Chickasaw Capital Management

JULY 12, 2020

MIDSTREAM UPDATE

SECOND QUARTER 2020

If we were to look at this quarter in a vacuum, no doubt one would be pleased by the Alerian MLP TR Index (AMZX) return of +50.3%. However, while we are encouraged to see this quarter begin to put the pieces back together and stage a recovery, we firmly believe more recovery is at hand, particularly given the low valuation point the sector was at before reaching extreme lows. On June 30th, the AMZX traded at 4.6x price to distributable cash flow (DCF) per unit, which remains below the December 2008 low of 5.6x. We'll provide updated thoughts in our Valuation section later in this letter.

From whatever point one might argue is the "right" valuation data point, we have to ascribe some of this quarter's move to the beginnings of mean reversion. We also have to ascribe a good portion to macro green shoots from gradual global, federal and state re-openings, and to Midstream companies focusing on self-help to highlight the resiliency of their business cash flow as well as proactively taking measure to protect their balance sheets for any environment.

Discussing company specific actions further, in the "Company Preparedness" section of last quarter's commentary we discussed the initial actions companies were taking and what further they could do. Through this past quarter's reporting season, we estimate that, collectively, companies have protected profitability and balance sheet health through:

- $7.0 billion of reductions to 2020e growth capital expenditures
- $4.4 billion of annualized reductions to operating and selling general & administration (SG&A) expenses
- $4.8 billion of annualized reductions to dividends and distributions

There is the possibility that these figures will continue to contribute to additional financial strength as we get further through 2020. On the whole, companies were taking their best, first cuts at becoming more efficient with these initial savings estimates, but they nearly all expressed belief that they can do even better with continued organizational efforts. While the $7 billion reduction in 2020e capital expenditures may not be able to continue to decrease by the same magnitude for the remainder of the year given that much of what is budgeted is for construction of assets which had already begun, 2021e capital expenditures are forecasted to be significantly lower. Wells Fargo estimates that 2021e will be $24 billion vs. $29 billion in 2020e, both of which are down from prior estimates of $38 billion and $34 billion, respectively. They also estimate free cash flow to be $30 billion in aggregate in 2021e[1]. We wonder what the industry will do with all that free cash as we get into 2021?

In addition to listening for further cost enhancement measures, we think we will hear during earnings season that Q2 2020 earnings are the trough. Historically, the second quarter represents the lowest quarterly earning period due to the seasonal transition from spring to summer (less heating and cooling) and only encompassing one month of summer driving. This year will also add the full brunt of production shut-ins from April and May, and lower refined product demand. Nevertheless, we still expect the stability of the cash flow generation from Midstream assets to show resiliency in the face of these headwinds, which could give

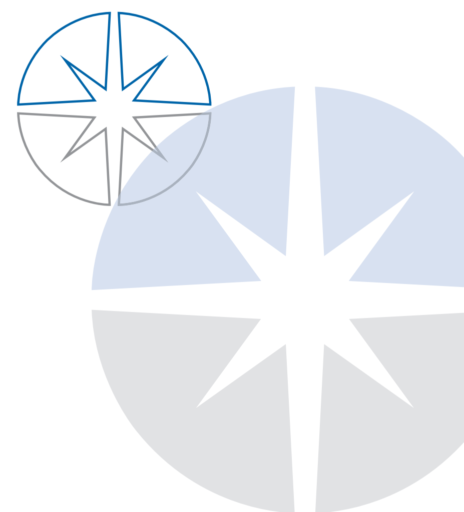
[1] Wells Fargo Securities, "Midstream Monthly", July 6, 2020

MLP COMPOSITE

Annualized Return

Trailing as of 6/30/20	Net	Alerian MLP Total Return	S&P 500 Total Return
Month-to-Date	-5.33%	-7.87%	1.99%
Quarter-to-Date	47.48%	50.18%	20.54%
Year-to-Date	-36.52%	-35.71%	-3.08%
1 Year	-41.27%	-41.43%	7.51%
3 Year	-19.08%	-16.79%	10.73%
5 Year	-15.29%	-12.85%	10.73%
10 Year	3.07%	-1.41%	13.99%
Inception	2.90%	1.88%	8.38%

Please note *Additional Information* on final page.



