

Cushing[®] MLP High Income Index

INDEX METHODOLOGY GUIDE

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Section 1. Introduction

This document summarizes the methodology and rules used to construct, calculate, and maintain the **Cushing® MLP High Income Index (the “Index”)**.

The **Cushing® MLP High Income Index** (ticker: MLPY) tracks the performance of higher-yielding publicly traded midstream energy infrastructure companies, including master limited partnerships (MLPs) and non-MLP energy midstream corporations (each, a “Midstream Company” and collectively, “Midstream Companies”). The Index is comprised of 30 Midstream Companies and utilizes a three tiered weighting system, based upon current “indicative yields,” to determine the Index constituents. “Indicative yield” is defined for each Midstream Company as the last quarterly (annualized) dividend or distribution divided by current share or unit price. Constituents of the Index are tiered as follows: (I) the first tier includes those 10 Midstream Companies that have the highest current indicative yield and a market capitalization of \$1 billion or more, with each first tier constituent assigned a 5% weighting; (II) the second tier includes those 10 Midstream Companies not included in the first tier that have the highest current indicative yield and a market capitalization of \$750 million or more, with each second tier constituent assigned a 3.5% weighting; (III) the third tier includes those 10 Midstream Companies not included in the first or second tier that have the highest current indicative yield and a market capitalization of \$500 million or more, with each third tier constituent assigned a 1.5% weighting. As an additional screening mechanism, volume limitations are applied at each tier, as described further below. The Index price level is calculated by S&P Dow Jones Indices, quoted under the ticker symbol “MLPY” and is disseminated continuously during each trading day. The corresponding Index total return level is calculated on an end-of-day basis and is disseminated daily under the ticker symbol, “MLPYTR”. Public dissemination of Index intraday data began on July 19, 2010, with historical data back casted to December 31, 2003.

Why use the Cushing® MLP High Income Index?

Midstream Companies are natural resource-based companies that own, build and maintain the energy infrastructure (pipelines, storage facilities, etc.) of North America. They are an attractive sector for many investors, providing relatively stable income, inflation protection and high total return prospects. The business model of a typical Midstream Company takes advantage of a high

barrier to entry, little economic sensitivity and continued demand for energy products and services.

The Cushing® MLP High Income Index is designed and constructed to provide investors a benchmark focused on higher yielding Midstream Companies while providing diversification among 30 issuers selected through a market capitalization tiered screening process.

About Cushing® Asset Management, LP

Index sponsor Cushing® Asset Management, LP (“Cushing”), a subsidiary of Swank Capital, LLC, is an SEC registered investment adviser headquartered in Dallas, Texas. Cushing serves as investment adviser to affiliated funds and managed accounts which focus primarily on energy income investments.

Cushing is also dedicated to serving the needs of investors by sponsoring a variety of benchmarks in addition to the Index, including The Cushing® 30 MLP Index (Bloomberg Ticker: MLPX), The Cushing® MLP Market Cap Index (Bloomberg Ticker: CMCI), The Cushing® Energy Index (Bloomberg Ticker: CENI), The Cushing® Energy Supply Chain Index (Bloomberg Ticker: CSCI), The Cushing® Transportation Index (Bloomberg Ticker: CTRI) and The Cushing® Utility Index (Bloomberg Ticker: CUTI). For more information, please visit <http://www.cushingasset.com/indices>.

Section 2. Index Description

The **Cushing® MLP High Income Index** (ticker: MLPY) consists of 30 publicly traded Midstream Companies and is constructed utilizing a three-tiered weighting system based upon current indicative yields to determine its constituents.

CUSHING® MLP HIGH INCOME INDEX – SELECTION CRITERIA

Tier	Index Weighting	Market Capitalization	30 Day average Trading Volume Minimum
TIER I	5.00%	>= \$1.0 billion	>= 200,000
TIER II	3.50%	>=\$0.75 billion	>= 150,000
TIER III	1.50%	>=\$0.5 billion	>= 100,000

The market capitalization and trading volume minimums will be reviewed periodically and may be adjusted due to changes in market conditions. Historical analysis did not include volume limitations. In addition to the criteria listed above, if a company has made a public announcement or guidance of its next quarter's distribution or dividend, then that quarterly distribution or dividend will be used to calculate the current indicative yield.

