

# STORE

SOME ENERGY IN YOUR PORTFOLIO

## The Alerian MLP ETF

With a single form 1099 that does away with the burdens of K-1 or state filings, the new Alerian MLP ETF creates an MLP access product focused on energy infrastructure. Master Limited Partnerships (MLPs) operate physical assets such as pipelines that transport or tanks that store natural gas, crude oil, and refined products. Their toll-road businesses own hard assets that are the backbone of United States infrastructure. **Store some energy in your portfolio in one word: Alerian.**



NYSE ARCA: **AML**P

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**Alerian**

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ETF: Exchange-Traded Fund.

**Investors should carefully consider the investment objectives, risk, charges and expenses of any exchange traded fund prior to investing. For a prospectus containing this and other information, please visit [www.alerianmlp.com](http://www.alerianmlp.com) or call 1-877-398-8461. Please read the prospectus carefully before investing.**

The Fund's concentration in securities of MLPs involves risks that differ from investments in common stock, including risks related to: (1) limited control and voting rights; (2) potential conflicts of interest with its general partner; (3) dilution; and (4) the general partner's limited call right. Actual results, performance or events may also be affected by, without limitation, (1) general economic conditions, (2) performance of financial markets, (3) interest rate levels, (4) changes in laws and regulations and (5) changes in the policies of governments and/or regulatory authorities. An investor's shares, when sold, may be worth more or less than their original cost. Some MLPs pay incentive distribution fees to their general partners. MLPs Infrastructure companies are subject to risks specific to the industry they serve including, but not limited to: reduced volumes of commodities for transporting; changes in regulation; and extreme weather. The Fund is taxed as a regular corporation for federal income purposes, which reduces the Net Asset Value of fund shares by the accrual of any deferred tax liabilities. Depending on the taxes paid by the fund as a result of income and/or gains from investments and/or the sale of MLP interests, the return on an investment in the Fund will be reduced. This differs from most investment companies, which elect to be treated as "regulated investment companies" to avoid paying entity level income taxes.

Fund distributed by ALPS Distributors, Inc.

4Q FUND UPDATE | 12.31.11

## ETF Stats

Ticker:	AMPLP
Underlying Index:	AMZI
Listing Exchange:	NYSE Arca
CUSIP:	00162Q866

Dividends Paid:	Quarterly
Total Expense Ratio:	0.85%

## Investment Objective

The Fund seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of its underlying index, the Alerian MLP Infrastructure Index (the "Index").

## Fund Strategy

The Fund employs a "passive management" - or indexing - investment approach designed to track the performance of the Index. The Index is calculated using a capped, float-adjusted, capitalization-weighted methodology intended to give investors a means of tracking the overall performance of the United States energy infrastructure Master Limited Partnership ("MLP") asset class.

MLPs are publicly traded partnerships engaged in the transportation, storage and processing of minerals and natural resources. By confining their operations to these specific activities, their interests, or units, are able to trade on public securities exchanges exactly like the shares of a corporation, without entity-level taxation.

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S&P 500 Index is the Standard & Poor's composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices. One cannot invest directly in an index. Index performance does not reflect fund performance.

Correlation: A statistical measure of how two securities move in relation to each other.

## Description

- » The Alerian MLP Exchange Traded Fund (NYSE: AMPLP) delivers exposure to the Alerian MLP Infrastructure Index (NYSE: AMZI), a capped, float-adjusted, capitalization-weighted composite of 25 **energy infrastructure** Master Limited Partnerships that earn the majority of their cash flow from the transportation, storage, and processing of energy commodities.

## Why MLPs?

- » The sources of North America's energy commodities supply are on the move. As transportation dynamics change, **billions of investment dollars** will be required for **infrastructure**. We believe MLPs have been and will continue to be at the forefront of this value creation.
- » MLP returns have exhibited **insignificant correlation** with the S&P 500 market over nearly two decades.<sup>1</sup>
- » MLPs typically pay out most of their operating cash flow in the form of **quarterly distributions**.<sup>2</sup>

## Why Energy Infrastructure?

Thematically, MLPs represent an investment in the build-out of U.S. energy infrastructure over the next decade. These companies operate toll-road business models with:

- » Inflation **hedges** built into their contracts
- » Regional **monopoly** footprints
- » Inelastic **long-term demand** growth

## Alerian MLP ETF Potential Advantages

- » No K-1s – 1099 Tax Reporting
- » Qualified Dividends
- » No Leverage
- » Continuous Liquidity
- » IRA and 401k Eligible

## Alerian MLP ETF Risks

Investments in securities of MLPs involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs.

The benefit you are expected to derive from the Fund's investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the Fund's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment in the Fund.

<sup>1</sup> Source: Alerian. Past performance does not guarantee future results. There is no guarantee the Alerian MLP ETF will exhibit the same results.

<sup>2</sup> The current 25 constituents all pay quarterly distributions.