"value" investors confidence to assign trough multiples to trough cash flow and have a more fulsome assessment of near-term price versus long term intrinsic values. In conversations with management teams throughout June and in July to date we are hearing near consistency that volumes have mostly returned to pre-COVID levels, and the current oil price environment is allowing producers to keep volumes flat at a minimum. We expect further disclosure of an improving supply environment on quarterly calls as well.

Buffett Makes a Move in Midstream.

When asked in our interactions over several years, "what could be a shot in the arm for Midstream valuations", in almost every instance we've replied "you could wake up and see Berkshire Hathaway Inc (BRK/A, $273,900) come in a buy one of these companies or set of assets." We got just that July 5th with Berkshire Hathaway's announcement that, through its subsidiary Berkshire Hathaway Energy, it agreed to purchase Dominion Energy Inc's (D, $73.58) natural gas transportation and storage assets for a total transaction of $9.7 billion, representing a ~10x enterprise value to earnings before interest, taxes, depreciation and amortization (EV/EBITDA). Through existing assets, Berkshire Hathaway Energy already transported nearly 8% of U.S. natural gas volumes, and this merger potentially increases their market share to 18%. The last time we saw Berkshire make a major acquisition was its initial foray into gas pipelines in 2002 with the purchase of Kern River and Northern Natural Gas pipelines in the wake of the post-Enron fallout.

Knowing Mr. Buffett's penchant for owning businesses with attractive valuations and strong competitive moats, we believe this deal hits these and other hallmarks. Similar to 2002, valuations in the space remain historically low and the current value of "pipe in the ground" has only increased due to recent regulatory headwinds, which have impacted certain project developments. Admittedly, these headwinds have also impacted sector valuations, which has presented the opportunity for Berkshire and others to purchase assets and/or securities at attractive levels. We would also add that Berkshire probably received the favorable price it did because it assumed $6.7 billion of debt that D was carrying which, if this suite of assets was a security, would be debt/EBITDA levered greater than 6.5x. This leverage metric is well north of diversified Midstream gas pipeline companies such as Williams Cos Inc (WMB, $18.55) and Kinder Morgan Inc. (KMI, $14.24), which carry leverage less than 4.5x and trade at lower multiples. How Berkshire plans to handle the debt leverage internally is not known.

Ultimately, the underlying predominantly fee-based cash flow profile of these companies with increasing free cash flow, due to lower future capital expenditure, gives us and others confidence in owning these companies with a long-term perspective. Lastly, we found the Wall Street Journal's observation interesting: "in the 12 months before [Buffet] announced the 2009 purchase of railway BNSF, its three Class 1 competitors—Union Pacific, CSX Transportation and Norfolk Southern Railway—had an average total return of negative 10%. They returned nearly 50% over the following 12 months"[2].

Demand Across Hydrocarbons.

Again, you would be tempted to think there remains a decreasing fundamental picture and not a stable and recovering one, given the current valuation of the sector. Let's start with the prevailing conversation regarding crude related products demand. Demand for crude oil refined products continues to show increasing signs of recovery, but still below historical levels. Our Chickasaw Gasoline Demand Model indicates that we have retraced ~90% of gasoline demand that was lost in March and April, but shows a modest 150 MBpd of downside risk to near-term gasoline demand based on current State reopening and reclosure plans (**as a reminder we launched this model in Q2 and would encourage you to reach out to your CCM representative if you would like discuss in greater detail*). While we expect any near-term demand loss to potentially continue its rebound, we note that our estimate is fluid given the dynamic recovery we are seeing with various re-openings. Diesel demand has remained consistent with previous forecasts and is down 15% year over year. Lastly, Jet Fuel demand remains 40-50% of its former 8 MMBpd of global demand, and will most likely remain the largest missing component in getting back to 2019's global crude oil demand of 101 MMBpd.

