Tortoise Tax-Advantaged Social Infrastructure Fund (TSIFX)

1Q 2020 QUARTERLY COMMENTARY

Fund update

The fund value declined by 2.71% during the first quarter of 2020, with income providing a boost of 1.25% to overall performance. Undoubtedly, the main topic of the period is the volatile drawdowns broadly experienced across credit and equity indices. While the fund is not immune to mark-to-market declines in a distressed pricing environment, the quality of assets and steady income stream provided a relative haven for investors during the market rout. The percentage of direct obligations in the fund has significantly increased, driving a substantial increase in the gross current yield, during a low interest rate environment, to 7.25% at the end of the quarter. We believe that the fund structure and investment strategy will continue to provide a diversifying source of income to investors.

Market update

Financial markets entered a turbulent tail-risk scenario during the first quarter with U.S. equity indices entering bear market territory and high yield indices posting large declines. As an extreme flight to quality unfolded, markets faced a liquidity squeeze due to the volume of outflows and forced selling from ETFs and mutual funds. Leveraged instruments such as REITs and closed end funds also faced margin calls that added to the selling pressure.

During the coronavirus-driven black swan event, the fund has exhibited much less volatility and outperformed on a relative basis. This is largely due to the acyclic nature of the cash flows supporting the direct originations as well as a structure that protects against forced selling in a liquidity-impaired environment. As the crisis unfolds, we anticipate a period of continued volatility in interest rates and credit markets. We view this as an environment where the fund will continue to display resilience and remain relatively uninfluenced by broad market forces.

With the recent pandemic impacting some social infrastructure sectors, we recently expanded our surveillance process and have begun proactively asking entities what steps they have taken in response to the virus. Many educational facilities have instituted virtual or e-learning protocols and have provided designated meal and classwork pick-up times. Given its impact on seniors and the community aspect of senior living facilities, they have begun limiting visitors and are taking extra measures to keep the facilities clean and safe. This includes checking essential employees for any symptoms upon arrival to work. They have also canceled large group events and have begun delivering meals to residents' rooms.

In December 2019, the National Center for Education Statistics published the 54th Edition of its "Digest of Education Statistics" which estimates current K-12 enrollment in the U.S. to be 56,572,000, comprised of 50,770,000 students attending public schools and 5,802,000 attending private schools. Total K-12 education spending was estimated to be $789 billion, which equates to approximately 4.0% of U.S. GDP. For context, in 2017, the average current expenditure in the U.S. per public school student was $12,258, an increase of 1.6% in inflation-adjusted dollars. New York led the nation in per pupil public school spending at $22,861, while Utah spent the least per pupil, at $7,206. Construction spending for public schools in 2017 was $45.7 billion with the state of Texas alone accounting for $8.4 billion.

Investment highlights

- Investment objective is to seek to generate attractive total return with an emphasis on tax-advantaged income
- Exposure to social purpose providers and 501(c)(3) organizations focusing on social infrastructure
- Focus on directly originated credit securities
- Seeks to capitalize on market inefficiencies where there is capital dislocation

Key reasons to invest

- Compelling market opportunity potential
- Attractive after-tax return potential, including tax-advantaged income
- Seeks diversification through generally uncorrelated alternative assets
- Shorter expected duration in a rising interest rate environment
- Experienced team

Structure highlights

- Seeks to capture illiquidity premium of private investments
- Provides transparency of registered fund
- Daily mark-to-market valuations
- Low minimum investment
- 1099 tax treatment
- Scalability to clients

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Deal summaries

Deal 1 and follow-on investment 1: San Jose Schools

The first deal and subsequent follow-on investment is San Jose Schools (SJS), a charter school located in Jacksonville, FL that currently educates students in sixth through 12th grade. At this time, the school has 420 students enrolled for the 2019-2020 school year.

These investments were used to acquire the school's existing property and an adjacent parcel, as well as to begin construction of a new, additional building. Following the completion of the new facility, SJS will begin offering kindergarten through fifth grade, thus making the school the only comprehensive K-12 brick-and-mortar public school within 10 miles of the property. The projected enrollment for the 2022-2023 school year is 400 students in kindergarten through fifth grade and an additional 317 students in sixth through 12th grade.