Cushing, creator of the Index, has enlisted S&P Dow Jones Indices to calculate and maintain the Index. The Index is rebalanced quarterly. The Index is calculated and disseminated continuously during each trading day on a price return basis and quoted under the ticker symbol "MLPY". The corresponding Index total return level is calculated on an end-of-day basis and is disseminated daily under the ticker symbol, "MLPYTR". Cushing publishes relevant constituent data points on the publicly available website <http://www.cushingasset.com/indices>. Constituents are added to or removed from the Index by Cushing based on the methodology described herein. Cushing will announce changes to the Index through press releases and on the publicly available website <http://www.cushingasset.com/indices>.

OBJECTIVE

The objective of the Index is to provide investors a benchmark focused on higher yielding Midstream Companies while providing diversification among 30 issuers selected through a market capitalization tiered screening process.

RATIONALE

Using a weighting methodology incorporating higher income constituents with a market capitalization component provides a reasonable high income benchmark portfolio.

Section 3. Index Construction

This section outlines and defines the key steps in constructing and calculating the Index, including eligibility requirements, formulas, initial component selection, and special adjustments. The Index construction methodology is

expected to remain constant throughout the life of the Index. However, the methodology may be amended as necessary at the discretion of Cushing to the extent that it determines that a change is necessary to address an error, ambiguity or omission that would prevent the Index from fulfilling the principles and objectives of the Index, as described in Section 2 above. Notification of changes to the Index construction methodology will be posted to the publicly available website <http://www.cushingasset.com/indices>.

3.1. Base Date and Value

The Index has the following base date and value:

Index	Base date	Base value
Cushing® MLP High Income Index	December 31, 2003	100

3.2. Constituent Eligibility Requirements

All of the following requirements must be met in order for a Midstream Company to be eligible for inclusion:

1. *Domestic*. The constituent security candidate must be U.S.-based. Cushing uses several factors in determining a company's nationality, including, but not limited to, registration location, accounting principles used for financial reporting, and location of headquarters.
2. *Reported Security*. The constituent security candidate must be a "reported security" as defined in Rule 11Aa3-1 under the Securities Exchange Act of 1934 ("Exchange Act"), and its common stock listed on a national securities exchange.
3. *Publicly Traded MLP*. An MLP constituent security candidate must be or have an interest in a publicly traded partnership or limited liability company exempt from corporate taxation as a result of the Tax Reform Act of 1986, and engaged in the transportation, storage, processing, or production of energy commodities.
4. *Structure*. The constituent security candidate must represent either limited or general partner interests, or both, of an MLP or limited partnership that is an operating company, or common units of a limited liability company or C corporation that is an operating company. Open-end mutual funds, closed-

end funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), royalty or income trusts and other pooled investment vehicles are not eligible for inclusion.

5. *Business Segment.* A constituent security candidate that is not organized as an MLP must generate at least a majority of its revenues from processing, storage or pipeline transport of crude oil, natural gas, natural gas liquids or refined petroleum products. Determination of whether a company is a Midstream Company eligible to be a constituent security candidate will be evaluated by Cushing based on the company's most recent annual report.

Additional market capitalization, trading liquidity, and financial viability requirements must also be satisfied, as outlined below. These requirements were not applied in calculating historical performance prior to July 19, 2010, so as to eliminate any selection bias in the calculation of the Index. New Index constituent candidates, however, in addition to the Index requirements listed above, will also be subject to the following conditions:

1. *Market capitalization.* Each constituent security candidate must have a market capitalization of at least \$500 million. This minimum requirement may be adjusted upward or downward to maintain a consistent number of securities that are eligible for inclusion in the Index.
2. *Adequate trading liquidity.* Average daily value traded of each constituent security candidate is required to have been in excess of \$2 million over the prior six months.
3. *Public float.* Each constituent security candidate must have a public float of at least 20% of the security's total outstanding shares or common units.
4. *Distribution/Dividend Stability.* Each constituent security candidate must have maintained or increased its distributions or dividends over the previous four fiscal quarters. An exception will be made for new listings or issuers that move to a national securities exchange from another dealer market or over the counter exchange. Such issuers must maintain the above standards moving forward from the new or re-listing date.

In order to avoid excessive turnover in Index membership, Cushing may choose to not remove a constituent from the Index where it appears, in Cushing's opinion, that the constituent temporarily fails to satisfy one or more of the Index eligibility criteria specified in this Section. Similarly, Cushing may choose not to add a constituent candidate to the Index where it appears, in Cushing's

opinion, that the candidate will meet the Index eligibility and inclusion criteria on only a temporary basis.