We continue to estimate that U.S. production will end the year down over 1 million barrels per day (MMBpd) to ~12 MMBpd, and assuming a lack of price signals to stimulate significant new drilling investment dollars, production could bottom out around ~10 MMBpd, or about a loss of 3 MMBpd in aggregate through 2022. This is slightly more conservative than our 2.5 MMBpd reduction scenario we discussed in March and April, but we would emphasize that this relies on a host of assumptions going out through 2022 (spending) and 2023 (actual drilling) that could and are likely to change.

Demand for natural gas liquids (NGLs) has been strong due to international demand for propane and butane primarily for residential heating needs, as well as from U.S. petrochemical companies where plastic demand has remained resilient and these companies have wedded themselves to U.S. ethane for the production of ethylene. We note demand for these dominant components of the NGL chain is during the current environment, which implies we could be too conservative in our production forecasts above as U.S. producers turn on more liquids-directed

[2] Wall Street Journal, "Warren Buffett's Bet Is a Midstream Buying Signal", July 6, 2020.

drilling to take advantage of prices for those components. The U.S. remains the lowest cost NGL producer due to the imbedded Midstream infrastructure advantage we possess, and could rapidly meet increases in demand should we see further strength.

Natural gas demand has also remained strong, and total U.S. demand YTD is estimated to be up ~5% compared to this time last year. This demand increase has been supported by the power sector (up ~9% YTD), which has benefitted from low natural gas prices and new combined-cycle natural gas plants that have come online over the past few years. Industrial demand has also remained strong despite economic impacts from COVID 19 and is up ~3% YTD[3].

Commodity Prices.

As mentioned above, we have seen a strong rally in certain NGL prices due to consistent demand and lower supply from reduced drilling. Year-to-date through July 2nd, ethane is up 16.7%, propane is up 12.4%, and butane is down (32.2%)[4]. Given that ethane and propane typically represent 70-75% of the NGL "barrel" this has kept prices relatively flat year over year, versus WTI crude oil which is down (29.3%) over the same time period. We see the potential for continued NGL price strength in 2020 and 2021 as less near-term U.S. supply is produced in a world that demands more. We believe our work is fundamentally different and more bullish than what we have seen published elsewhere, which impacts the current portfolio positioning discussed at the end of this letter.

WTI appears to be finding a footing between $35-40/barrel. This is likely not high enough to incentivize significant, long term drilling capital as returns aren't merited at these price levels. However, in the near term it has brought back the majority of production that was shut-in from March through May so that exploration & production (E&P) companies can cover costs and generate cash flow.

Thinking beyond the next 6 months on crude oil price, we highlight the viewpoint of J.P. Morgan's European Oil & Gas team which forecasts the lack of investment dollars through 2022 could lead to a fundamental undersupply of oil leading to the potential for significantly higher prices[5]. Their model assumes a permanent 3 MMBpd of lost crude oil demand by the end of 2021, and that is more than offset with a 5 MMBpd supply shortfall through 2022 due to the lack of current investment. The result could be a supply/demand deficit that implies $600 billion of investment through 2030 to re-balance the market.

Extrapolating the current capital markets sentiment out in the future, the capital required may not be available even if it is needed, which possibly reinforces a higher, stable price outlook. Similar to our internal production model where we discussed a host of factors that are bound to be different thus influencing the outcome, the same could be true here. However, given that Midstream securities have been increasingly correlated to the price of crude oil, more so than we would care for, we believe this is a call option that exists on top of the positive, fundamentally driven total return outlook.

Regulatory Items.

It's been a busy summer of regulatory developments. We discussed several positive developments in our last Weekly Midstream and Market Pulse newsletter, which we encourage you to review.

