and analysis with the views and information of such brokers.

A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Salient Capital Advisors, LLC will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client’s account.

The Adviser receives soft dollar benefits in relation to trading activities associated with advised registered open-end funds. The Adviser will not receive soft dollars for any services related to institutional separately managed accounts, including privately placed commingled vehicles.

The Adviser will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. The Adviser will typically aggregate trades among clients whose accounts can be traded at a given broker, and may vary the order of brokers through which it places trades for clients on any particular day. The Adviser, its related persons (including its affiliates), and its affiliates’ clients may also participate in an aggregated order. The Adviser’s block trading policy and procedures are as follows:

1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client’s advisory agreement with the Adviser or our firm’s order allocation policy.

2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client’s investment objectives and with any investment guidelines or restrictions applicable to the client’s account.

3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable the Adviser to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution.
does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

4) Prior to entry of an aggregated order, an order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a fair and equitable manner, typically pro rata, among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, allocation adjustments may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to the allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) The Adviser’s client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on the Adviser’s records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

The Adviser’s policy and practice is to monitor all trading activity; identify and resolve trade errors in a reasonable time frame to assure the Funds and clients have been made whole; document each trade error with appropriate Managing Director approval, and maintain a trade error file.

With regard to trade errors for traditional non-ERISA-qualified clients, losses resulting from the Adviser’s trade errors, should they occur, shall be reimbursed by the Adviser, but the Adviser shall not credit such accounts for such errors resulting in market gains. Such gains and losses are reconciled within the Adviser’s custodian firm account. The Adviser will retain net gains and losses to use against any future trade errors that may occur.
In the case of ERISA-qualified clients, IRA and Keogh clients, losses resulting from the Adviser’s trade errors, should they occur, shall be reimbursed by the Adviser, and the Adviser shall also credit such accounts for such errors resulting in market gains.

With regard to third party platform accounts for which the Adviser does not directly contract with the client through an investment management agreement, including dual investment management contract clients, and client custodial arrangements through non-preferred account custodians, the Adviser shall abide by the trade error policy of the third party financial services firm responsible for the client engagement or the custodial bank where client assets are held on deposit.

The Adviser also does not engage in any soft dollar arrangements to correct trades, and does not correct trades by selling to or purchasing securities from other affiliated advisers.

The Adviser will report trade errors on a quarterly basis to the relevant investment company Board for any advised registered investment company.

**Item 13  Review of Accounts**

**INVESTMENT SUPERVISORY SERVICES**  
**INDIVIDUAL PORTFOLIO MANAGEMENT**

*Reviews:* While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least annually or as market conditions warrant. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's circumstances, model account changes or the market, political or economic environment.

These accounts are reviewed by Investment Adviser Representatives of Salient Capital Advisors, LLC.

*Reports:* Monthly statements and confirmations of transactions are provided by the client’s broker-dealer or custodian, summarizing account performance, balances and holdings.

**INVESTMENT MANAGEMENT SERVICES**  
**POOLED INVESTMENT VEHICLES**

*Reviews:* The underlying securities within the pooled investment accounts are monitored in the context of each Fund’s stated investment objective and guidelines. More frequent reviews may be triggered by material changes in variables such as the market, political or economic environment.

The pooled investment vehicles are reviewed by the assigned Portfolio Managers of the Adviser.

*Reports:* Salient MLP Fund, L.P.’s, Salient MLP Total Return Fund, L.P.’s, Salient MLP Total Return TE Fund, L.P.’s, Salient MLP & Midstream Income Fund, L.P.’s, Salient Midstream &
MLP Fund's and Salient MLP & Energy Infrastructure Fund's monthly or quarterly investor statements are compiled and delivered to investors by a third-party administrator.