Founded in 2013, SJS is a college and career readiness school, aiming to serve students who have not been successful in a traditional classroom setting. The high school was recently awarded an "A" rating from the Florida Department of Education for the 2018-2019 school year. Please note that the existing facility and adjacent parcel of land are not depicted in rendering.

Investment details

Series A
- **Investment type:** debt; senior secured bonds
- **Investment size:** $5,485,534 and a follow-on allocation of $6,556,563, both purchased at a discount to par
- **Tax status:** tax-exempt
- **Maturity date:** February 15, 2030
- **Yield to worst:** 8.1%

Deal 2: Montage Senior Living

The second deal is a group of three senior living facilities managed by Montage Senior Living. Two of the facilities, Woodland Place and Greenville Glen, are located in South Carolina and one facility, Brookside Glen, is located in Georgia. Across the facilities they are licensed for a total of 207 beds split across independent living, assisted living, and memory care. The facilities primarily focus on offering affordably-priced assisted living and memory care options with monthly rent that includes three meals a day as well as daily care and assistance with 24 hour staff available.

The investment proceeds were used for refunding debt of the three existing properties, funding capitalized interest, contracting with an outside marketing firm, and costs of issuing the bonds. The investment provides additional runway to implement the marketing plans to grow occupancy of the facilities.

Investment details

Series A
- **Investment type:** debt; senior secured bonds
- **Investment size:** $10,980,000
- **Tax status:** tax-exempt
- **Maturity date:** February 1, 2024
- **Yield to worst:** 9.12%

Series B
- **Investment type:** debt; senior secured bonds
- **Investment size:** $5,520,000
- **Tax status:** tax-exempt
- **Maturity date:** February 1, 2024
- **Yield to worst:** 9.12%

Series C
- **Investment type:** debt; senior secured bonds
- **Investment size:** $5,060,000
- **Tax status:** tax-exempt
- **Maturity date:** February 1, 2024
- **Yield to worst:** 9.12%

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Deal summaries

Deal 3: Pioneer Technology & Arts Academy

The third deal is Pioneer Technology & Arts Academy (PTAA), an open enrollment charter school currently operating three campuses around the Dallas, TX area. Proceeds from the financing funded the acquisition of the facility and surrounding 12.6 acres, as well as the facility's renovations. The proposed school, known as the Shelton Campus, will be PTAA's fourth campus.

PTAA's mission is to empower and engage students to reach their full potential as global leaders who will enhance their communities and the world through creativity, collaboration and innovation. PTAA will enroll students in kindergarten through eighth grade beginning in school year 2020-2021 and will expand by one grade level each year until reaching K-12 enrollment in school year 2024-2025. Tortoise enrollment projections forecast 800 students in year one, 1,131 students in year two, and 1,140 students in year three and onward.

PTAA has a three-year track record of exceptional education results, achieving an "A" rating by the Texas Education Agency (TEA) in each of the first two years of operation for its initial two campuses (third-year report cards not yet available). PTAA was one of only 39 Texas charter schools to receive an "A" rating from the TEA. To the right is a rendering of the new campus, scheduled to open in fall 2020.

Investment details
Series 2019A

- **Investment type:** debt; senior secured bonds
- **Investment size:** $18,746,223, purchased at a discount to par
- **Tax status:** tax-exempt
- **Maturity date:** January 1, 2026, with optional put on March 1, 2024
- **Yield to worst:** 8.54%

Follow-on investments

Follow-on investment 2: La Sonora at Dove Mountain

The second follow-on investment was the the last of a series of four scheduled investments into the construction of La Sonora at Dove Mountain, a 142 unit senior living facility in Marana, AZ, outside of Tuscon. This is an attractive investment opportunity given the undersupply of living options for seniors in Marana. Per the town's planning department, this project is the only site that currently allows for senior housing development to meet the growing need. Construction is currently on schedule and within budget.