The week of July 6th, we got a more mixed bag of regulatory issues to parse through. The first to address is the decision by D.C. District Judge James E. Boasberg who ordered the Dakota Access Pipeline (DAPL) be shut down by August 5th until a final environmental impact statement (EIS) for the pipeline is completed, which may take longer than a year. DAPL is a 1,170 mile pipeline that transports 570 thousand barrels per day (MBpd) from the Williston Basin in North Dakota to points of delivery in Illinois and on the U.S. Gulf Coast. It is a joint venture between Energy Transfer LP (ET, $6.44), Enbridge Inc. (ENB, $29.60), Phillips 66 Partners LP (PSXP, $31.24), MPLX LP (MPLX, $17.48), and Exxon Mobil Corp (XOM, $42.65)[6].

From what we understand, this is the first time a pipeline has been ordered to be shut down after already being in service—in this case for over 3 years without incident—and the result has created plenty of legal and investor confusion. The owners have begun an expedited process within the D.C. Circuit Court system to receive a stay or reverse the lower court decision, or, if the circuit panel sides with the lower court, the owners can petition the Supreme Court. The introduction of this potentially new precedent increases the complexity of assessing odds and potential financial impacts, but we will be keenly observing each step of the process to glean incremental information as we continue to evolve our perspective. Though, it's important to point out that if the pipeline were shut down there would be 300-400 MBpd of crude that transfers to higher cost rail delivery, which has a less environmentally-friendly history. Additionally, the derivative economic ramifications on producers, Midstream, refiners, their employees, and customers who could see higher gasoline prices. Neither the environmental nor financial impacts appear to have been considered in the decision. If you would like to discuss various scenarios for any of the owners of the pipeline in more detail, we encourage you to reach out to your CCM representative and set up a time to visit by phone and we will update you as we have information.

[3] EIA Natural Gas Weekly, IHS Markit data as of 6/24/20
[4] Bloomberg, LP
[5] J.P. Morgan, "Global Energy Analyzer: Supercycle on the Horizon II", June 12, 2020
[6] ET 36.4%, ENB 27.4%, PSXP 25%, MPLX 9.2%, XOM 2%

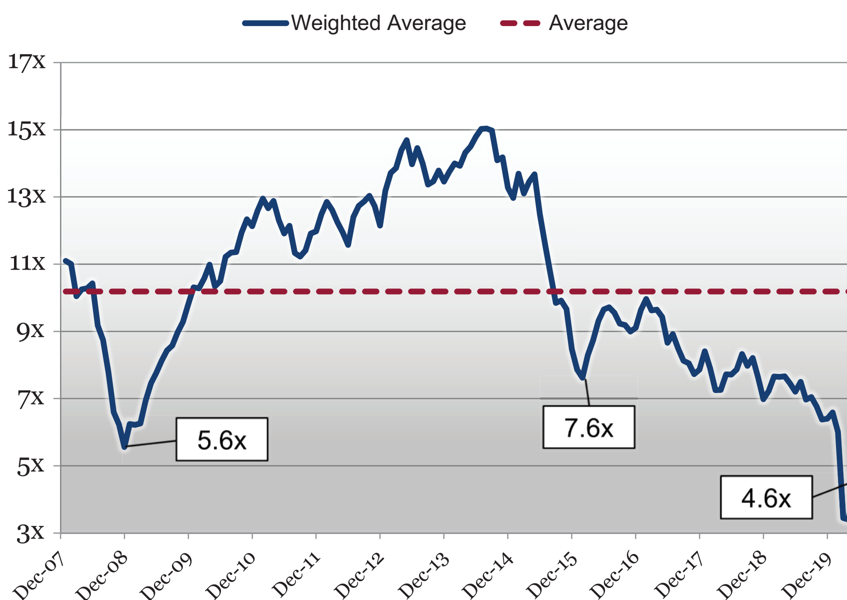
We don't think this is an industry issue for several reasons. First, the ruling was narrow in scope and related to the discrete issue of the Army Corps of Engineers (ACE) performing an environmental assessment (EA) versus an EIS during permitting. It also applies only to a one-mile section of pipeline that runs 90 to 150 feet underground Lake Oahe, even though Judge Boasberg ordered the entire 1,170-mile pipeline to be shut down, which itself is a point of confusion. Second, legal experts have indicated that the majority of other liquids pipelines receive an EIS during their permitting with their respective state which is used in federal reviews. Third, natural gas pipelines receive their EIS from the Federal Energy Regulatory Commission (FERC) during their application and permitting process thus eliminating this potential susceptibility.