**Item 14  Client Referrals and Other Compensation**

**CLIENT REFERRALS**

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients or investors to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is Salient Capital Advisors, LLC's policy not to accept or allow our affiliated persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

**Item 15  Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of individual client accounts.

As the Adviser or an affiliate is a general partner or managing member of most or all of the Funds managed by the Adviser, the Adviser is deemed to have custody of these Funds; however, in respect to the Salient Midstream & MLP Fund and the Salient MLP & Energy Infrastructure Fund, because the Funds are registered investment companies, such Funds have engaged a qualified custodian and the Adviser does not have custody of such Funds’ respective assets. As to the Funds that are not registered investment companies, the Adviser
requires the relevant Funds to be audited by an independent, Public Company Accounting Oversight Board (PCAOB) accountant, and will distribute the audited financial statement to all fund investors within 120 days after the relevant Fund’s fiscal year end (180 days for funds of funds). Salient MLP Fund, L.P.’s, Salient MLP Total Return Fund, L.P.’s, Salient MLP Total Return TE Fund, L.P.’s, Salient MLP & Midstream Income Fund, L.P.’s, Salient Midstream & MLP Fund’s and Salient MLP & Energy Infrastructure Fund’s monthly or quarterly investor statements are compiled and delivered to investors by a third-party administrator.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for client accounts, where applicable; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting us by phone at (713) 993-4675 or in writing at the following:

Salient Capital Advisors, LLC
Attn: Compliance Department
4265 San Felipe, 8th Floor
Houston, Texas 77027

Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted
proxies for his/her account(s), we will promptly provide such information to the client.

Clients may, at their election, choose to receive proxies related to their own accounts, and for certain institutional clients, may direct the Adviser to vote as instructed.

Our firm may not vote proxies with respect to foreign companies if the costs to the client outweigh the benefits or, in certain cases, where the company is in a country which prohibits shareholders who vote proxies from trading the company's shares within a given period of time around the shareholder meeting date (“share blocking”). In addition, the Adviser may not vote proxies if the voting guidelines are unclear, the matter is not covered by the voting guidelines or the voting guidelines call for case-by-case review.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client’s account(s), including, but not limited to, the filing of “Proofs of Claim” in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18  Financial Information

Salient Capital Advisors, LLC has no additional financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of $1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Salient Capital Advisors, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.
Part 2B of Form ADV: Brochure Supplement

Gregory A. Reid  
4265 San Felipe, 8th Floor  
Houston, TX 77027-2920  
713-993-4675

Salient Capital Advisors, LLC  
4265 San Felipe, 8th Floor  
Houston, TX 77027-2920  
713-993-4675

11/19/2018

This brochure supplement provides information about Gregory A. Reid that supplements the Salient Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Paul A. Bachtold if you did not receive Salient Capital Advisors, LLC’s brochure or if you have any questions about the contents of this supplement.

Additional information about Gregory A. Reid is available on the SEC’s website at www.adviserinfo.sec.gov.
Item 2    Educational Background and Business Experience

Name: Gregory A. Reid

Year of Birth: 1965

Education:

Texas A&M University, B.B.A., 1987
Northwestern University, M.B.A., 1991

Business Background:

Endowment Advisers, L.P., President, 08/2018 to present
Forward Management, LLC, President, 08/2018 to present
Salient Advisors, L.P., President, 08/2018 to present
Forward Securities, LLC, President, 07/2018 to present
Salient Capital, L.P., President, 08/2011 to present
The Salient Zarvona Energy Fund GP, L.P., Investment Adviser Representative, 03/2011 to present
Salient Partners, L.P., President, 01/2011 to present
Salient Capital Advisors, LLC, President, 05/2010 to present
Salient Private Client, LLC, Investment Adviser Representative, 08/2017 to 07/2018

Item 3    Disciplinary Information

Mr. Reid does not have any history of disciplinary events.

Item 4    Other Business Activities

Salient Partners, L.P. is the owner of, or has an indirect ownership interest in, Broadmark Asset Management LLC; Endowment Advisers, L.P.; Forward Management, LLC; Salient Advisors, L.P.; Salient Capital Advisors, LLC; Sustainable Woodlands Partners, L.L.C. and The Salient Zarvona Energy Fund GP, L.P. (“Affiliated Advisers”) as well as other financial services firms.