3.3. Float Adjustment

Constituents of the Index are tier weighted and therefore there is no need for a float-adjustment.

3.4. Distribution/Dividend Treatment

The Index price level does not consider distribution or dividend payments. The Index total return level includes distribution and dividend payments on their respective ex-distribution and ex-dividend days. Distributions and dividends are included in the Index calculation on a daily basis.

3.5. Index Equations

APPROACH

The Index is equal-weighted within market capitalization tiers and calculated by the divisor methodology used in all S&P Dow Jones equity indices. The divisor methodology is described in the Introduction to S&P Dow Jones Indices' *Index Mathematics Methodology*, found at <http://us.spindices.com>.

INDEX CALCULATIONS

The divisor was set to have a base Index level of 100 on January 1, 2004. The Index price level (ticker: MLPY) is defined as the Index market value divided by the Index divisor:

$$\text{Index Level} = \frac{\text{Index Market Value}}{\text{Divisor}}$$

For more information on equal-weighted index calculation methodology, please refer to the "Equal Weighted Indices" section of S&P Dow Jones Indices' Index Mathematics Methodology which can be found at <http://us.spindices.com/>.

In order to maintain Index series continuity, it is also necessary to adjust the divisor at each rebalancing.

$$Index\ Level_{before\ rebalancing} = Index\ Level_{after\ rebalancing}$$

Therefore,

$$Divisor_{after\ rebalancing} = \frac{Index\ Market\ Value_{after\ rebalancing}}{Index\ Level_{before\ rebalancing}}$$

TOTAL RETURN

The Index price level has a total return counterpart (ticker: MLPYTR), which assumes dividends and distributions are reinvested in the Index after the close on the ex-date. On any given date t :

The first step is to calculate the total dividend paid by constituents:

$$Total\ Daily\ Dividend = \sum_i (Dividend_i \times Shares_i)$$

where *Dividend* is the dividend per share or distribution per unit paid by constituent i and *Shares* are the shares or units of constituent i .

$$Index\ Dividend = \frac{Total\ Daily\ Dividend}{Divisor}$$

The next step is to calculate the total return:

$$DTR_t = \frac{Index\ Level_t + Index\ Dividend_t}{Index\ Level_{t-1}} - 1$$

Where *DTR* is the daily total return for the Index.

$$Total\ Return\ Index_t = (Total\ Return\ Index_{t-1}) \times (1 + DTR_t)$$

3.6. Initial Constituent Selection

Cushing uses a proprietary scoring model to rank Midstream Company constituent candidates. The 30 Midstream Companies identified by the model are selected for inclusion in the Index. The scoring model is expected to remain constant throughout the life of the Index. However, the model may be amended as necessary at Cushing's discretion to the extent that it determines that a change is necessary to address an error, ambiguity or omission that would prevent the Index from fulfilling the principles and objectives of the Index, as

described in Section 2 above. Such amendments may include, for example, changes to eligibility requirements as described in Section 3.2 or weights. Notification of changes to the scoring model will be posted to the publicly available website <http://www.cushingasset.com/indices>.

In addition, the following steps were taken to select the initial constituents for the Index.

1. *Domestic*. Each constituent security was required to be U.S.-based. Cushing used several factors in determining a company's nationality, including, but not limited to, registration location, accounting principles used for financial reporting and location of headquarters.
2. *Reported Security*. Each constituent security was required to be a "reported security" as defined in Rule 11Aa3-1 under the Exchange Act, and its common stock listed on a national securities exchange.
3. *Publicly Traded MLP*. Each constituent security was required to be or have an interest in a publicly traded partnership or limited liability company exempt from corporate taxation as a result of the Tax Reform Act of 1986, and engaged in the transportation, storage, processing, or production of energy commodities.
4. *Structure*. Each constituent security was required to represent either limited or general partner interests, or both, of an MLP that is an operating company, or common units of a limited liability company or C corporation that is an operating company. Open-end mutual funds, closed-end funds, exchange-traded funds (ETFs), exchange-traded notes (ETNs), royalty or income trusts and other pooled investment vehicles were not eligible for inclusion. At the time of initial constituent selection, Midstream Companies that did not represent limited or general partner interests in an MLP were not eligible for inclusion in the Index.

Section 4. Index Maintenance

This section describes the circumstances that require Index changes, as well as the details on performing those changes.