The other regulatory development came from the review of TC Energy Corp's (TRP, $41.77) request to utilize the Nationwide Permit 12 (NWP 12) in the sanctioning of its twelve-years-in-the-making Keystone XL project which plans to deliver Canadian crude barrels to the U.S. Gulf Coast. The NWP 12 is used to give broad permitting authority for water crossings of all types (rivers down to puddles) for various infrastructure projects, which includes interstate pipeline projects. District Court Judge Morris in Montana ruled on April 15th that this permit was invalid for Keystone XL and for any project nationwide. On May 11th, Judge Morris denied a request to narrow the scope of the ruling to apply only to Keystone XL, though the scope of the ruling was narrowed to exclude non-pipeline projects such as electric transmission lines. On July 7th, the Supreme Court ruled that the court could deny the project's use of the NWP 12 for Keystone XL, but said that it could <u>not</u> be applied broadly to all pipelines currently using NWP 12.

The headline read negatively because we believe Keystone XL has been a punching bag of the media for so long. However, we view it as a positive in two ways. First, if the Supreme Court had affirmed the original ruling's broader application to other projects, it could have stopped several projects under construction and caused unnecessary costs and delays. Second, Keystone XL still has a good likelihood of getting done on time and on budget in 2022/2023 as their construction schedule accounted for securing individual water crossing permits, but were hoping to smooth the process with the NWP12 exemption. Lastly, the longer Canadian crude barrels are logistically constrained, the more opportunity is presented in the interim to have Midstream companies with U.S. assets facilitate their movement to the U.S. Gulf Coast.

Valuation and Portfolio Review.

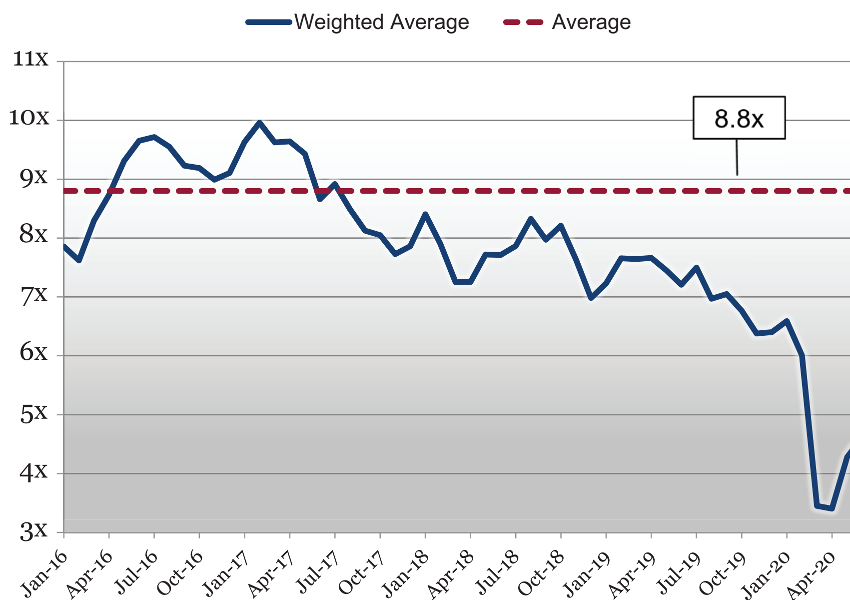
As mentioned in the "Second Quarter Review" the 4.6x Price DCF for the AMZX remains below the 2008 low of 5.6x, and well below the long-term average since the end of 2007 of 10.2x.



Bloomberg, Chickasaw

We also think that it's instructive to isolate the more extreme period of volatility that has occurred since the beginning of 2016 which shows that even in this time period the average P/DCF is 8.8x representing 91.3% potential recovery solely on mean reversion. This ignores the estimated 12.1% yield on the AMZX on 6/30/20[7].