Mr. Reid is President of Salient Partners, L.P. as well as an owner, officer and/or employee of the Affiliated Advisers. This presents a potential conflict of interest in that Mr. Reid may have an incentive to favor the clients of the Affiliated Advisers when identifying or allocating investment opportunities for the Adviser. To address this potential conflict, the Adviser regularly reviews the allocations of investment opportunities between Affiliated Advisers.
Affiliated persons of the Adviser are members of the general partner and provide investment advice to affiliated pooled investment vehicles and Affiliated Advisers, which themselves manage affiliated pooled investment vehicles (“Affiliated Funds”). When appropriate to the needs of clients, Mr. Reid may recommend (or invest) client assets in the Affiliated Funds. In such instances, the Adviser, an Affiliated Adviser and/or affiliated persons of the Adviser may receive additional compensation. This presents a conflict of interest due to the incentive to recommend Affiliated Funds based on the receipt of direct or indirect compensation.

Subject to a written agreement, Mr. Reid may receive compensation for referring prospective investors to Affiliated Funds. Such agreements will comply with the requirements set out in Rule 206(4)-3 of the Investment Advisers Act of 1940, including (among other things) the requirement that the relationship between the solicitor and the investment adviser be disclosed to the client at the time of the solicitation or referral. Referral fees are a percentage of the annual management fee earned on the individual capital account of referred investors and represent no additional expenses to such investor’s account.

Salient Capital Advisors, LLC is registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor (“CTA”) and a commodity pool operator (“CPO”) and is a member of the National Futures Association (“NFA”). Salient Capital Advisors, LLC is also affiliated with CTAs and CPOs. Salient Advisors, L.P. is registered with the CFTC as a CTA and CPO and is a member of the NFA. Broadmark Asset Management LLC is registered with the CFTC as a CTA and is a member of the NFA. Affiliated persons of the Adviser are principals and/or affiliated persons of the CTAs/CPOs.

Mr. Reid is a registered representative of an affiliated broker-dealer, Salient Capital, L.P. Salient Capital, L.P. serves as placement agent for Affiliated Funds for which the Adviser or an Affiliated Adviser serves as investment adviser and/or general partner or managing member.

Neither the Adviser nor investment managers it recommends will use Salient Capital, L.P. to place trades in client accounts. However, Mr. Reid, in his separate capacity, can effect securities transactions for which he may receive separate, yet customary compensation. Such transactions include the sale of interests in Affiliated Funds managed by the Adviser or Affiliated Advisers.

While the Adviser and Mr. Reid endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that the receipt of additional compensation from Salient Capital, L.P. creates a conflict of interest, and may affect the judgment of Mr. Reid when making recommendations.

Mr. Reid is an owner of RDG Capital Holdings, LP, a limited partner of RDG MLP
Fund GP LP, which receives performance fees from the Salient MLP Fund, L.P. (the “Fund”). Mr. Reid may recommend (or invest) client assets in the Fund. This presents a conflict of interest due to the incentive to recommend the Fund based on the receipt of direct or indirect compensation. While the Fund is an Affiliated Fund of the Adviser, RDG Capital Holdings, LP is not affiliated with the Adviser or Salient Partners, L.P.

**Item 5  Additional Compensation**

Mr. Reid does not receive additional compensation other than that which is disclosed in Item 4.

**Item 6  Supervision**

The Adviser has implemented policies and procedures and maintains a system of supervisory controls designed to monitor the activity of supervised persons, including the advice the supervised person provides to clients.

John A. Blaisdell is responsible for supervising Mr. Reid.

John A. Blaisdell  
Chief Executive Officer  
713-993-4675
Part 2B of Form ADV: Brochure Supplement

Frank T. Gardner III
4265 San Felipe, 8th Floor
Houston, TX 77027-2920
713-993-4675

Salient Capital Advisors, LLC
4265 San Felipe, 8th Floor
Houston, TX 77027-2920
713-993-4675

11/19/2018

This brochure supplement provides information about Frank T. Gardner III that supplements the Salient Capital Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Paul A. Bachtold if you did not receive Salient Capital Advisors, LLC’s brochure or if you have any questions about the contents of this supplement.