4.1. Divisor Changes

Changes to Index composition due to corporate actions or constituent eligibility changes will require Index divisor adjustments, as follows:

<u>Constituent Change</u>	<u>Adjustment</u>
Constituent Replacement	<p>New constituent replaces the dropped constituent in the Index with the same weight.</p> <p>When a constituent is removed from the Index at a price of \$0.00, its replacement will be added to the Index at the weight using the previous day's closing value, or the most immediate prior Business Day (defined herein as a day on which the New York Stock Exchange is open for trading) that the deleted company was not valued at \$0.00.</p>
Spinoff	<p>No weight change. The price is adjusted by subtracting the following from the price of the constituent parent company:</p> $\frac{\text{Spinoff Share or Unit Price}}{\text{Share or Unit Exchange Ratio}}$ <p>Index shares or units change so that the constituent's weight remains the same as its weight before the spin-off. A determination will then be made for the entity that is spun off as to inclusion in the Index.</p> <p>If a constituent being spun off is only trading on a "when-issued" basis, the "when-issued" price will be used to adjust the constituent parent company's closing price.</p>

Rights Offering	<p>The price is adjusted by subtracting the following from the price of the constituent parent company:</p> $\frac{\textit{Price of Rights}}{\textit{Rights Ratio}}$ <p>Index shares or units change so that the constituent's weight remains the same as its weight before the spin-off.</p>
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Divisor changes are usually made on the date the corporate action affecting the constituent becomes effective.

4.2. Details of Share or Unit Changes

Stock splits and reverse splits do not require Index divisor adjustments because the corresponding change to the share or unit price equally offsets the number of assigned shares or units, therefore not affecting the constituent's weighting in the Index.

4.3. Index Rebalancing

The Index is rebalanced quarterly in January, April, July, and October of each year. Rebalancings occur after the market close on the second Friday of the months above, and become effective at the opening on the next trading day. Changes will be announced via a press release and will be available on the Index's publicly available website, <http://www.cushingasset.com/indices>.

The Index seeks to maintain a portfolio of 30 of the currently higher yielding Midstream Companies. As the share or unit prices of constituents change, constituent weightings in the Index will change. A more frequent rebalancing would result in higher Index constituent turnover and less frequent rebalancing would result in more significant deviations from target weightings.

When a new constituent directly replaces another constituent in the Index in the middle of the quarter, it will be assigned the weight of the constituent that

it replaced. The one exception is when a constituent is removed from the Index at a price of \$0.00. In such a case, the constituent's replacement will be added to the Index at the weight using the previous day's closing value, or the most immediate prior Business Day that the deleted constituent was not valued at \$0.00.

4.4. Interim Constituent Changes

Constituent changes may occur between scheduled rebalancing events if a specific corporate event makes an existing constituent ineligible. The following events may require an interim change to the constituents of the Index:

<u>Event</u>	<u>Action</u>
Merger or Acquisition	<p>If a merger or acquisition results in one Index constituent absorbing another, the resulting company will remain a constituent and the absorbed constituent will be replaced. If a non-constituent absorbs a constituent, the original constituent will be removed and replaced.</p> <p>In either case, the removal and replacement of the constituent to be acquired will occur after market close on the first date on which either (i) a shareholder or unitholder meeting to vote on the transaction is scheduled for any constituent involved in the merger or acquisition, or (ii) the date for shareholders or unitholders to respond to a request for approval of the transaction or five (5) Business Days after the constituent publicly begins soliciting such approval, whichever is later, if no meeting is to be held. The acquired constituent shall be</p>

	<p>replaced irrespective of (a) whether the shareholder or unitholder meeting is actually held on the initial announced date, (b) whether the response date is extended, or (c) the outcome of the shareholder or unitholder vote. If no shareholder or unitholder consent is sought by the constituent, the removal and replacement of the constituent will occur after market close on the Business Day immediately preceding the first date on which the merger is expected to close.</p>
Spin-off	<p>If an Index constituent splits or spins off a portion of its business to form one or more new companies, the resulting companies will all be eligible to remain as constituents as long as each meets the eligibility requirements. The Index will remain at 30 names and therefore one or more companies will have to be dropped. The determination of which company will remain a constituent will be made by Cushing.</p>
Bankruptcy	<p>An Index constituent will be removed and replaced immediately after a bankruptcy filing. Exceptions are made on a case-by-case basis. For example, a security might not be removed immediately when a bankruptcy filing is not a result of operating or financial difficulties.</p>
Delisting	<p>An Index constituent will be removed and replaced immediately after being delisted from its primary market.</p>