Alerian Weighted P/DCF (Jan '16 – Jun '20)



Average = 8.8x | Current = 4.6x | Minimum = 3.4x

Bloomberg, Chickasaw

We continued to use the quarter to high grade the portfolio, and position it well for an uncertain environment. We believe this means owning companies at appropriate weights should investor sentiment towards fundamental and valuation improvement accelerate in a more positive manner.

More specifically, we are carrying what we believe to be a more conservatively positioned name such as Magellan Midstream Partners LP (MMP, $41.02) at the highest weight in the firm's history. That is balanced with a name such as Targa Resources Corp (TRGP, $17.86), which provided an excellent guidance update on their quarterly call, given the macro circumstances, and is on a path towards accelerated de-leveraging and potentially a re-valuation higher over time. We also believe large weights in natural gas pipeline focused names such as WMB, and KMI need to be balanced with small, but potentially meaningful, weightings in certain gathering and processing names should valuations revert anywhere close to long term averages—this also expresses our bullish outlook on NGL prices.

In the middle of the quarter, we took some risk out of the portfolio by eliminating ONEOK Inc. (OKE, $26.72). They continue to have an enviable, competitive franchise in Bakken NGLs, but the investment thesis always hinged on a large amount of capital invested, and the cash flow from which would quickly de-lever the company. This thesis was derailed by the most recent interruption of volumetric growth in this key basin, and now the capital is spent but the outlook for cash flow de-leveraging is uncertain. We sensed incongruity between fundamentals and the outlook provided by management on their Q1 call, which was later proven out with what we believe were two ill-advised offerings, one of debt and one of equity. We look forward to discussing these and other aspects of the portfolio strategy with you in the weeks to come.

[7] Bloomberg, LP

Conclusion.

Thank you to our investors. We know from our many conversations that you agree with the fundamental and discounted valuation profile of the sector, but that the volatility has been elevated in the current environment. We remain at your service and look forward to continuing to share our research and opinions.

Geoffrey Mavar   Matt Mead   Robert Walker   Bryan Bulawa

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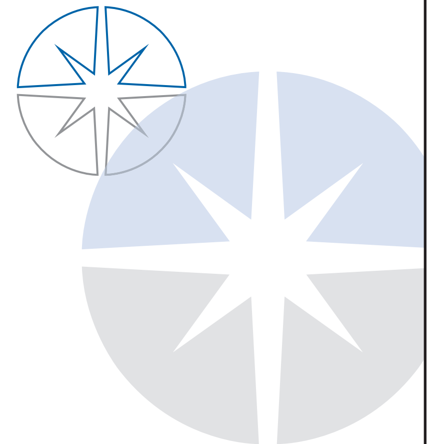

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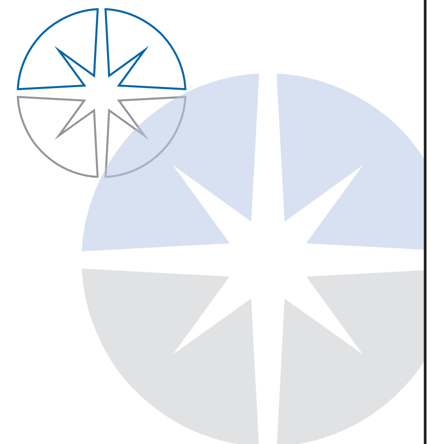
Distributable Cash Flow (DCF) is calculated as net income plus depreciation and other noncash items, less maintenance capital expenditure requirements. Distributable cash flow (DCF) data is CCM calculated consensus of Wall Street estimates. The estimated consensus weighted average distributable cash flow (DCF) per unit growth rate for the AMZ and our Model Portfolio incorporates market expectations by using the average annual growth rate using rolling-forward 24-month data. DCF growth rate is not a forecast of the portfolio's future performance. DCF growth rate for the portfolio's holdings does not guarantee a corresponding increase in the market value of the holding or the portfolio.