Additional information about Frank T. Gardner III is available on the SEC’s website at www.adviserinfo.sec.gov.
Item 2  Educational Background and Business Experience

**Name:** Frank T. Gardner III

**Year of Birth:** 1973

**Education:**

University of Texas, B.B.A., 1994
University of St. Thomas, M.B.A., 2004

**Business Background:**

Salient Capital, L.P., Registered Representative, 07/2011 to present
Salient Partners, L.P., Managing Director, 01/2011 to present
Salient Capital Advisors, LLC, Investment Adviser Representative, 07/2010 to present

Item 3  Disciplinary Information

Mr. Gardner does not have any history of disciplinary events.

Item 4  Other Business Activities

Salient Partners, L.P. is the owner of, or has an indirect ownership interest in, Broadmark Asset Management LLC; Endowment Advisers, L.P.; Forward Management, LLC; Salient Advisors, L.P.; Salient Capital Advisors, LLC; Sustainable Woodlands Partners, L.L.C. and The Salient Zarvona Energy Fund GP, L.P. (“Affiliated Advisers”) as well as other financial services firms.

Mr. Gardner is Managing Director of Salient Partners, L.P. as well as an owner, officer and/or employee of the Affiliated Advisers. This presents a potential conflict of interest in that Mr. Gardner may have an incentive to favor the clients of the Affiliated Advisers when identifying or allocating investment opportunities for the Adviser. To address this potential conflict, the Adviser regularly reviews the allocations of investment opportunities between Affiliated Advisers.

Affiliated persons of the Adviser are members of the general partner and provide investment advice to affiliated pooled investment vehicles and Affiliated Advisers, which themselves manage affiliated pooled investment vehicles (“Affiliated Funds”). When appropriate to the needs of clients, Mr. Gardner may recommend (or invest) client assets in the Affiliated Funds. In such instances, the Adviser, an Affiliated Adviser and/or affiliated persons of the Adviser may receive additional compensation. This presents a conflict of interest due to the
incentive to recommend Affiliated Funds based on the receipt of direct or indirect compensation.

Subject to a written agreement, Mr. Gardner may receive compensation for referring prospective investors to Affiliated Funds. Such agreements will comply with the requirements set out in Rule 206(4)-3 of the Investment Advisers Act of 1940, including (among other things) the requirement that the relationship between the solicitor and the investment adviser be disclosed to the client at the time of the solicitation or referral. Referral fees are a percentage of the annual management fee earned on the individual capital account of referred investors and represent no additional expenses to such investor’s account.

Salient Capital Advisors, LLC is registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor (“CTA”) and a commodity pool operator (“CPO”) and is a member of the National Futures Association (“NFA”). Salient Capital Advisors, LLC is also affiliated with CTAs and CPOs. Salient Advisors, L.P. is registered with the CFTC as a CTA and CPO and is a member of the NFA. Broadmark Asset Management LLC is registered with the CFTC as a CTA and is a member of the NFA. Affiliated persons of the Adviser are principals and/or affiliated persons of the CTAs/CPOs.

Mr. Gardner is a registered representative of an affiliated broker-dealer, Salient Capital, L.P. Salient Capital, L.P. serves as placement agent for Affiliated Funds for which the Adviser or an Affiliated Adviser serves as investment adviser and/or general partner or managing member.

Neither the Adviser nor investment managers it recommends will use Salient Capital, L.P. to place trades in client accounts. However, Mr. Gardner, in his separate capacity, can effect securities transactions for which he may receive separate, yet customary compensation. Such transactions include the sale of interests in Affiliated Funds managed by the Adviser or Affiliated Advisers.

While the Adviser and Mr. Gardner endeavor at all times to put the interest of the clients first as part of their fiduciary duty, clients should be aware that the receipt of additional compensation from Salient Capital, L.P. creates a conflict of interest, and may affect the judgment of Mr. Gardner when making recommendations.

Mr. Gardner is an owner of RDG Capital Holdings, LP, a limited partner of RDG MLP Fund GP LP, which receives performance fees from the Salient MLP Fund, L.P. (the “Fund”). Mr. Gardner may recommend (or invest) client assets in the Fund. This presents a conflict of interest due to the incentive to recommend the Fund based on the receipt of direct or indirect compensation. While the Fund is an Affiliated Fund of the Adviser, RDG Capital Holdings, LP is not affiliated with the Adviser or Salient Partners, L.P.
Item 5  Additional Compensation

Mr. Gardner does not receive additional compensation other than that which is disclosed in Item 4.