Distribution Dividend Cut	or	An Index constituent will be removed and replaced upon the announcement of a distribution or dividend cut. The change will take place after the markets close on the later of a) the ex-date or b) the last Business Day of the week, provided that the Business Day is at least five (5) Business Days after the date of the announcement.
Conversion from MLP to another legal structure		An Index constituent that represents limited or general partner interests of an MLP will not be removed from the Index solely because of conversion of the MLP to another legal structure. The constituent will remain in the Index unless the structure change occurs coincident with one of the events described above that would cause an interim constituent change (e.g., a distribution cut).

Interim constituent changes will be announced via a press release and on the Index's website, <http://www.cushingasset.com/indices>.

Section 5. Index Calculation and Dissemination

This section summarizes calculation and dissemination practices, quality assurance practices, and the circumstances requiring calculation corrections.

5.1. Price Calculation

Price and total return levels for the Index are calculated by S&P Dow Jones Indices. The Index price level (ticker: MLPY) is calculated during each trading day on a real-time basis, and the Index total return level (ticker: MLPYTR) is calculated and disseminated on an end-of-day basis. Each Index level is

calculated using the last traded price for each constituent in the Index from the relevant exchanges and markets. Index levels are rounded to two decimal places and divisors are rounded to 14 decimal places.

5.2. Calculation Frequency and Dissemination

The Index price level is calculated during each trading day on a real-time basis beginning when the first traded price of any of the Index constituents is received by S&P Dow Jones Indices. Prices are delivered to the New York Stock Exchange every 15 seconds and subsequently published to data vendors under the ticker symbol “MLPY”. Index total return levels are calculated at the end of each day and are disseminated to data vendors under the ticker symbol “MLPYTR”. Additionally, daily history for both Index levels is posted on the Index’s publicly available website, <http://www.cushingasset.com/indices>.

If trading in a constituent is suspended prior to the market opening, the constituent’s adjusted closing price from the previous day will be used in the Index calculation until trading commences. If trading in a constituent is suspended while the relevant market is open, the last traded price for that constituent will be used for all subsequent Index calculations until trading resumes.

5.3. Input Data

S&P Dow Jones Indices uses various quality assurance tools to audit, monitor, and maintain the accuracy of its input data. While every reasonable effort is taken to ensure high standards of data integrity, there is no guarantee against errors. Please refer to Section 5.4 (Data Correction) for more detail.

The Index closing level is calculated using the closing prices issued by the primary exchange for each constituent in the Index. If the primary exchange changes the closing price of a constituent, the new price will be used to calculate the Index closing level. A final check of closing prices is generally performed within one and one and one half hours after the close of markets. This time frame may be expanded at S&P Dow Jones Indices’ discretion on days where trading volume is unusually large at the close. For example, futures and options expiration dates, and large index rebalancing dates often result in

unusually large volume. Only changes received prior to this final check are used in the closing level calculation.

5.4. Data Correction

Incorrect Index constituent data, corporate action data, or Index divisors will be corrected upon detection. If such errors are discovered within five days of occurrence, they will be corrected that same day. If discovered after five days, adjustments will be handled on a case-by-case basis depending on the significance of the error and the feasibility of a correction. Announcements will be made via a press release and on the Index's website, <http://www.cushingasset.com/indices>, prior to the change becoming effective. Incorrect intraday Index tick data will not be corrected. However, incorrect opening and closing levels will be corrected as soon as possible after detection.

Cushing® is a registered trademark of Swank Capital, LLC. The Cushing® MLP High Income Index (the "Index") is the exclusive property of Swank Capital, LLC, and Cushing Asset Management, LP, which have contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) ("S&P Dow Jones Indices") to calculate and maintain the Index. S&P® is a registered trademark of Standard & Poor's Financial Services LLC ("SPFS"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and, these trademarks have been licensed to S&P Dow Jones Indices. "Calculated by S&P Dow Jones Indices" and its related stylized mark(s) have been licensed for use by Cushing Asset Management, LP. Neither S&P Dow Jones Indices, SPFS, Dow Jones nor any of their affiliates sponsor and promote the Index and none shall be liable for any errors or omissions in calculating the Index.