Investment details
Series A

- **Investment type:** debt; senior secured bonds
- **Investment size:** $2,940,000
- **Tax status:** tax-exempt
- **Maturity date:** February 1, 2026 with a tender option at year five
- **Yield to worst:** 6.4%

Series B

- **Investment type:** debt; subordinated bonds
- **Investment size:** $420,000
- **Tax status:** tax-exempt
- **Maturity date:** February 1, 2026 with a tender option at year five
- **Yield to worst:** 9.7%

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Market outlook

With more than 9 million charter public school and private school K-12 students enrolled at more than 40,000 schools, there is a tremendous demand for high quality school facilities at these "schools of choice." A recent survey by JerseyCAN and the New Jersey Charter Schools Association found that "public charter and renaissance schools will need more than $900 million over the next decade to serve existing students and meet future enrollment demand. Of this $900 million, the unfunded facilities needs for public charter and renaissance schools in the state's largest six SDA districts — Newark, Camden, Paterson, Jersey City, Trenton, and Plainfield — totals $820 million." This underscore the immense need for flexible debt capital to support charter, contract and private schools.

Financing high quality charter public schools remains our primary focus in the education sector. As states expand K-12 scholarship options and the competition for students intensifies, we continue to evaluate all types of education opportunities that provide unique offerings, like private schools, schools that target the needs of special needs children, and early education prospects. In addition, we will continue to evaluate opportunities in the higher education arena.

Senior housing construction timelines are extending from approximately 18 months in 2015 to almost 24 months as of Q4 2019 which we have accounted for in the projections of our potential investments. Clearly, rising costs, competition and complexities are weighing on construction timelines. However, we remain bullish in the senior living space as demographic trends continue to be in our favor.

Demand for energy-related projects within the project finance sector remains strong throughout the U.S., particularly in connection with efforts to de-carbonize power generation and otherwise reduce greenhouse gas emissions. Several recent legislative and judicial actions bode well for projects that produce renewable natural gas and renewable fuels, such as the adoption of the EPA's 2020 Final Rule for Renewable Fuel Standards, an extension through 2022 of the biomass-based blenders tax credit, and an extension through 2020 of additional depreciation tax deductions for new biofuel production facilities.

In addition, after a U.S. Appeals Court vacated certain small refinery waivers, the market value of various Renewable Identification Number (RIN) fuel credits doubled, thereby bolstering the economics of biofuel production in the near term. Finally, demand for recycling projects that promote landfill diversion and waste repurposing continues to grow as circular-economy and sustainability efforts gain momentum, especially within the high-visibility areas of food waste and plastics.

Despite the extreme volatility we have seen so far in 2020, we feel optimistic about the remainder of the year, once we move past the pandemic. We continue to view our social infrastructure investments as fundamentally sound positions with resilient cash flows supported by strong demographics. We believe times such as this underscore the essential nature of our investments.

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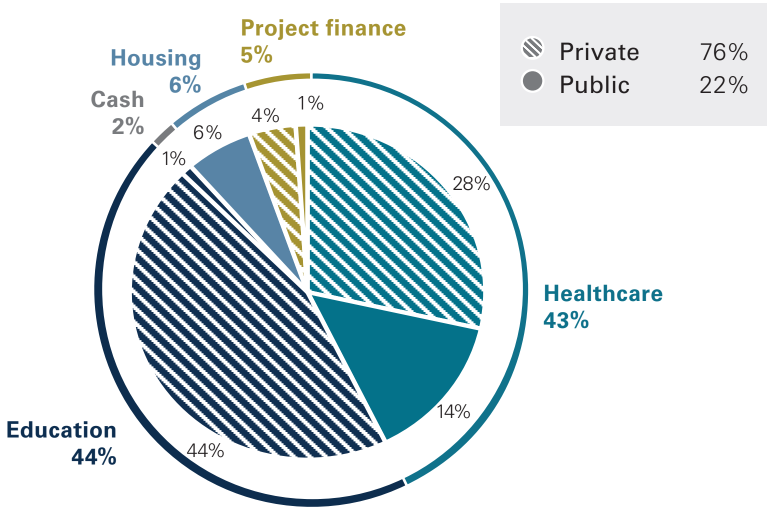
Performance (as of 3/31/2020)

	1Q 2020	1 year	Since inception*
TSIFX | Tortoise Tax-Advantaged Social Infrastructure Fund	-2.71%	-0.55%	1.52%

Note: For periods over one year, performance reflected is for the average annual returns. *The fund commenced operations on 3/26/2018.

Performance data shown is net of fees and reflects fee waivers in effect. In the absence of such waivers, total return would be reduced. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 855-TCA-Fund (855-822-3863) or visiting www.tortoiseadvisors.com.