Item 6  Supervision

The Adviser has implemented policies and procedures and maintains a system of supervisory controls designed to monitor the activity of supervised persons, including the advice the supervised person provides to clients.

Gregory A. Reid is responsible for supervising Mr. Gardner.

Gregory A. Reid
President
713-993-4675
Federal law gives consumers the right to limit some but not all sharing. This privacy policy notice summarizes the collection and disclosure of nonpublic personal information (“Information”) of customers (“you”) of Salient Capital Advisors, LLC (“we” or “us”). If you are an advisory client or individual limited partner of funds advised by Salient Capital Advisors, LLC, we consider you to be our customer. Investors purchasing or owning interests through their bank, broker or other financial institution should consult that financial institution’s privacy policies.

We collect the following categories of Information about you

We collect Information about your identity, including but not limited to, your social security number, name, address, telephone number, e-mail address, and date of birth. We may also collect information we receive on applications, such as your income, assets, investment experience, risk tolerance and employment information.

We receive information about your transactions with us, including, but not limited to, your account number, account balance, investment amounts, withdrawal amounts and other financial information. We collect that information from account applications, subscription agreements, other forms and correspondence that we receive from you and from personal conversations.

We disclose the following categories of Information about you

We do not disclose any Information about you or any former customer to anyone, except as permitted by law, including to our affiliates and third party service providers.

We disclose Information about you to the following types of third parties

We may disclose Information about you and any former customer to our affiliates, which for purposes of this privacy policy notice we consider to include Salient Partners, L.P. and their affiliates, and to nonaffiliated third parties, as required or permitted by law.

We may disclose all of the Information we collect to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements. We may disclose all of the Information we collect to non-affiliated third parties that provide administrative and other services on our behalf, including the Funds’ general partner, investment adviser, sub-advisers, servicing agent, independent administrator, custodian, legal counsel, accountant and auditor.

We do not share your information with third parties for marketing purposes. We do not sell your information.

Protecting the security and confidentiality of your Information

We restrict access to your nonpublic personal information to those persons who require such information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

For Additional Information Please Contact Salient Capital Advisors, LLC

Attn: Compliance Department, 4265 San Felipe, 8th Floor, Houston, TX 77027 (800) 900-4675
The following are proxy voting policies and procedures (“Policies and Procedures”) adopted by Salient Capital Advisors, LLC (“Salient Capital Advisors” or the “Adviser”), an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (“Advisers Act”), with respect to voting securities held by client portfolios. These Policies and Procedures are adopted to ensure compliance by Salient Capital Advisors with Rule 206(4)-6 under the Advisers Act and other applicable fiduciary obligations under rules and regulations of the SEC and interpretations of its staff. Salient Capital Advisors follows these Policies and Procedures for each of its clients as required under the Advisers Act and other applicable law, unless expressly directed by a client in writing to refrain from voting that client’s proxies. With respect to clients that are pooled investment vehicles (the “Funds”), Salient Capital Advisors follows both these Policies and Procedures and the proxy voting policies and procedures adopted by the Funds and their Boards of Trustees.

I. Definitions

A. “Best interest of clients”. In the view of Salient Capital Advisors, this means clients’ best economic interest over the long term — that is, the common interest that all clients share in seeing the value of a common investment increase over time. Clients may have differing political or social interests, but their best economic interest is generally uniform.

B. “Material conflict of interest”. Circumstances when Salient Capital Advisors, or any member of its senior management or any of its portfolio managers or portfolio analysts, knowingly does business with a particular proxy issuer or closely affiliated entity which may appear to create a material conflict between the interests of Salient Capital Advisors and the interests of its clients in how proxies of that issuer are voted.

II. General Policy

Where Salient Capital Advisors is given responsibility for voting proxies, we must take reasonable steps under the circumstances to ensure that proxies are received and voted with a view to enhancing the value of the shares of stock held in client accounts.