Distributions are quarterly payments, similar to dividends, made to Limited Partner (LP) and General Partner (GP) investors. These amounts are set by the GP and are supported by an MLP's operating cash flows.

EBITDA is earnings before interest rates taxes depreciation and amortization.

Growth CapEx or Growth Capital Expenditures refers to the aggregate of all capital expenditures undertaken to further growth prospects and/or expand operations and excludes any maintenance and regulatory capital expenditures.

Leverage is net debt divided by EBITDA.

Yield refers to the cash dividend or distribution divided by the share or unit price at a particular point in time.

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PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

Chickasaw MLP SMA Composite | October 31, 2006 – June 30, 2020

6/30/20	ANNUALIZED RETURN (%)			CUMULATIVE RETURN (%)		
	Net-of-Fees Return	Alerian MLP Total Return*	S&P 500 Total Return*	Net-of-Fees Return	Alerian MLP Total Return*	S&P 500 Total Return*
Month-to-Date	-5.33	-7.87	1.99	-5.33	-7.87	1.99
Quarter-to-Date	47.48	50.18	20.54	47.48	50.18	20.54
Year-to-Date	-36.52	-35.71	-3.08	-36.52	-35.71	-3.08
1 Year	-41.27	-41.43	7.51	-41.27	-41.43	7.51
3 Year	-19.08	-16.79	10.73	-47.01	-42.38	35.77
5 Year	-15.29	-12.85	10.73	-56.38	-49.74	66.45
10 Year	3.07	-1.41	13.99	35.32	-13.25	270.31
Inception	2.90	1.88	8.38	47.82	28.98	200.22

Year	Net-of-Fees Return (%)	Alerian MLP Total Return* (%)	S&P 500 Total Return* (%)	Number of Portfolios	Annual Composite Dispersion (%)	Composite 3-Year Ex-Post Standard Deviation (%)	Alerian MLP 3-Year Ex-Post Standard Deviation (%)	S&P 500 3-Year Ex-Post Standard Deviation (%)	Total Composite Assets (USD mil)	Total Firm Assets (USD mil)	Bundled Fee Assets as a % of Total Composite Assets
2020 YTD	-36.52	-35.71	-3.08	480	NA	NA	NA	NA	873	2053	23.14
2019	9.00	6.56	31.49	546	0.89	18.87	17.70	11.93	1812	3472	17.94
2018	-21.08	-12.42	-4.38	707	1.02	20.70	18.10	10.80	1968	3513	18.60
2017	-8.40	-6.52	21.83	817	0.72	21.93	19.06	9.92	2272	4915	20.55
2016	25.61	18.31	11.96	891	2.02	23.37	19.95	10.59	2490	5015	19.53
2015	-31.46	-32.59	1.38	421	1.57	20.39	18.50	10.47	1187	3108	9.14
2014	21.71	4.80	13.69	251	1.38	14.91	13.54	8.97	1292	3054	4.74
2013	46.64	27.58	32.39	166	3.23	13.04	13.43	11.94	988	1933	2.86
2012	15.87	4.80	16.00	118	2.17	13.17	13.37	15.09	563	949	NA
2011	22.30	13.88	2.11	98	2.05	18.82	17.19	18.71	406	690	NA
2010	43.59	35.85	15.06	76	4.45	NA	NA	NA	170	393	NA
2009	111.65	76.41	26.46	18	NA	NA	NA	NA	37	289	NA
2008	-59.75	-36.92	-37.00	3	NA	NA	NA	NA	0.7	224	NA
2007	4.83	12.72	5.49	1	NA	NA	NA	NA	0.5	346	NA
2006	5.84	6.03	3.33	1	NA	NA	NA	NA	0.4	334	NA