Portfolio allocation[4] (as of 3/31/2020)



Portfolio statistics
(as of 3/31/2020)

Duration[1]	1.79 yrs
Gross yield to worst[2]	8.18%
Gross current yield[2]	7.25%
30-Day SEC Yield (unsubsidized)[3]	5.85%
30-Day SEC Yield (subsidized)[3]	6.21%

Distribution
(as of 3/31/2020)

Distribution rate[5]	5.11%

Fees
(as of 3/31/2020)

Gross expense ratio	1.57%
Net expense ratio[6]	1.50%

[1] Effective duration is a measure of the price sensitivity of bonds with embedded options (e.g., callable bonds), to changes in benchmark yields. This measure of duration takes into account the fact that expected cash flows will fluctuate as interest rates change. Effective duration can be estimated using modified duration for bonds without option features.

[2] *Does not reflect the deduction of management fees and other fund expenses up to the expense cap. If management fees and expenses had been included, returns would be reduced. Yield to worst is the lowest yield an investor can expect to receive on a fixed income instrument under the assumption of a full recovery. In such a scenario, full consideration is given to all provisions available to both the issuer and debt holder, such as prepayments, amortization, calls, puts and maturity.*

[3] Reflects the deduction of management fees and other fund expenses up to the expense cap. Subsidized yield reflects fee waivers and/or expense reimbursements recorded by the fund during the period. Without waivers and/or reimbursements, yields would be reduced.

[4] Weighting is based on market value.

[5] Distribution rate is not performance and is calculated by annualizing the daily distribution per share for the preceding 3-month period and dividing it by the net asset value as of the reported date. This calculation does not include any non-income items such as loan proceeds or borrowings.

[6] The advisor has contractually agreed to reimburse expenses of the fund so that certain of the fund's expenses will not exceed 0.25% of managed assets (annualized) through February 29, 2021. Under the advisory agreement, the advisor receives compensation of 1.25% of our daily managed assets for the services rendered on an annual basis. Net expense ratio is as of the most recent prospectus and is applicable to investors.

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Tortoise Capital Advisors, L.L.C. is the adviser to the Tortoise Tax-Advantaged Social Infrastructure Fund.

Before investing in the fund, investors should consider their investment goals, time horizons and risk tolerance. The fund's investment objective, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the fund. Copies of the fund's prospectus may be obtained by visiting www.tortoiseadvisors.com or calling 855-TCA-FUND. Read it carefully before investing.

Investing involves risks. Principal loss is possible. The fund is suitable only for investors who can bear the risks associated with the limited liquidity of the fund and should be viewed as a long-term investment. The fund will ordinarily accrue and pay distributions from its net investment income, if any, once a quarter; however, the amount of distributions that the fund may pay, if any, is uncertain. There currently is no secondary market for the fund's shares and the advisor does not expect that a secondary market will develop. Limited liquidity is provided to shareholders only through the fund's quarterly Repurchase Offers for no less than 5% of the fund's shares outstanding at net asset value. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly Repurchase Offer. The fund invests in Municipal-Related Securities. Litigation, legislation or other political events, local business or economic conditions or the bankruptcy of the issuer could have a significant effect on the ability of an issuer of municipal bonds to make payments of principal and/or interest. Changes related to taxation, legislation or the rights of municipal security holders can significantly affect municipal bonds. Because the fund concentrates its investments in Municipal-Related Securities the fund may be subject to increased volatility. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. The fund may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. Derivatives can be volatile and involve various types and degrees of risks. Depending on the characteristics of the particular derivative, it could become illiquid. The fund may utilize leverage, which is a speculative technique that may adversely affect common shareholders if the return on investments acquired with borrowed fund or other leverage proceeds do not exceed the cost of the leverage, causing the fund to lose money.

Basis point (bp) is a unit equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Yield to worst is the lowest yield an investor can expect when investing in a callable bond.

Duration is a commonly used measure of the potential volatility of the price of a debt security, or the aggregate market value of a portfolio of debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration. The municipal investments in the portfolio may be tax-exempt at the federal level, but taxes may still be applicable at the state and/or local level.

Diversification does not assure a profit nor protect against loss in a declining market.

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

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