The financial interest of our clients is the primary consideration in determining how proxies should be voted. In the case of social and political responsibility issues that in our view do not primarily involve financial considerations, the diversity of our clients means that we are unable to represent each such view in each instance. Thus, Salient Capital Advisors exercises its vote on these issues in what it believes to be the best economic interests of its clients. When making specific proxy decisions, Salient Capital Advisors adheres to the Glass Lewis & Co. Proxy Paper Guidelines and the Glass Lewis & Co. Investment Manager Guidelines. The guidelines set forth the positions of Salient Capital Advisors on recurring issues and criteria for addressing non-recurring proxy matters. The general voting policies of Salient Capital Advisors are described below.

III. General Voting Policies

A. Client’s Best Interest. These Policies and Procedures are designed and implemented in a way that is reasonably expected to ensure that proxies are voted in the best interest of clients. Proxies will be voted with the aim of furthering the best economic interests of clients, promoting high levels of corporate
governance and adequate disclosure of company policies, activities and returns, including fair and equal
treatment of shareholders.

B. Case-by-Case Basis. While these Policies and Procedures guide our decisions, each proxy vote is
ultimately cast on a case-by-case basis, taking into consideration all relevant facts and circumstances at
the time of the vote. Salient Capital Advisors may cast proxy votes in favor of management proposals or
seek to change the views of management, considering specific issues as they arise on their merits. Salient
Capital Advisors may also join with other investment managers in seeking to submit a shareholder
proposal to a company or to oppose a proposal submitted by the company. Any such action is primarily
based on grounds of fundamental share value.

C. Material Conflicts of Interest. Material conflicts are resolved in the best interest of clients. When
a material conflict of interest between Salient Capital Advisors and its respective client(s) is identified,
Salient Capital Advisors will choose among the procedures set forth below, to resolve such conflict.

D. Limitations. The circumstances under which Salient Capital Advisors may take a limited role in
voting proxies, include the following.

1. No Responsibility. Salient Capital Advisors will not vote proxies for client accounts in which
the client contract specifies that Salient Capital Advisors will not vote. Under such circumstances, the
clients’ custodians (“Custodians”) are instructed to mail proxy material directly to such clients.

2. Limited Value. Salient Capital Advisors may abstain from voting a client proxy if the effect
on shareholders’ economic interests or the value of the portfolio holding is indeterminable or
insignificant.

3. Unjustifiable Costs. Salient Capital Advisors may abstain from voting a client proxy for cost
reasons.

4. Securities Lending Arrangements. If voting securities are part of a securities lending
program, Salient Capital Advisors may be unable to vote while the securities are on loan.

5. Special Considerations. The responsibilities of Salient Capital Advisors for voting proxies
are determined generally by its obligations under each advisory contract or similar document. If a client
requests in writing that Salient Capital Advisors vote its proxy in a manner inconsistent with these
Policies and Procedures, Salient Capital Advisors may request that the client vote the proxy directly. For
certain institutional clients, as agreed upon per provisions within their advisory contract or similar
document, Salient Capital Advisors may be directed to vote as instructed by such institutional client.

E. Sources of Information. Salient Capital Advisors may conduct research internally and/or use the
resources of an independent research consultant. Salient Capital Advisors may consider legislative
materials, studies of corporate governance and other proxy voting issues, and/or analyses of shareholder
and management proposals by a certain sector of companies, e.g. small cap companies.

F. Availability of Policies and Procedures. Salient Capital Advisors will provide clients with a copy
of these Policies and Procedures, as revised from time to time, upon request.

G. Disclosure of Vote. As described in Part 2A of Salient Capital Advisors Form ADV, a client may
obtain information on how its proxies were voted by requesting such information from Salient Capital
Advisors. Salient Capital Advisors does not generally disclose client proxy votes to third parties, other
than as required for the Funds, unless specifically requested, in writing, by the client.
IV. Proxy Voting Procedures

A. General

1. Accounts for Which Salient Capital Advisors Has Proxy Voting Responsibility

Salient Capital Advisors is generally responsible for voting proxies with respect to securities held in client accounts unless the investment management agreement explicitly states that Salient Capital Advisors will not vote proxies for the account. For certain institutional clients, as agreed upon per provisions within their investment management agreement, Salient Capital Advisors may be directed to vote as instructed by such institutional client. Salient Capital Advisors is not responsible for voting client securities which are not part of the managed account.