Firm and Composite Information: Chickasaw Capital Management, LLC ("CCM") is an independent investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. CCM manages a variety of equity, fixed income, and balanced assets for wealthy families and institutions with a focus on master limited partnerships ("MLPs"). The Chickasaw MLP SMA Composite (the "Composite") consists of fee-based, discretionary accounts that invest in MLPs and MLP affiliates that trade on U.S. stock exchanges. The Composite was created in August 2009 and prior results contain historical data. All historical performance was constructed in accordance with the composite construction policies set forth within the firm's policies and procedures. All underlying accounts were treated on a consistent basis with respect to composite inclusion. As of 5/31/2015, the minimum account size for inclusion into the Composite is $75,000. Accounts will not be removed from the Composite if they fall below the minimum due to market fluctuations or client withdrawals.

***Benchmark:** The benchmark is the return of the Alerian MLP Total Return Index ("Alerian") and the S&P 500 Total Return Index ("S&P 500"). The Alerian is a market-capitalization weighted index composed of the most prominent energy Master Limited Partnerships. The S&P 500 is a market-capitalization weighted, broad-based securities market index containing the 500 most widely held companies chosen with respect to market size, liquidity, and industry. As of 6/30/15, the Alerian was added as a primary benchmark to provide additional information and was applied retroactively. As of 12/31/2011, the benchmark changed to the S&P 500 Total Return Index from the S&P 500 Principal Only Index and was applied retroactively. The index information is included merely to show the general trend in the markets for the periods indicated and is not intended to imply that a client's investment portfolio will be similar to the index either in composition or risk. The volatility of the S&P 500 and the Alerian may be materially different from that of the strategy depicted, and the holdings in the strategy may differ significantly from the securities that comprise the S&P 500 and the Alerian. The S&P 500 and the Alerian are unmanaged and are not assessed a management fee and other expenses typically associated with a managed account or an investment fund. Investments cannot be made directly in a broad-based securities index.

Performance Calculations: Valuations and returns are computed and stated in U.S. Dollars. The performance shown is for the stated time period only; due to market volatility, each account's current performance may be different. Returns are calculated using a time-weighted rate of return ("TWR") calculation methodology. TWR is computed by calculating a simple rate of return between each period, and linking them. Results reflect the reinvestment of dividends and other earnings. As of 6/30/13, the Composite contains portfolios with "bundled" and "non-bundled" fees. "Bundled" fees include investment management fees as well as other sponsor platform fees that include but are not limited to transaction costs, custodial fees, advisory, and other administrative fees. Pure gross returns are presented as supplemental information to the net-of-fee returns due to certain portfolios not paying a transaction cost in a "bundled" fee structure. Pure gross performance is also presented gross of all investment management fees; gross of custodial fees in "non-bundled" portfolios; gross of all "bundled" fees charged by the platform sponsor; net of transaction costs on "non-bundled" portfolios; and net of withholding taxes. Net-of-fee returns are presented net of actual investment management fees; net of trading expenses; net of actual "bundled" fees; net of withholding taxes; and gross of custodial fees for "non-bundled" portfolios. The standard management fee for the MLP strategy is 1.50% per annum. Additional information regarding CCM's fees is included in its Part II of Form ADV. The Gross-of-fees return and Net-of-fees return for 2006 are the same since the return is measured from 10/31/2006 to 12/31/2006 and no fees were charged during that two month period. Dispersion is calculated using the asset-weighted standard deviation of all accounts included in the Composite for the entire year. Dispersion is not presented for periods less than one year or when there were five or fewer portfolios in the Composite for the entire year. Three -year ex-post standard deviation is not presented prior to 2011 as this was not required. Differences in account size, timing of funding or transactions in securities and other market conditions may cause the performance of any account to differ from that of other accounts managed by CCM and/or that of the Composite. Differences in the methodology used to calculate performance might also lead to different performance results than those shown. Additional information regarding CCM's policies and procedures for valuing portfolios, calculating performance, and reporting performance results is available upon request.

GIPS Compliance Statement: Chickasaw Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Chickasaw Capital Management, LLC has been independently verified for the periods 01/01/06 – 12/31/18. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. A complete list and description of composites is available upon request.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.