2. Adherence to Client Proxy Voting Policies

If a client has its own proxy voting policy, Salient Capital Advisors and the client will agree in writing on whether Salient Capital Advisors will vote in accordance with its own policy or whether the client will vote its own securities.

3. Disclosure of Proxy Voting Intentions

Salient Capital Advisors personnel should not discuss with members of the public how Salient Capital Advisors intends to vote on any particular proxy proposal. This does not restrict communications in the ordinary course of business with other clients for which Salient Capital Advisors votes proxies. Disclosure of Salient Capital Advisors’ proxy voting intentions – especially where done with the purpose or effect of influencing the management or control of a company – could trigger various restrictions under the federal securities laws, including under the proxy solicitation, beneficial ownership and short-swing profit liability provisions of the Securities Exchange Act of 1934, as amended. In the event that Salient Capital Advisors wishes to discuss its voting intentions outside the firm, Salient Capital Advisors should consult with its counsel before any such discussions.

B. Operational Procedures

1. Role of the Proxy Administrator

Once a client account is established and the proxy voting responsibility is determined, the Proxy Administrator (“PA”), is responsible for receiving and processing proxies for securities held in the portfolios of our clients and ensuring that votes are cast. In most instances, Salient Capital Advisors engages a third-party service provider, Broadridge, as its Proxy Administrator. The PA is responsible for ensuring that the registered owners of record, e.g. the client, trustee or custodian bank, that receive proxy materials from the issuer or its information agent, forward proxy materials to the PA. Proxies may also be delivered electronically through a proxy service. The PA logs in any proxy materials received, matches them to the securities to be voted and confirms that the correct amount of shares, as of the record date, is reflected on the proxy. Once the proxy statement is logged in, the PA gives it to a research analyst (“Analyst”) for consideration.

The PA also compiles and maintains information, for each client for which Salient Capital Advisors votes proxies, showing the issuer’s name, meeting date and manner in which it voted on each proxy proposal. The PA is also responsible for monitoring compliance with client proxy voting policies. A copy of each proxy statement is kept.
2. Material Conflicts of Interest

a. Salient Capital Advisors will take steps to identify the existence of any material conflicts of interest relating to the securities to be voted or the issue at hand. Senior management, portfolio managers and Analysts of Salient Capital Advisors are expected to disclose to the PA any personal conflicts such as officer or Trustee positions held by them, their spouses or close relatives in the portfolio company. Conflicts based on business relationships or dealings of affiliates of Salient Capital Advisors will only be considered to the extent that the Salient Capital Advisors has actual knowledge of such business relationships.

b. When a material conflict of interest between Salient Capital Advisors’ interests and its clients’ interests appears to exist, Salient Capital Advisors may choose among the following options to eliminate such conflict: (1) vote in accordance with these Policies and Procedures if it involves little or no discretion; (2) vote as recommended by a third-party service if Salient Capital Advisors utilizes such a service; (3) “echo vote” or “mirror vote” the proxies in the same proportion as the votes of other proxy holders that are not clients of Salient Capital Advisors; (4) if possible, erect information barriers around the person or persons making voting decisions sufficient to insulate the decision from the conflict; (5) if practical, notify affected clients of the conflict of interest and seek a waiver of the conflict; or (6) if agreed upon in writing with the client, forward the proxies to affected clients allowing them to vote their own proxies.

3. Role of the Research Analysts

In most instances, Salient Capital Advisors uses Broadridge for research and analysis in voting proxies. The PA ensures that each proxy statement is directed to the Analyst responsible for following the particular security or industry. The Analysts are responsible for considering the substantive issues relating to any vote, deciding how the shares will be voted, and instructing the PA how to vote the proxies. In determining how to vote a given proxy, Analysts will adhere to the Glass Lewis & Co. Proxy Paper Guidelines and the Glass Lewis & Co. Investment Manager Guidelines. Analysts are responsible for documenting the rationale for any vote recommendation.

4. Role of the Third-Party Service Provider(s)

Salient Capital Advisors engages Broadridge to research, analyze and vote proxies on behalf of the Adviser as well as provide recordkeeping services.

V. Documentation, Recordkeeping and Reporting Requirements

A. Documentation. The Adviser and/or PA is responsible for:

1. implementing and updating these Policies and Procedures;
2. overseeing the proxy voting process;
3. consulting with Analysts for the relevant portfolio security; and
4. maintaining proxy voting records.

B. Recordkeeping.

1. Salient Capital Advisors will maintain records of all proxies voted.
2. As required by Rule 204-2(c), such records will include: (a) a copy of the Policies and Procedures; (b) a copy of any document created by Salient Capital Advisors that was material to making a decision how to vote proxies on behalf of a client or that memorializes the basis for that decision; and (c) each written client request for proxy voting records and Salient Capital Advisors’ written response to any (written or oral) client request for such records.

3. Salient Capital Advisors will maintain its own proxy statements and record of votes cast. As permitted by Rule 204-2(c), in most instances, proxy statements and the record of each vote cast by each client account will be maintained by Broadridge. Salient Capital Advisors has obtained an undertaking from Broadridge to provide Salient Capital Advisors copies of proxy voting records and other documents promptly upon request. Salient Capital Advisors or Broadridge may rely on the SEC’s EDGAR system to keep records of certain proxy statements if the proxy statements are maintained by issuers on that system (e.g., large U.S.-based issuers).

4. Duration. Proxy voting books and records will be maintained in an easily accessible place for a period of five years, the first two in Salient Capital Advisors’ office.

C. Reporting. Salient Capital Advisors will initially inform clients of these Policies and Procedures and how a client may learn of the voting record for client’s securities through summary disclosure in Part 2A of Salient Capital Advisors’ Form ADV. Upon receipt of a client’s request for more information, Salient Capital Advisors will provide to the client a copy of these Policies and Procedures and/or, in accordance with the client’s stated requirements, how the client’s proxies were voted during the period requested subsequent to the adoption of these Policies and Procedures. Such periodic reports, other than those required for the Funds, will not be made available to third parties absent the express written request of the client.

Review of Policies and Procedures. These Policies and Procedures will be subject to period review as deemed appropriate by Salient Capital Advisors.

VI. Specific Voting Policies

When making specific proxy decisions, Salient Capital Advisors adheres to the Glass Lewis & Co. Proxy Paper Guidelines and the Glass Lewis & Co. Investment Manager Guidelines. Salient Capital Advisors’ current policies with respect to a number of common issues are briefly summarized as follows:

- The Adviser generally votes against proposals to classify the board and for proposals to repeal classified boards and to elect directors annually.
- The Adviser generally votes against proposals to ratify a poison pill and for proposals that ask a company to submit its poison pill for shareholder ratification.
- The Adviser generally votes against proposals to require a supermajority shareholder vote to approve charter and bylaw amendments and for proposals to lower such supermajority shareholder vote requirements.
- The Adviser generally votes for management proposals to increase the number of shares of common stock authorized for issue provided management demonstrated a satisfactory reason for the potential issuance of the additionally authorized shares.
- The Adviser generally votes for proposals to increase common share authorization for a stock split provided management demonstrates a reasonable basis for the split and for proposals to
implement a reverse stock split provided management demonstrates a reasonable basis for the reverse split.

- Absent special circumstances (e.g., actions taken in the context of a hostile takeover attempt) indicating an abusive purpose, the Adviser, on a case-by-case basis, votes for proposals that would authorize the creation of new classes of preferred stock with unspecified voting, conversion, dividend and distribution, and other rights.

- Proposals to change a company's state of incorporation area examined on a case-by-case basis.

- The Adviser, on a case-by-case basis, votes on mergers and acquisitions taking into account at least the following:
  - anticipated financial and operating benefits;
  - offer price (cost vs. premium);
  - prospects of the combined companies,
  - how the deal was negotiated; and
  - changes in corporate governance and their impact on shareholder rights.

- The Adviser generally does not support shareholder social and environmental proposals, and may vote such matters, on a case-by-case basis, where the proposal enhances the long-term value of the shareholder and does not diminish the return on investment.

Dated: May 1, 2018